



DARE TO SOAR

University of North Carolina Wilmington

UNC PERFORMANCE FUNDING MODEL

University of North Carolina

- How to distribute funding for 17 institutions?
- How to evaluate performance?
- How to connect funding and performance?

UNC Funding Model: 1998

Enrollment Change/12-cell funding matrix

- Weighted Student Credit Hours (enrollment)
- Cat 1 undergraduate: 709 SCH generates 1 faculty position
- 1 SCH generates:
 - \$110 Faculty
 - \$154 Support
 - \$264 TOTAL
- Emphasis on growth, not quality or performance

History of UNC Accountability Efforts--1

- 2007 Voluntary Accountability Plan and Performance Measures (goals; not connected to budget)
 - Student Success (access, retention, graduation, affordability)
 - Outstanding Faculty (salaries, rewards, workloads, achievements, diversity)
 - Program Emphasis and Quality (degrees produced, teachers, STEM, learning outcomes)
 - Economic and Community Development (economic impact, research)
 - Facilities (residences, classrooms, offices, labs)
 - Effectiveness and Efficiency (PACE, IT services and security, number of administrators and staff)
 - Private Fundraising (endowment value, scholarships, professorships)

History of UNC Accountability Efforts--2

- 2008 VSA—Voluntary System of Accountability
 - Costs of attendance
 - Size of classes
 - Size, gender, and diversity of faculty
 - Degrees awarded
 - Programs
 - Retention
 - Results of Collegiate Learning Assessment (thinking, reasoning, problem solving, communication)

History of UNC Accountability Efforts--3

- Annual Accountability Reports (62 tables—not connected to budget)
 - Enrollment
 - Retention and Graduation Rates
 - Degree Production
 - Tuition
 - Financial Aid
 - Faculty
 - Utilization of Facilities
 - Endowment
 - Student/Administrator & Faculty/Administrator Ratios

History of UNC Accountability Efforts--4

- 2010 Performance Funding Planning
 - Link enrollment and performance (must qualify to grow)
 - Link performance and funding
 - Performance measures with goals

UNC Funding Model: 2012

Enrollment Change

PLUS

Incentives and Rewards for Improved
Performance (“**10 Performance
Funding Measures**”)

Formula for Performance Funding

- Achieve 7 out of 10 points (partial points awarded)
 - 5 points—5 core measures for all UNC institutions
 - Student Success
 - Retention
 - 6-year graduation
 - Degrees awarded per 100 FTE undergraduates
 - Degrees awarded to Pell grant recipients
 - Operational Efficiency
 - Composite index of UNC FIT (Finance Improvement and Transformation)

Formula for Performance Funding

- Achieve 7 out of 10 points (partial points awarded)
 - 5 points—5 campus-specific measures
 - Student Success
 - STEM + Health graduates
 - University Honors graduates
 - Community College transfer graduation
 - Operational Efficiency
 - Energy efficiency
 - Annual giving

Basis—Peer Comparison

UNIVERSITY OF NORTH CAROLINA WILMINGTON					
FIRST YEAR RETENTION RATES					
(sorted by 2010-11 rate, largest to smallest)					
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
College of William and Mary	96	95	96	95	95
The College of New Jersey	95	95	95	95	93
California Polytechnic State University-San Luis Obispo	91	90	89	91	91
James Madison University	92	91	91	92	91
SUNY at Binghamton	89	90	90	90	91
Truman State University	85	88	85	84	87
The University of Texas at Dallas	80	81	82	83	86
University of North Carolina at Wilmington	83	85	85	85	86
California State University-Chico	82	80	80	82	85
Towson University	79	82	82	84	85
Western Washington University	86	84	84	84	85
University of Maryland-Baltimore County	82	84	87	85	84
Rowan University	85	86	83	82	83
University of Northern Iowa	82	82	83	82	83
College of Charleston	80	82	79	82	81
University of Wisconsin-Eau Claire	82	82	85	86	80
University of Maine	79	78	76	79	79
Murray State University	73	75	73	72	70

Basis—Internal Benchmarking

FISCAL YEAR	TOTAL UTILITY COST \$	ELECTRIC USAGE, KWH	\$/KWH	GAS USAGE, THERMS	GAS COST, \$/DT	BTU / SQ.FT.	BTU/SQ FT CHANGE, % (cumulative)
2002	\$4,954,973	54,777,997	\$0.058	1,251,066	\$ 8.09	161,000	0
2003	\$5,024,377	56,644,518	\$0.058	1,224,510	\$10.49	154,600	-4%
2004	\$5,461,252	58,790,273	\$0.059	1,335,106	\$11.58	152,400	-5%
2005	\$6,305,216	62,664,798	\$0.062	1,426,857	\$13.20	138,300	-14%
2006	\$6,913,055	67,048,936	\$0.068	1,687,581	\$ 9.73	135,460	-16%
2007	\$7,685,095	72,108,933	\$0.070	1,586,638	\$10.71	132,873	-17%
2008	\$7,389,598	71,915,955	\$0.074	1,630,789	\$8.51	123,628	-23%
2009	\$7,575,106	74,226,280	\$0.077	1,749,154	\$6.40	114,857	-29%
2010	\$7,443,987	72,530,379	\$0.076	1,639,371	\$6.17	111,447	-31%

Next Steps

- Currently negotiating goals for 9 of 10 (not FIT) measures
- Discussion of measures and campus goals at October Board of Governors meeting
- Final approval at November Board of Governors meeting
- Incorporation into 2013-2015 biennial budget planning
- 2012-13 BoG Budget Request
 - \$17.4M enrollment growth
 - \$11.5M performance funding
- Actual
 - Enrollment growth partially funded
 - No performance funding
 - \$1M internal UNC funds for performance funding