# OACC

# College Success Institute

## SSI FUNDING FORMULA UPDATE & INSTITUTIONAL ANALYSIS

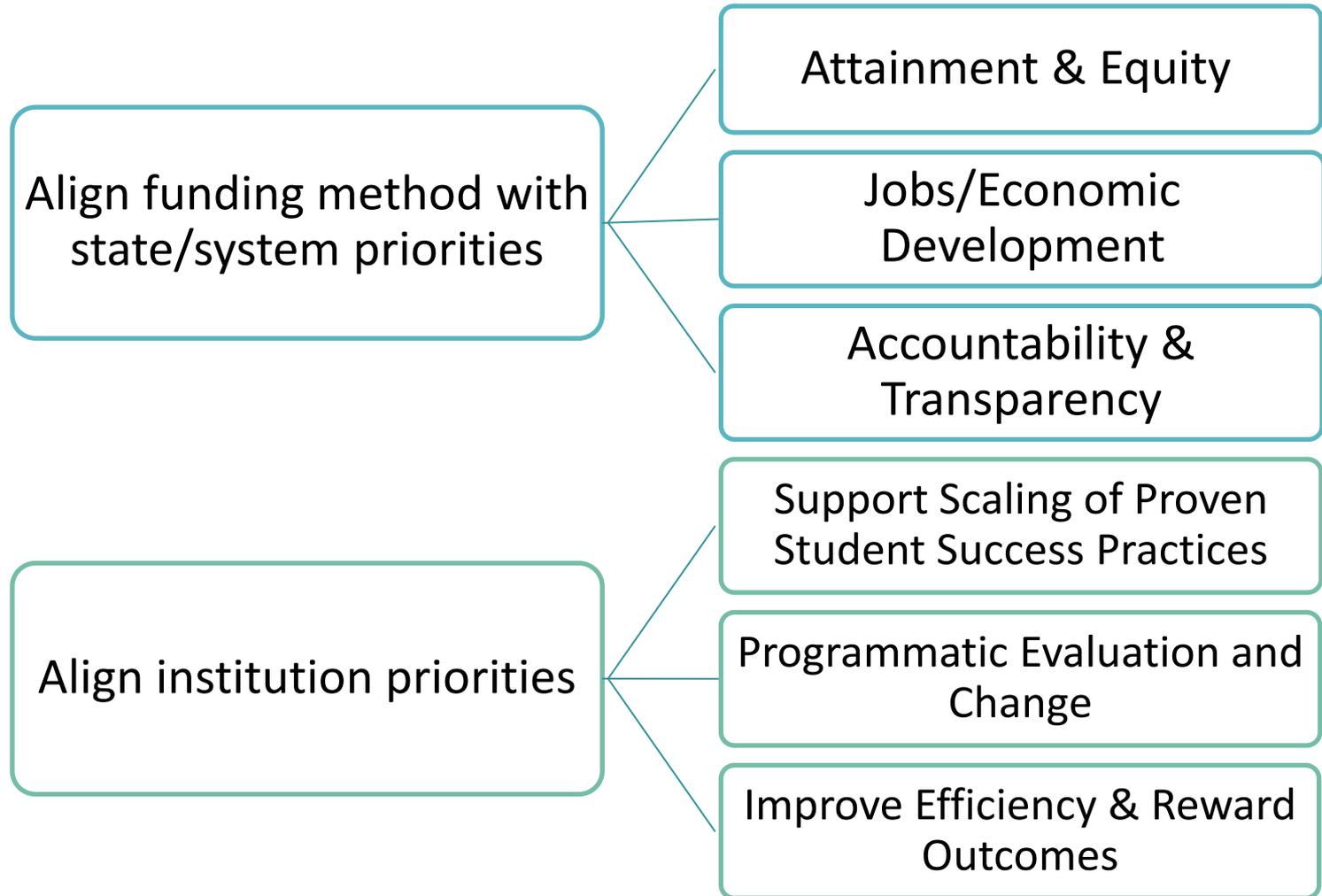FY 2016-17 FORMULA DETAILS

NEXT STEPS

INSTITUTIONAL ANALYSIS

February 9, 2017

# National Context

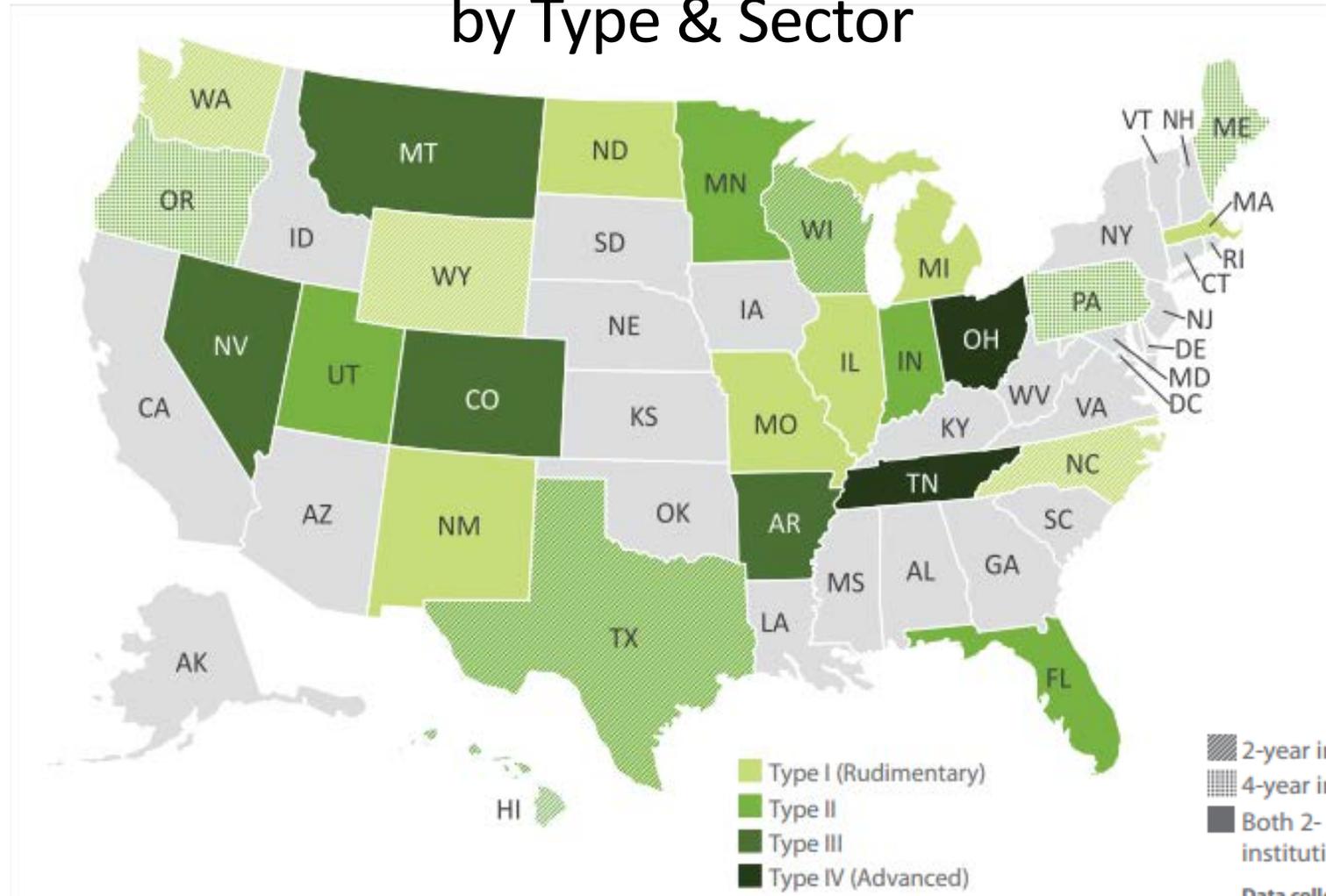RATIONALE, STATE TRENDS, FUNDING

# Policy Rationale for Funding for Outcomes

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**Align funding method with state/system priorities**
- Attainment & Equity
- Jobs/Economic Development
- Accountability & Transparency

**Align institution priorities**
- Support Scaling of Proven Student Success Practices
- Programmatic Evaluation and Change
- Improve Efficiency & Reward Outcomes

# States Developing and Implementing Outcomes-Based Funding Models



HI: Hawaii has implemented an OBF model for its two-year sector and is developing an OBF model for its four-year sector in FY 17
AR: Arkansas has implemented a Type III OBF model and has formed a work group to develop a more advanced OBF model

Implementing in FY 16
Developed/Not Implementing in FY 16
In Process/Task Forces

Data collected as of January 2016

# OBF Typology

State funding systems vary significantly in design, focus and sophistication. These range from historical or "base-plus" model to formula driven enrollment-based and outcomes-based funding. The latter creates incentives typically tied directly to state goals.

HCM Strategists has developed a typology for Outcomes-Based Funding ranging from Type I (Rudimentary) to Type IV (Advanced).

## Type IV
- State has completion/attainment goals and related priorities
- Base funding
- Substantial level of funding (25% or greater)
- All institutions in all sectors included
- Differentiation in metrics and weights by sector
- Degree/credential completion included
- Outcomes for underrepresented students prioritized

# States Implementing OBF in FY 16 by Type & Sector

# Funding Associated with OBF Models

- Wide variation in funding in scope, structure and sophistication in state funding models

- Outcomes funding formulas are comprised of four general components:
  - Progression and degree completion
  - Course completion
  - Mission funding
  - Non-OBF/other funding

In many states outcomes funding remains a small portion of state support to institutions

# Outcomes-Based Funding as Percentage of Overall State Institutional Support

Broken out by course completion, progression/degree completion and mission components
(all sectors combined)



Legend:
- Course Completion
- Progression and Degree Completion
- Other/Mission
- Total Non-OBF
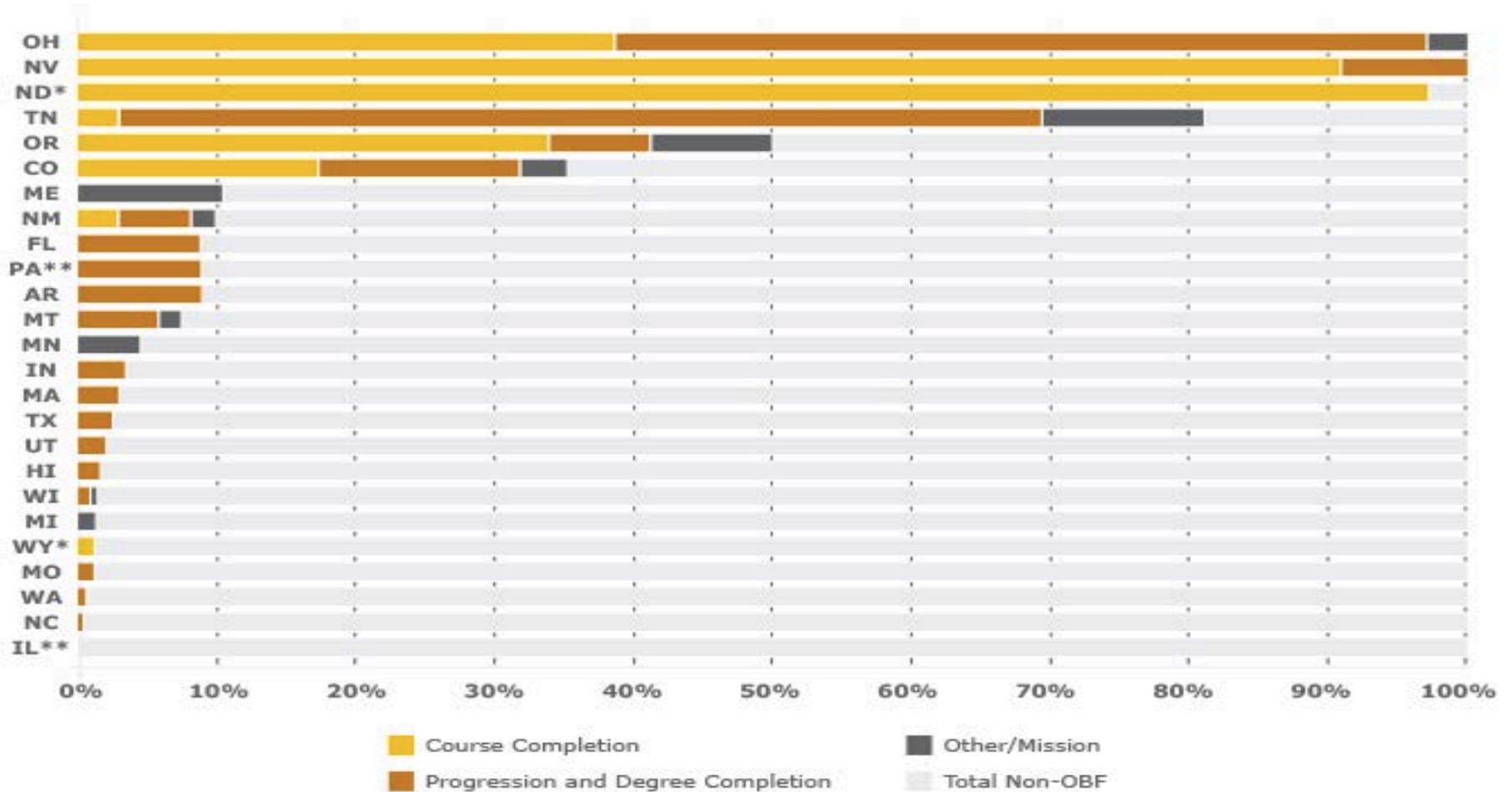
(2) (2) NC, TX, WA, WI, WY have OBF in 2-year sector only
*Course-completion only; no other measures such as degree completion are included
** Have not passed FY 2016 budgets and are operating on Continuing Resolutions. Data presented are from FY 2015Course-completion only; no other measures such as degree completion are included.

# Ohio SSI

TIMELINE, FY 2017 MODEL, NEXT STEPS

# Guiding Principles of the Consultation

➤ Hold true to the mission and priorities of community colleges of access, completion, quality and workforce development

➤ Incentivize institutions to adopt evidence-based practices to help them succeed

➤ Align with state priorities and initiatives

➤ Be simple to understand and communicate

➤ Develop model that is sustainable, consistent and reliable

# Ohio Community College Formula Recent History

## FY 2009-2013

Primarily enrollment-based with inclusion of success points (5% to 10%)

Stop Loss (99%-96%)

## FY 2014

50% enrollment + 25% course completion + 25% success points

97% stop loss

## FY 2015 - Today

Combination of course completion (50%), success points (25%) & completion metrics (25%)

At-risk or access category application

No stop loss

# FY 2016 & FY 2017 Overview

The fiscal year 2016 & 2017 SSI funding formula maintained the general construct, component breakdown and weighting structure as was used in FY 2015. However, there were some changes incorporated into the FY 2016 and 17 model that were recommended by the OACC and advanced by the Governor in his budget. These include:

- Use of projected data
- Inclusion of underprepared students as access category

# Component 1: Course Completion (50%)

**Cost-Based Calculation**

- Average statewide cost based on level of course and subject area (aggregation of CIP codes)
- # of FTE who pass course * determined cost

*Access category weight*

- *15% for any student with one (or more) risk factors*

# Success Points (25%)

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## Developmental Education Success

- # of Students completing developmental education Math and enrolling in first college-level math course (1 point)
- # of Students completing developmental education English & enrolling in first college-level English course (1 point)

## 12 Credit Hours

- # of students earning first 12 college-level credits (1 point)

## 24 Credit Hours

- # of students earning first 24 college-level credits (1 point)

## 36 Credit Hours

- # of students earning first 36 college-level credits (1 point)

# Completion Milestones (25%)

**Associates Degree Completions**

**Certificate Completions**

**Transfer w/12+credit hours**

**Cost-Based Model**
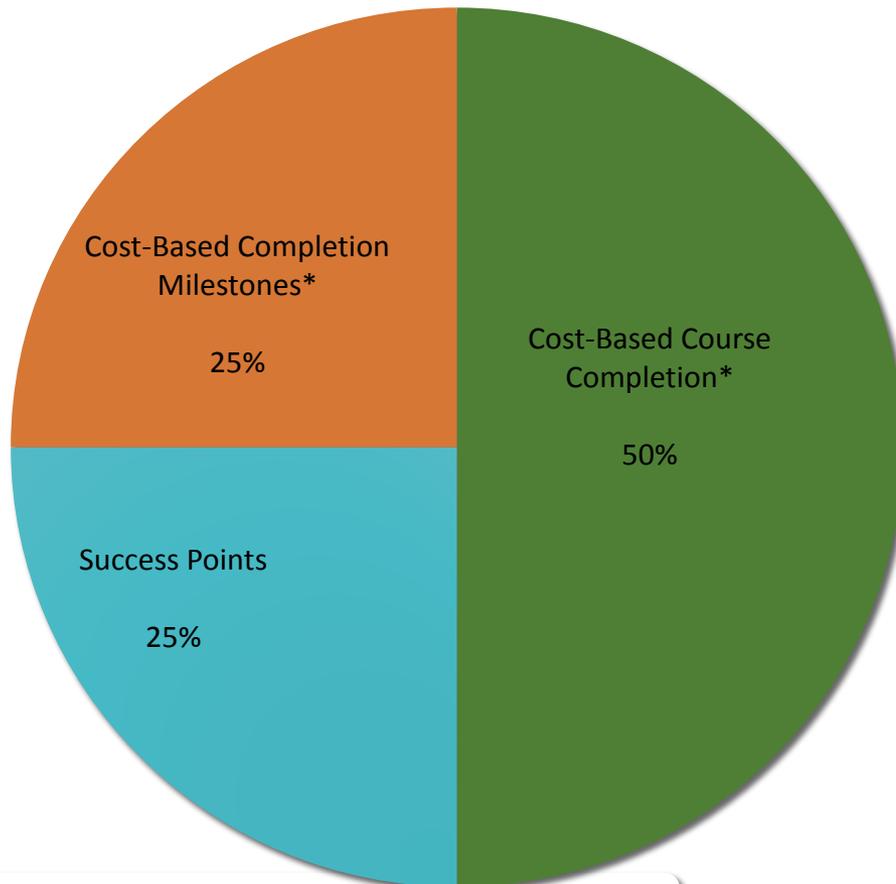
Access Category Weights

25% for one access category

66% for two access categories

150% for three access categories

200% for four access categories

# FY 2016 Framework Summary



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Pie chart:
- Cost-Based Course Completion* — 50%
- Cost-Based Completion Milestones* — 25%
- Success Points — 25%

All data averaged over three years

* Access Category Weights Applied

- **ADULT** (over age 25 at time of enrollment)

- **LOW-INCOME**, Pell Eligible (ever in college career)

- **MINORITY** (African American, Hispanic, Native American)

- **ACADEMICALLY UNDERPREPARED** (using remediation free standards, math only for FY 16 & FY 17)

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# Completion Milestones (25%)

| Associates Degree Completions | Certificate Completions | Transfer w/12+credit hours |
|---|---|---|

**Cost-Based Model**

Access Category Weights

25% for one access category

66% for two access categories

150% for three access categories

200% for four access categories

# Of Note: Academically Underprepared Access Category

- **Remediation Free Standards**
  - Phased-in based on Ohio Remediation Free Standards.
  - This means only students first enrolled in fall of 2013 can be identified as academically underprepared.

- **Math-Only**
  - Due to some flexibility in the standards for English, the FY 2016 and 17 funding formula will be based only on the mathematics standards.

- **Weighting Structure**:
  - Flat Weight for Course Completions: 15 percent
  - Number of Categories for Completion Milestones:
    - One category: 25 percent
    - Two categories: 66 percent
    - Three categories: 150 percent
    - Four categories: 200 percent

# Of Note: Certificates

Phased in beginning FY 2015 to account for data reporting concerns

- 30+ Credit Hour Certificates

- Used most recent data in first year (FY 2015) of formula (data from FY 2014)

- Because of use of actual data for student success points and completion milestones formula components beginning in FY 2016, full incorporation of three-year data will be completed in FY 2018.

- Use of three-year average results in:

  - 1/3 of awarded certificates counted in FY 2015 & FY 2016
  - 2/3 of awarded certificates counted in FY 2017
  - 100% of awarded certificates counted in FY 2018

# FY 2017-19 Data

| Component | FY 2017 | FY 2018 | FY 2019 |
|---|---|---|---|
| **Course Completions (50% of SSI)** <br> *1st half distribution includes projected data* | 1st half uses projected data for spring FY 2016 (actual for summer and fall). Final SSI actual data from FY 2015, FY 2016, FY 2017 | 1st half uses projected data for spring FY 2017 (actual for summer and fall). Final SSI actual data from FY 2015, FY 2016, FY 2017 | 1st half uses projected data for spring FY 2018 (actual for summer and fall). Final SSI actual data from FY 2016, FY 2017, FY 2018 |
| **Success Points (25% of SSI)** <br> *No longer using projected data; one year lag in data.* | Actual data from FY 2013, 2014, 2015 | Actual data from FY 2014, 2015 and 2016 | Actual data from FY 2015, 2016 and 2017 |
| **Completion Milestones (25% of SSI)** <br> *No longer using projected data; one year lag in data.* | Actual data from FY 2013, 2014, 2015 *Certificate data will include data from FY 14 and 15 only* | Actual data from FY 2014, 2015 and 2016 | Actual data from FY 2015, 2016 and 2017 |

# Next Steps

# Priabrities for Review

1. Academic Preparation Access Category

2. Data Integrity

3. Additional Policy Issues: Evaluate existing model to understand relation to additional policy priorities and goals

4. Continuous Improvement & Best Practices

# Institutional SSI Analysis

# Overall Analysis

The Institutional Analysis packet includes detailed institution specific information on outcomes which are included within the State Share of Instruction (SSI) funding calculation. For analysis purposes these data are compared to cost-weighted FTE enrollment as well as Overall and Access FTE. This information can be understood relative to the overall performance of Ohio community colleges.

- The SSI Proxy includes cost-weighted FTE in accordance with the prior funding system. This provides a baseline to view components of the performance-based SSI, including Completed FTE, Success Points and Completion Milestones.

- Each institution's proportional share of SSI is provided and can serve as a comparison benchmark to identify institutional strengths and weaknesses to focus attention.

- Data and prompts included within the analysis provide a starting place for institutional analysis to help guide internal decision making, review and investments.

- Every data point can and should be understood in the context of each institution's unique student body and portfolio of programs.

# Course Completion Analysis

The Course Completion Analysis compares each institution's proportional Completed FTE to the SSI Proxy. This analysis allows institutions to understand whether course enrollments overall, and for access students have relatively high or relatively low completion rates.

# Course Completions: Team Discussion

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1. **How does your course completion rate compare to your SSI FTE proxy?**

2. **Are your institution's outcomes on this component driven by higher/lower than average enrollments, higher/lower than average completions? (Appendix A)**
   - Are there difference's in FTE enrollments compared to FTE course completions?
   - How do your course enrollment rates and completions compare to sector averages?
   - Are there disparities in completion rates for access students or for other student populations?

3. **Other questions for consideration and further analysis**
   - Are there bottleneck courses with relatively low completion rates? If so, how can this be addressed?
   - Are there disparities in completion rates for access students or for other student populations? If so, how can efforts be focused to increase course completion?
   - Are there differences in completion rates by mode of delivery?
   - Are there programs already in place which help students succeed and could be expanded?

# Success Point Analysis

The Success Point Analysis compares the proportional Credit Hour and Developmental Success to Overall and Access FTE. This analysis allows institutions to understand whether their students are hitting Success Points or successfully completing developmental courses and enrolling in relevant college level courses.

# Success Points: Team Discussion ΘACC

1. **How do your success point measures (credit hour thresholds) and developmental compare to the eligible FTE share?**

2. **Credit Hour Thresholds:**
   o What additional data would you want to review to understand how students are progressing through these thresholds?
   o What programs are in place to support student persistence and credit accumulation?

3. **Developmental Education (Appendix A):**
   o How do your developmental education enrollments and completions compare to sector averages?
   o Are there differences between math and English?
   o Are there systematic differences depending on student characteristics?
   o What additional data would you want to review to understand student success in this area and how students are progressing into and completing college level English and Math?

# Completion Milestones

The Completion Milestone Analysis compares the proportional number of degree, certificate and transfers relative to the SSI Proxy. This analysis allows institutions to understand whether their students, both overall and for access students, are reaching their completion or transfer goals.

# Completion Milestones: Team Discussion

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1. **How do your completion milestones compare to your institution's SSI Proxy?**

2. **How does your institutions transfer outcomes compare to sector averages? Certificates? Degrees?**

3. **How does your institutions completion milestones compare to enrollment (first table in the Appendix)? Are there gaps across groups of students?**

4. **Transfers:**
   o Could further efforts be made to ensure that students who intend to transfer understand the advantages of earning as many credit hours as possible before they transfer?

5. **Certificates:**
   o Could further efforts be made to ensure that all students who fulfill requirements for a certificate receive one?

6. **Degree Completions:**
   o Could further efforts be made to ensure that all students who fulfill requirements for a degree receive one?
   o Are the availability of, pathways to, and advantages of degrees well publicized to all students, including access students and students who intend to transfer?

# Access Categories

Access Factors include, adult, low-income, academically underprepared and minority students. Appendix A includes breakdowns in FTE completion rates, developmental education and degree, certificate and transfers by all access categories. This information will help identify which priority populations institutions serve and whether there are areas for greater emphasis.

# Wrap-Up: Team Discussion

1. **Access Populations**
   o What student populations does our institution primarily serve, and are these students successful in course completion, transfer and degree or certificate completion?
   o Are there particular efforts which could be made or scaled to support certain student populations?
   o What are the goals and needs of different students and can pathways and supports be developed to help students reach these goals?

2. **Summative Analysis**
   o What patterns do you see within or across components?
   o Based on data and SSI outcomes, what are the priority areas for additional analysis?
   o What additional data would be helpful?
   o What other campus stakeholders need to be engaged?