

KY COUNCIL ON POSTSECONDARY EDUCATION FINANCE COMMITTEE



August 18, 2020 – 3:00pm ET

ZOOM teleconferencing for Committee members

Livestream video for public: <https://youtu.be/MgXYUTHki7Y>

	<u>Pages</u>
I. Call to Order and Roll Call	
II. Approval of Minutes	2-3
– July 9, 2020	
III. Presentation to Interim Budget Review Subcommittee on Education	4-18
– Review of the Council on Postsecondary Education Agency Budget	
IV. Update on CARES Act Funding	19-33
– Higher Education Emergency Relief Fund	
▪ <i>Emergency Financial Aid Grants to Students</i>	
▪ <i>Awards to Institutions</i>	
▪ <i>Awards to HBCUs and Strengthening Institutions Program Participants</i>	
V. Update on Postsecondary Education Working Group	34-89
VI. Adjournment	
<i>Next Meeting: October 20, 2020 @ 3pm ET (2pm CT)</i>	

DRAFT MINUTES
Council on Postsecondary Education

Type: Finance Committee Meeting
Date: July 9, 2020
Time: 9:30 a.m. ET
Location: Virtual Meeting – Committee member by ZOOM teleconference. Public viewing at: <https://youtu.be/fUDnUwi7all>

CALL TO ORDER

The Finance Committee met Thursday, July 9, 2020, at 9:30 a.m., ET. Pursuant to Executive Order 2020-243 and a memorandum issued by the Finance and Administration Cabinet dated March 16, 2020, and in an effort to prevent the spread of Novel Coronavirus (COVID-19), the Committee met utilizing a video teleconference. Members of the public were invited to view the meeting virtually on the CPE YouTube page: <https://youtu.be/fUDnUwi7all> . Chair Ben Brandstetter presided.

ATTENDANCE

Members in attendance: Ben Brandstetter, Grant Minix, Carol Wright, and Sherrill Zimmerman. All attended by teleconference.

Members not in attendance: Kim Halbauer and Richard Nelson

Heather Faesy, CPE’s senior associate for Board Relations, served as recorder of the meeting minutes.

APPROVAL OF THE MINUTES

The minutes of the June 9, 2020 Finance Committee meeting were approved as amended to reflect the attendance of Robert Staat.

CAMPUS TUITION AND MANDATORY FEE PROPOSALS

At the Council’s June 19, 2020 meeting, the Council took action on the campus tuition and fee proposals for 5 universities and KCTCS. Three institutions were unable to submit tuition and mandatory fee proposals because their boards had not yet met to review and approve them. Those universities were: the University of Kentucky, the University of Louisville, and Eastern Kentucky University.

In order to finalize those rates before the start of the fall semester, the Council moved to delegate the review and approval authority of those universities to the Finance Committee.

As a reminder, at the April 24, 2020 meeting, the Council approved to allow the postsecondary institutions the discretion to determine their own tuition and fee increases for resident undergraduate students for the upcoming academic year. Each institution was allowed to submit proposals that balance the needs of students and families and the resource needs of the institution. Additionally, the Council approved institutions to submit for approval market competitive rates for graduate and online courses.

The following institutional proposals were submitted. Dr. Bill Payne, CPE's Vice President of Finance and Administration presented each of them:

- Eastern Kentucky University: No increase to either the resident or nonresident base rates. They did propose a 3.2% decrease in their nonresident graduate rate.
- University of Kentucky: A 1.0% increase in the base rates for both undergraduate and graduate programs for resident students, and a 2.0% increase in the base rates for both undergraduate and graduate programs for nonresident students.
- University of Louisville: A 2.0% increase in the base rates for both resident and nonresident students for undergraduate degree programs, and for graduate programs, a 2.0% increase for resident students and a 1.0% increase for nonresident students.

MOTION: Dr. Staat moved the Finance Committee approve 2020-21 tuition and mandatory fee proposals from Eastern Kentucky University, the University of Kentucky and the University of Louisville, Mr. Minix seconded the motion.

VOTE: The motion passed.

Following the motion, President Aaron Thompson stated that members of the legislature have commended the Council for approval the lowest tuition increases in decades.

ADJOURNMENT

The Finance Committee adjourned at 9:47 a.m., ET.

MINUTES REVIEWED AND APPROVED BY THE FINANCE COMMITTEE: _____



Council on Postsecondary Education Budget Overview and COVID-19 Impact

Interim Budget Review Subcommittee on Education
August 19, 2020





Presentation Overview

- Introduction
- CPE Agency Budget Overview
- General Fund Restoration in 2021-22
- CPE Administration of GEER Fund
- Impact of COVID-19 on CPE
 - Financial Responses
 - Operational Responses

Introduction Kentucky Postsecondary System



Who We Are?

- Eight public universities
- 16 community and technical colleges
- Over 28 million square feet in E&G facilities
- More than 30,000 faculty and staff
- Serve 204,500 students
- 500,000+ alumni



Introduction

Key Duties & Responsibilities



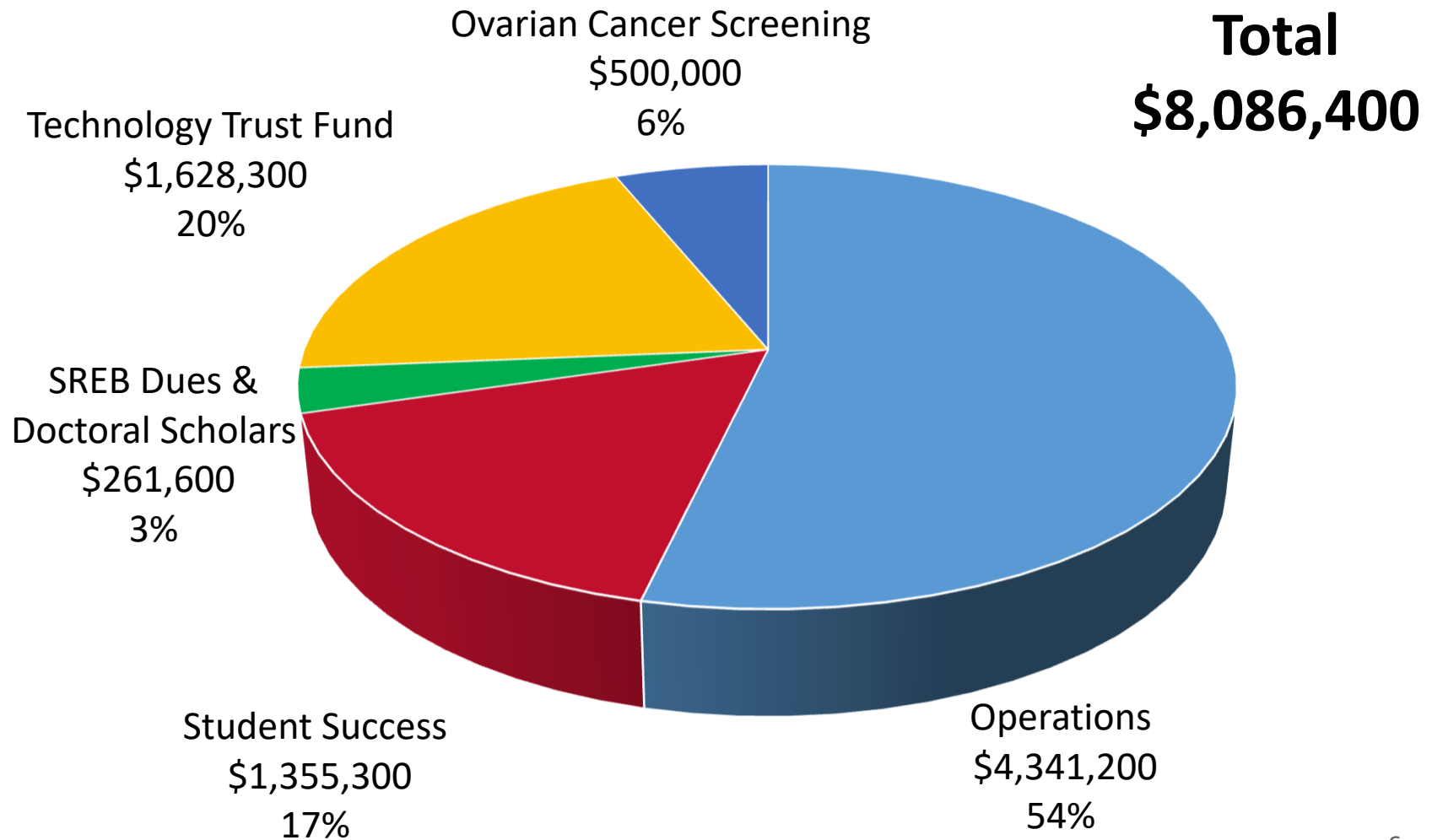
- Develop and implement a strategic agenda and accountability system
- Produce and submit a biennial budget request for postsecondary education.
- Monitor and determine tuition rates and admission criteria
- Define and approve all academic programs at public institutions.
- License non-public postsecondary institutions to operate in the state.
- Coordinate statewide efforts to improve college readiness, access to postsecondary education, and student success
- Administer Kentucky's Virtual Library, used by all postsecondary, public and K-12 libraries.
- Ensure the coordination and connectivity of technology among public institutions.
- Collects and analyzes comprehensive data about postsecondary education performance.

CPE Agency Budget Overview 2020-21 Appropriations



General Fund	\$8,086,400
Tobacco Funds	
Cancer Research and Screening	\$6,876,100
Spinal Cord/Head Injury Research	650,000
	<hr/>
	\$7,526,100
Federal Funds	
GEAR UP	\$3,997,000
GEER Funds (NEW)	13,799,200
	<hr/>
	\$17,796,200
Restricted Funds	
Federal Indirect	\$600,000
Licensure	1,755,200
Cancer Research Match	4,080,000
	<hr/>
	\$6,435,200
Total	\$39,843,900

CPE Agency Budget Overview 2020-21 General Fund



CPE Agency Budget Overview

Budget Cuts and Impact



Agency Operating Budget
Change from Prior Year in Agency General Fund Appropriation
Fiscal Years 2011-2019

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
-5.00%	-3.00%	-8.40%	0.00%	-5.00%	-4.50%	0.00%	-5.10% *	-6.25%

**non-recurring*

- CPE's General Fund base has been reduced by 28% since 2011 and by more than 40% since 2008
- In 2008, CPE's General Fund supported 97 staff members, compared to 42 today, a reduction of 57%

General Fund Restoration in 2021-22

Explanation of “Fund Swap”



	<u>2019-20</u>	<u>2020-21</u>	<u>Difference</u>
General Fund			
Operations	\$5,830,700	\$4,341,200	-\$1,489,500
Technology Trust Fund	\$3,628,300	\$1,628,300	-\$2,000,000
			<u>-\$3,489,500</u>

- The 2020-21 budget reduced CPE’s General Fund by \$3.5 M, but allows CPE to maintain spending by using accumulated, non-recurring Licensure and Technology Trust Fund resources
- Vitally important to replace the \$3.5 M in General Fund appropriations for 2021-22, as planned, as these fund balances will be depleted

CPE Administration of GEER Fund Allocation of Funding



- The CARES Act allocated 9.8%, or about \$3.01 billion, of the Education Stabilization Fund to Governors to distribute to education providers
- These funds are referred to as Governor's Emergency Education Relief Fund (or GEER Fund)
- Governors were given broad latitude on use of these funds to address COVID-19 related costs
- Kentucky received \$43.8 M, with \$30.0 M allocated to K-12 education and \$13.8 M going to postsecondary education, under the administration of CPE

CPE Administration of GEER Fund Allocation of Funding (cont'd)



Campus	Grant Amount	Contract Executed
UK	\$2,082,600	✓
UofL	1,577,300	✓
EKU	997,700	✓
KSU	608,200	✓
MoSU	762,300	✓
MuSU	814,100	✓
NKU	900,900	✓
WKU	1,056,900	✓
KCTCS	2,500,000	✓
Total	\$11,300,000	

Additional Funds:

- Independents Colleges and Universities **\$1.0 M**
- CPE Emergency Reserve Funds **\$1.5 M**

GEER Fund Totals:

- Higher Education **\$13.8 M**
 - K-12 Allocation **30.0 M**
- \$43.8 M**

CPE Administration of GEER Fund

Allowable Uses of Funds



- Allowable uses include:
 - Enhanced online programming
 - Targeted financial aid for high-need students
 - Mentoring and advising
 - COVID-19 testing and contact tracing
 - Other costs associated with pandemic response
- Indirect cost recovery (overhead) is not allowed
- CPE has entered into MOAs with each campus
- Regular campus reports will detail the use of funds and outcomes (expenditures and reports will be on CPE website)

Impact of COVID-19 on CPE Financial Responses



- All discretionary spending curtailed in March
- Student Success funds reallocated to support online instruction on campuses (\$440,000)
- CPE lapsed 1% of General Fund (\$113,100 target) for year-end budget reduction as directed
- Staff also identified and lapsed Operating (\$52,400) and Contract Spaces (\$151,400) funding
- For 2020-21, CPE eliminated discretionary spending
- Actively pursuing grants to complement state support

COVID-19 Impact on CPE Operational Responses



- Weekly meetings with campus presidents
- Reviewed plans and provided guidance on CARES Act spending and campus fall semester re-openings
- Administered GEER Fund distributions (no indirect cost recovery for CPE or institutions)
- Hosted webinars, provided information on maintaining diverse, equitable, and inclusive learning in an online environment
- Researched best practices regarding distance learning to address changes in course delivery

COVID-19 Impact on CPE

Operational Responses (cont'd)



- KYVL extended online content to non-member K-12 schools and libraries, providing access to additional 147,000 students
- CPE and the Kentucky Department of Libraries and Archives are ensuring that all public libraries have KYVL access
- CPE administrative staff are assisting the Governor's Office with unemployment claims
- GEAR UP modified services and delivery methods to provide online curricula, advising, and mentoring to students and families

Questions?



Twitter: CPENews and CPEPres



Website: <http://cpe.ky.gov>



Facebook: KYCPE





Council on Postsecondary Education Update on Cares Act Funding

CPE Finance Committee
August 18, 2020



Update on CARES Act Funding *Overview*



The CARES Act provided \$30.75 billion for an Education Stabilization Fund to be allocated and administered by the US Department of Education

After reserving 2.0%, the Secretary of Education was directed to allocate the remaining funds as follows:

- 9.8% or \$2.95 billion to the Governor's Emergency Education Relief Fund (or **GEER Fund**)
- 43.9% or \$13.23 billion to the Elementary and Secondary School Emergency Relief Fund
- 46.3% or \$13.95 billion to the Higher Education Emergency Relief Fund (or **HEER Fund**)

Update on CARES Act Funding *Overview (Cont'd)*



There are four pools of CARES Act funding that higher education institutions in Kentucky can access:

- \$13.8 M in **GEER Fund Grants** (\$11.3 M for public; \$1.0 M for private; and \$1.5 M for CPE)
- \$68.1 M in **HEER Fund – Grants to Students** (\$54.5 M for public; and \$13.6 M for private)
- \$68.1 in **HEER Fund – Awards to Institutions** (\$54.5 M for public; and \$13.6 M for private)
- \$6.4 M in **HEER Fund – HBCU and SIP Awards** (\$5.4 M for public; and \$943K for private)

In the slides that follow, this presentation will focus on amounts allocated and accessed by public institutions

GEER Fund *Overview*



- The CARES Act allocated 9.8%, or about \$2.95 billion, of the Education Stabilization Fund residual to Governors to distribute to education providers
- These funds are referred to as the Governor's Emergency Education Relief Fund (or GEER Fund)
- Governors were given broad latitude on use of these funds to address COVID-19 related costs
- Kentucky received \$43.8 M in total, with \$30.0 M allocated to K-12 education and \$13.8 M allocated to higher education, under the administration of CPE

GEER Fund – Higher Education

Amounts Allocated and Accessed



Campus	Grant Amount	Contract Executed
UK	\$2,082,600	✓
UofL	1,577,300	✓
EKU	997,700	✓
KSU	608,200	✓
MoSU	762,300	✓
MuSU	814,100	✓
NKU	900,900	✓
WKU	1,056,900	✓
KCTCS	2,500,000	✓
Total	\$11,300,000	

Additional Funds:

- Independent Colleges & Universities **\$1.0 M**
- CPE Emergency Reserve Funds **\$1.5 M**

GEER Fund Totals:

- Higher Ed **\$13.8 M**
- K-12 Allocation **30.0 M**
- \$43.8 M**

GEER Fund – Higher Education

Allowable Uses of Funds



- Allowable uses include:
 - Enhanced online programming
 - Targeted financial aid for high-need students
 - Mentoring and advising
 - COVID-19 testing and contact tracing
 - Other costs associated with pandemic response
- Indirect cost recovery (overhead) is not allowed
- CPE has entered into MOAs with each campus
- Regular campus reports will identify uses of funds and outcomes (expenditures listed on CPE website)

HEER Fund *Overview*



The CARES Act directed the Secretary of Education to allocate \$13.95 billion provided in the Higher Education Emergency Relief Fund (HEER Fund) as follows:

- 90% or \$12.56 billion to institutions of higher education, with no less than 50% of such funds used to provide emergency financial aid grants to students
- 7.5% or \$1.05 billion to HBCUs, Tribally Controlled Colleges and Universities, Minority Serving Institutions, and Strengthening Institutions Program Participants
- 2.5% or \$348.8 million for institutions of higher education that the Secretary determines have the greatest unmet needs related to coronavirus

HEER Fund – Grants to Students

Funds Allocated and Accessed



Campus	Student Grant Allocations	Reimbursement Requested by July 31	Percent
UK	\$8,905,529	\$8,905,529	100.0%
UofL	6,239,395	5,974,608	95.8%
EKU	5,271,384	5,271,384	100.0%
KSU	686,039	686,039	100.0%
MoSU	3,008,220	1,292,229	43.0%
MuSU	3,135,385	1,282,781	40.9%
NKU	3,999,482	2,103,600	52.6%
WKU	5,318,247	2,707,475	50.9%
KCTCS	17,946,582	17,377,840	96.8%
Total	\$54,510,263	\$45,601,485	83.7%

Notes: Figures do not include allocations to private or proprietary institutions.

Source: U.S. Department of Education, Office of Postsecondary Education, KY Public Postsecondary Institutions, Chief Budget Officers.

HEER Fund – Grants to Students

Allowable Uses of Funds



- All funds must be distributed directly to students
- Can't be used to reimburse housing or dining refunds or to credit student accounts to pay overdue bills
- Students must be Title IV participants or Title IV eligible to receive aid
- Undocumented, DACA, and international students are not eligible
- CPE provided broad guidelines to institutions, emphasizing grants to support student success (e.g., retention, progression and completion)

HEER Fund – Awards to Institutions

Funds Allocated and Accessed



Campus	Institution Grant Allocations	Reimbursement Requested by July 31	Percent
UK	\$8,905,529	\$5,783,123	64.9%
UofL	6,239,395	4,136,500	66.3%
EKU	5,271,383	5,271,383	100.0%
KSU	686,038	685,758	100.0%
MoSU	3,008,220	3,008,220	100.0%
MuSU	3,135,384	3,135,384	100.0%
NKU	3,999,481	3,517,048	87.9%
WKU	5,318,246	4,077,376	76.7%
KCTCS	17,946,570	2,879,242	16.0%
Total	\$54,510,246	\$32,494,034	59.6%

Notes: Figures do not include allocations to private or proprietary institutions.

Source: U.S. Department of Education, Office of Postsecondary Education, KY Public Postsecondary Institutions, Chief Budget Officers.

HEER Fund – Awards to Institutions

Allowable Uses of Funds



- Intended to cover significant COVID-19 related costs at higher education institutions
- Department of Education sanctioned uses include:
 - expanding remote learning programs
 - strengthening information technology capacity
 - training faculty and staff for remote teaching
- For emergency financial aid grants to students
- To reimburse institutions for housing and dining refunds and to address facilities costs

HEER Fund – Awards to Institutions

Allowable Uses of Funds (Cont'd)



- Kentucky colleges and universities began accessing HEER Fund awards to institutions in mid-May
- The funds are being used as follows:
 - Reimburse for housing, dining, and parking refunds
 - Technology to support delivery of remote instruction (e.g., laptops, hot spots, course design, infrastructure)
 - Training and professional development to move to on-line environment
 - Personal protective equipment and cleaning supplies
 - COVID-19 testing and monitoring

HEER Fund – HBCU and SIP Awards

Funds Allocated and Accessed



Campus	HBCU and SIP Grant Allocations	Reimbursement Requested by July 31	Percent
EKU	\$515,755	\$515,755	100.0%
KSU	2,358,412	1,089,225	46.2%
MoSU	294,865	294,865	100.0%
WKU	524,639	-	0.0%
KCTCS	1,751,787	52,670	3.0%
Total	\$5,445,458	\$1,952,515	35.9%

Note: Figures shown do not include allocations to private or proprietary institutions.

Source: U.S. Department of Education, Office of Postsecondary Education; Kentucky Public Postsecondary Institutions, Chief Budget Officers.

HEER Fund – HBCU and SIP Awards

Allowable Uses of Funds



- To address needs directly related to coronavirus
- Defray expenses incurred by higher education institutions, including:
 - lost revenue
 - reimbursement for expenses already incurred
 - technology costs to transition to distance education
 - faculty and staff training; payroll
- Grants to students for any component of a student's cost of attendance, including:
 - food and housing
 - course materials and technology
 - health care and child care

Questions?



Twitter: CPENews and CPEPres



Website: <http://cpe.ky.gov>



Facebook: KYCPE

**POSTSECONDARY EDUCATION WORKING GROUP
PERFORMANCE FUNDING MODEL REVIEW**



July 30, 2020 - 2:00 PM, EDT

ZOOM teleconferencing for Working Group members

Livestream video for public: <https://youtu.be/NcBM8T3mqUo>

- I. Call to Order and Roll Call**

- II. Introduction**
 - A. Group Role and Responsibilities
 - B. Timeline and Meetings
 - C. Staff Contacts
 - D. Resource Materials

- III. Background Information**
 - A. Impetus for New Model
 - B. State Goals for Higher Education
 - C. Major Decision Points
 - D. Model Components and Metrics

- IV. Trends in Student Success Metrics**

- V. Performance Funding Survey Results**
 - A. Public Universities
 - B. KCTCS Central Office
 - C. KCTCS Institutions

- VI. Other Business and Adjournment**

**THIS IS
PROVIDED AS
AN FYI TO THE
FINANCE
COMMITTEE ON
8/18/20**



Postsecondary Education Working Group Performance Funding Model Review

Dr. Aaron Thompson, President
Kentucky Council on Postsecondary Education
July 30, 2020



Overview



- Introduction
- Background Information
- Trends in Student Success Metrics
- Performance Funding Survey Results
- Preliminary Review
- Next Steps

Introduction

Group Role and Responsibilities

➔ KRS 164.092, 11(b)(c)

Beginning in fiscal year 2020-21 and every three fiscal years thereafter, the postsecondary education working group shall convene to:

- determine if the comprehensive funding model is functioning as expected
- identify any unintended consequences of the model
- recommend any adjustments to the model

The results of the review and recommendations of the working group shall be reported to the Governor, the Interim Joint Committee on A&R, and the Interim Joint Committee on Education

Introduction

Timeline and Meetings

First Working
Group Meeting
July 30, 2020



Short Session of
General Assembly
January 5, 2021

▲
Dec 15 - PEWG
Report Finalized

Proposed Meeting Dates:

- Wednesday, September 2
- Wednesday, October 7
- Wednesday, November 4
- Wednesday, December 2

} These dates correspond
with previously scheduled
presidents' meetings

Introduction

Staff Contacts

- For data validation or information requests:
David Mahan, AVP Data and Advanced Analytics
(502) 892-3102 / david.mahan@ky.gov } CPE data staff will work with campus IR Directors
- For model calculations or scenario requests:
Bill Payne, VP for Finance and Administration
(502) 892-3052 / bill.payne@ky.gov
Shaun McKiernan, Director of Finance and Budget
(502) 892-3039 / shaun.mckiernan@ky.gov } CPE finance staff will work with campus CBOs
- Any and all requests for metric data or funding scenarios, and responses to such requests, will be shared with all working group members
- Upon request, submissions of written proposals for adjustments in the models will be shared with all working group members

Introduction

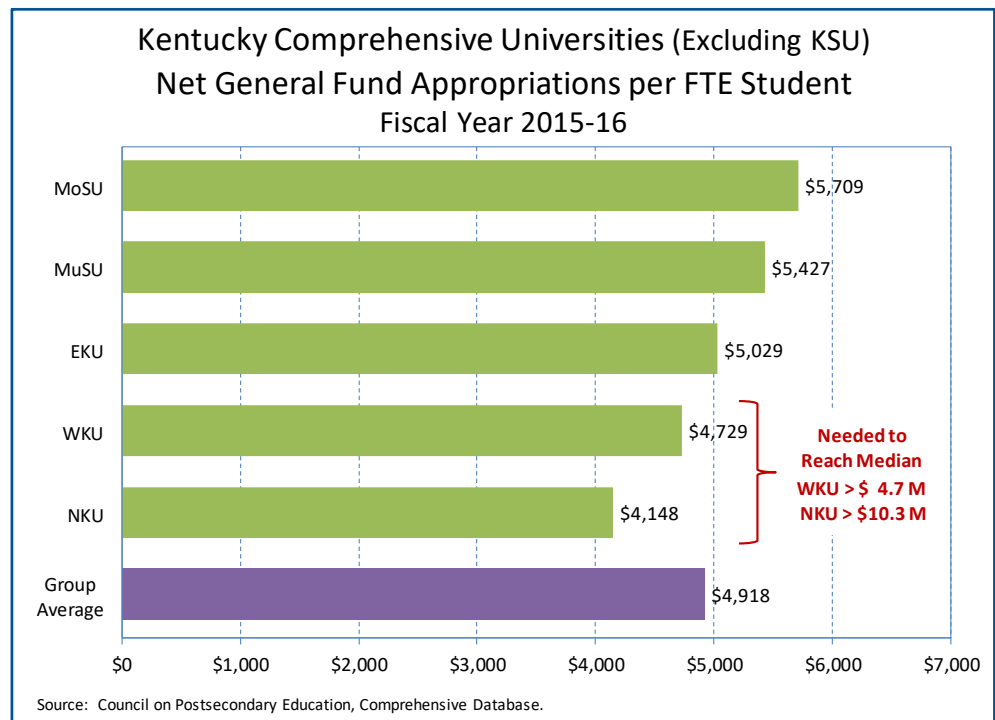
Resource Materials

- Goal and Guiding Principles (September 2016)
- Postsecondary Education Working Group Report (December 2016)
- Kentucky Performance Funding Statute (KRS 164.092)
- Fiscal 2020-21 Performance Fund Distribution
- Three-Year Average Change Analysis
- Trends in Student Success Metrics
- Performance Funding Surveys (Summer 2020)

Background Information

Impetus for New Model

- Respond to legislative mandate to convene working group and develop model (HB 303, 2016)
- Accelerate progress toward attainment of state goals for postsecondary education
- Address shortcomings of the previous method (base +, base -)
- Rectify funding disparities that had developed over time



Background Information

State Goals for Higher Education

- Increase retention and progression of students toward timely completion
- Increase numbers of bachelor's degrees and two-year college credentials awarded
- Produce more degrees and credentials in fields that garner higher wages upon completion (STEM+H, high-demand, and targeted industries)
- Close achievement gaps by growing degrees and credentials earned by minority, low income, and underprepared students

Background Information

Major Decision Points

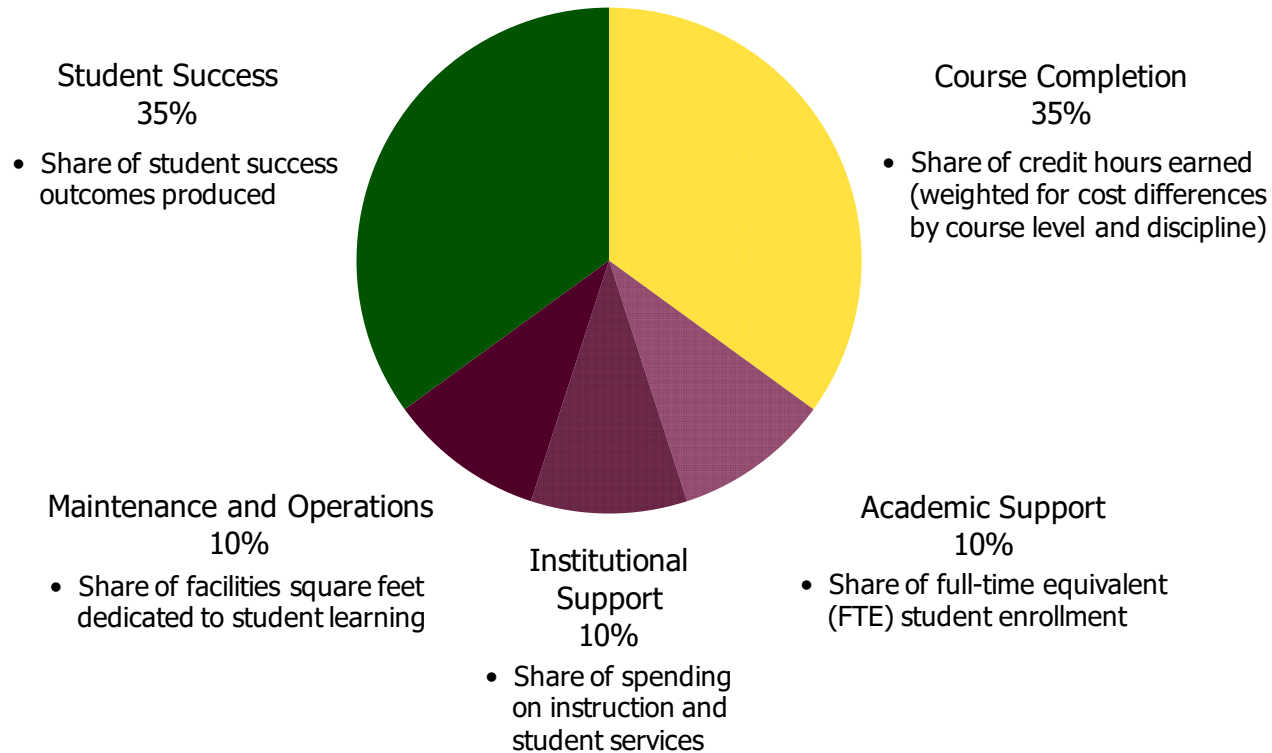
Critical decisions made by previous working group:

- Type of model → targets and goals or outcomes based ✓
- Treatment of sectors → university sectors together ✓ or separate
- Major funding components → include operational support ✓ or not
- Weight assigned each component → 70% success, 30% support
- Model metrics → degree type, premiums, progression, support
- Weight assigned each metric? → emphasis on completion ✓ or not
- Metric measures → counts, ✓ rates, or both
- Nonresident credit hour weight → 0%, 50%, ✓ 100%, other

Background Information

Components and Metrics

Kentucky's Performance Funding Model Distribution of Allocable Resources



Background Information

Components and Metrics (Cont'd)

University Metrics

<i>Student Success</i>	<u>Weight</u>
• Progression (@ 30 hours)	3.0%
• Progression (@ 60 hours)	5.0%
• Progression (@ 90 hours)	7.0%
• Total Bachelor's Degrees	9.0%
• STEM+H Bachelor's	5.0%
• URM Bachelor's Degrees	3.0%
• Low Income Bachelor's	3.0%
• Course Completion	35.0%
<i>Operational Support</i>	
• Maintenance & Operations	10.0%
• Institutional Support	10.0%
• Academic Support	10.0%

* Graduated scale to emphasize completion.

KCTCS Metrics

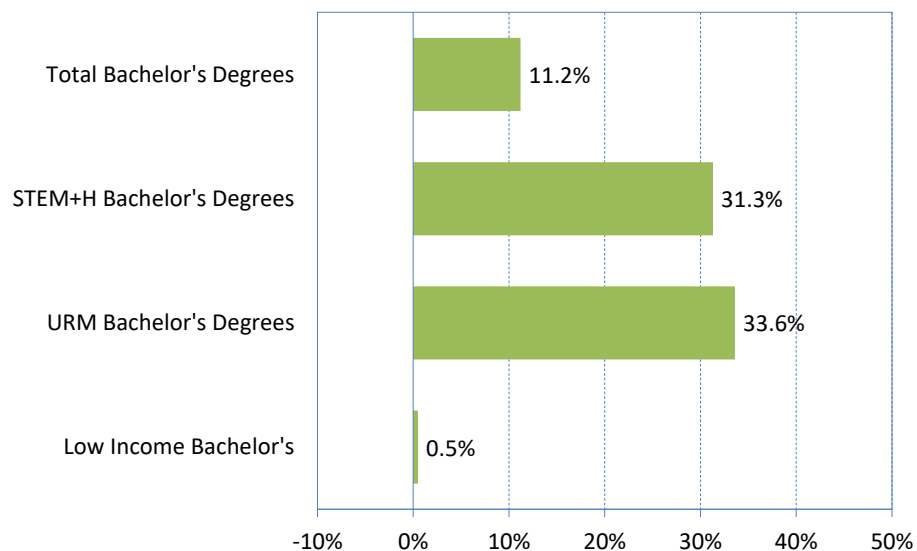
<i>Student Success</i>	<u>Weight</u>
• Progression (@ 15 hours)	2.0%
• Progression (@ 30 hours)	4.0%
• Progression (@ 45 hours)	6.0%
• Total Credentials	10.0%
• URM Credentials	2.0%
• Low Income Credentials	2.0%
• Underprepared Credentials	2.0%
• STEM+H Credentials	2.0%
• High Wage High Demand	1.0%
• Targeted Industry Sectors	2.0%
• Transfers	2.0%
• Course Completion	35.0%

Operational Support (Same as Universities)

Trends in Student Success Metrics

Bachelor's Degrees and Student Progression

Change in Bachelor's Degrees Produced by Degree Type
Between Academic Years 2013-14 and 2018-19



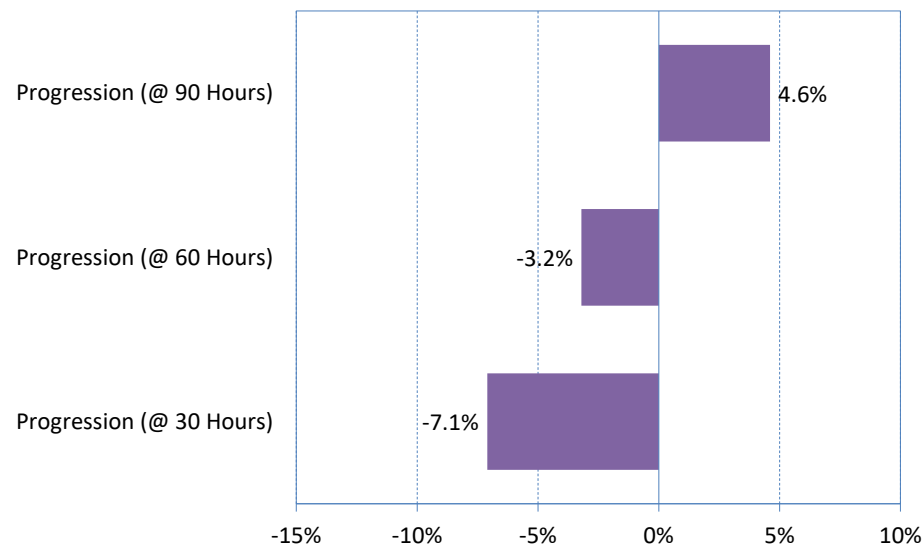
Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.

- STEM+H and URM bachelor's degrees grew at rates that were about three times that of total bachelor's degrees
- Despite a premium in the model, bachelor's degrees awarded to low income students rose by less than 1%

- Declining high school graduates and college enrollment contributed to reduced progression at 30 and 60 hours
- Increased transfers helped grow progression at 90 hours



Change in Student Progression at Targeted Credit Hour Thresholds
Between Academic Years 2013-14 and 2018-19

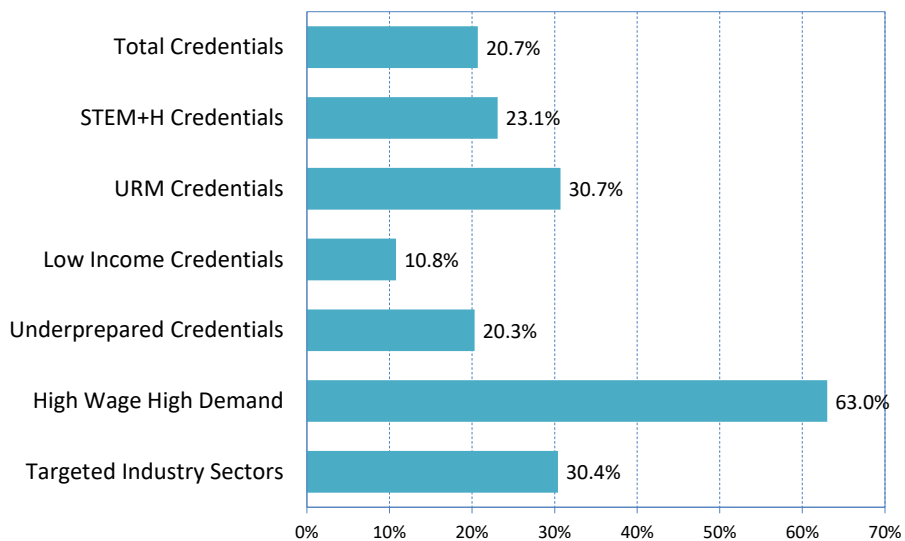


Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.

Trends in Student Success Metrics

KCTCS Credentials and Student Progression

Percent Change in KCTCS Credentials Produced by Type Between Academic Years 2015-16 and 2018-19



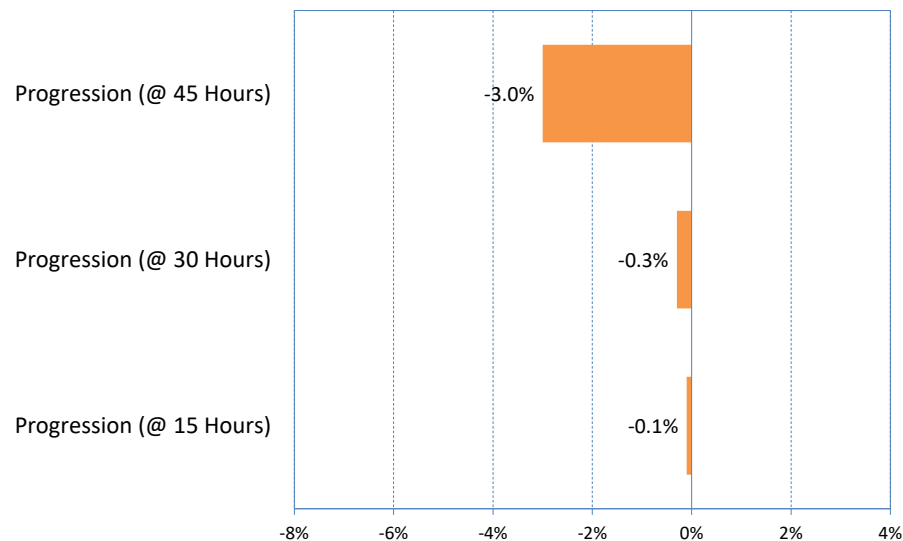
Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Comprehensive Database.

- High-Wage High-Demand, URM, and Targeted Industry credentials grew at rates well above total credentials
- Despite a premium in the model, credentials awarded to low-income students grew less than other credentials

- Declining high school graduates and college enrollment contributed to reduced progression across the board
- Growth in transfers before reaching the threshold also contributed to the decrease in progression at 45 hours



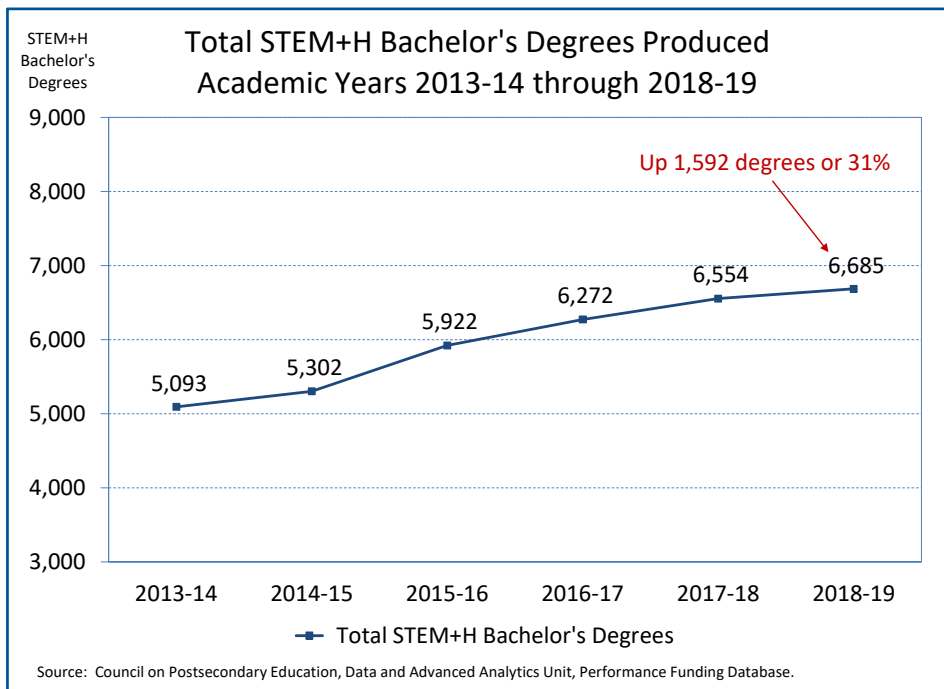
Percent Change in KCTCS Progression by Credit Hour Threshold Between Academic Years 2015-16 and 2018-19



Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Comprehensive Database.

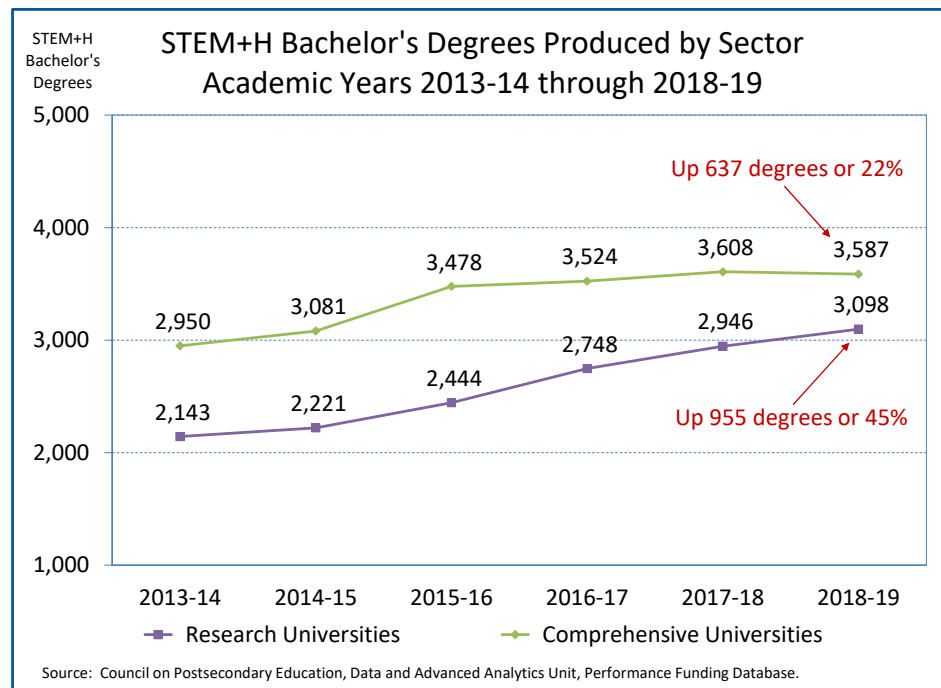
Trends in Student Success Metrics

STEM+H Bachelor's Degrees



- System total STEM+H bachelor's degrees grew at an average annual rate of 5.6% per year
- On current trajectory, the number of STEM+H bachelor's degrees will double by 2026-27 (from the 2013-14 base)

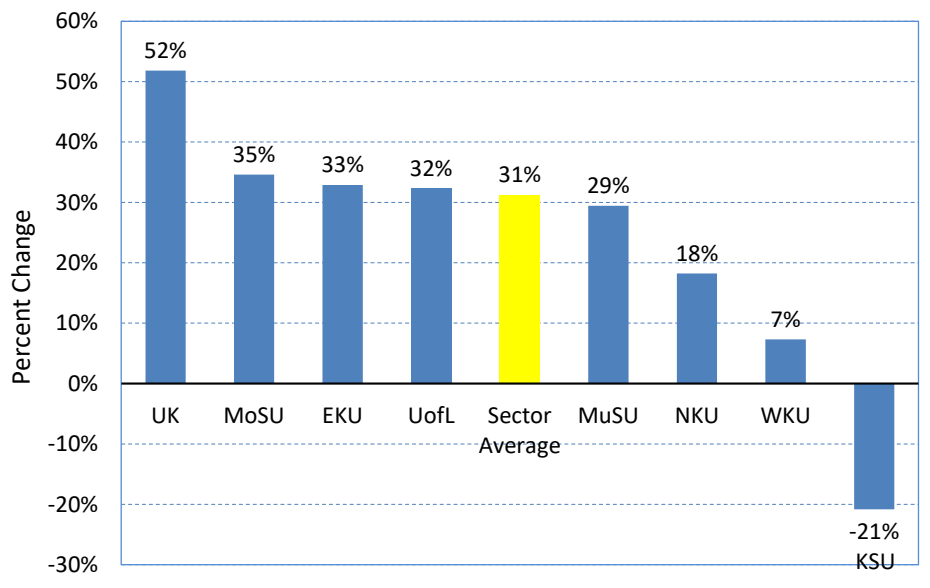
- Research sector growth in STEM+H bachelor's degrees is more than twice that of comprehensive universities
- UK accounted for 73% of increase in STEM+H bachelor's degrees in the research sector



Trends in Student Success Metrics

STEM+H Bachelor's Degrees (Cont'd)

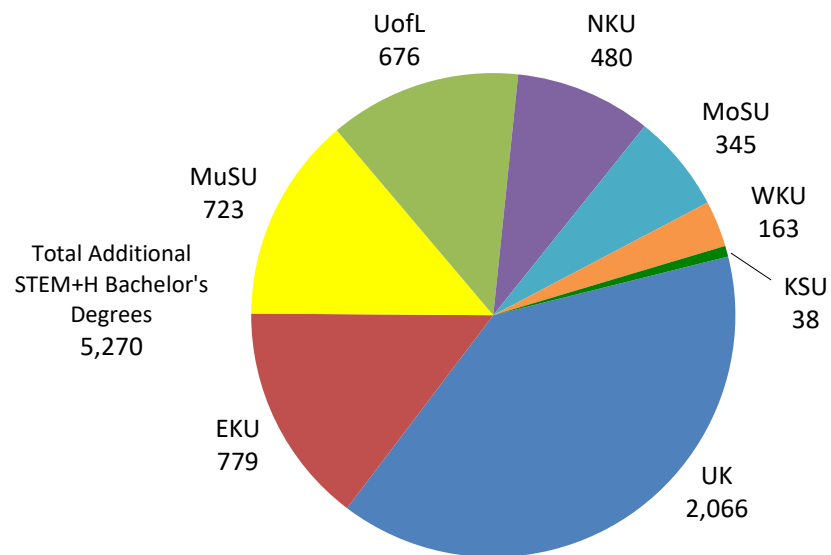
Five-Year Change in STEM+H Bachelor's Degrees Produced Between Academic Years 2013-14 and 2018-19



- Four universities had five-year growth rates above the sector average in STEM+H bachelor's degrees
- The largest number changes occurred at UK (+697), UofL (+258), EKU (+216), and MuSU (+166)

- All eight universities had positive cumulative net gains in STEM+H bachelor's degrees produced
- Four universities - UK, EKU, MuSU, and UofL - produced 80% of the cumulative net gain

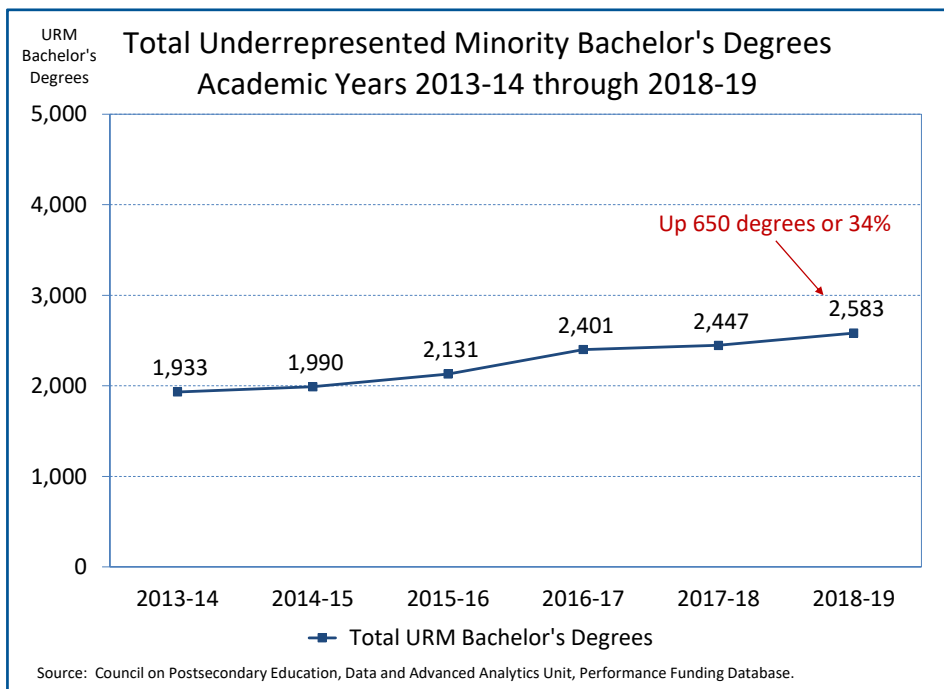
Cumulative Net Gain in STEM+H Bachelor's Degrees Academic Years 2013-14 through 2018-19



15

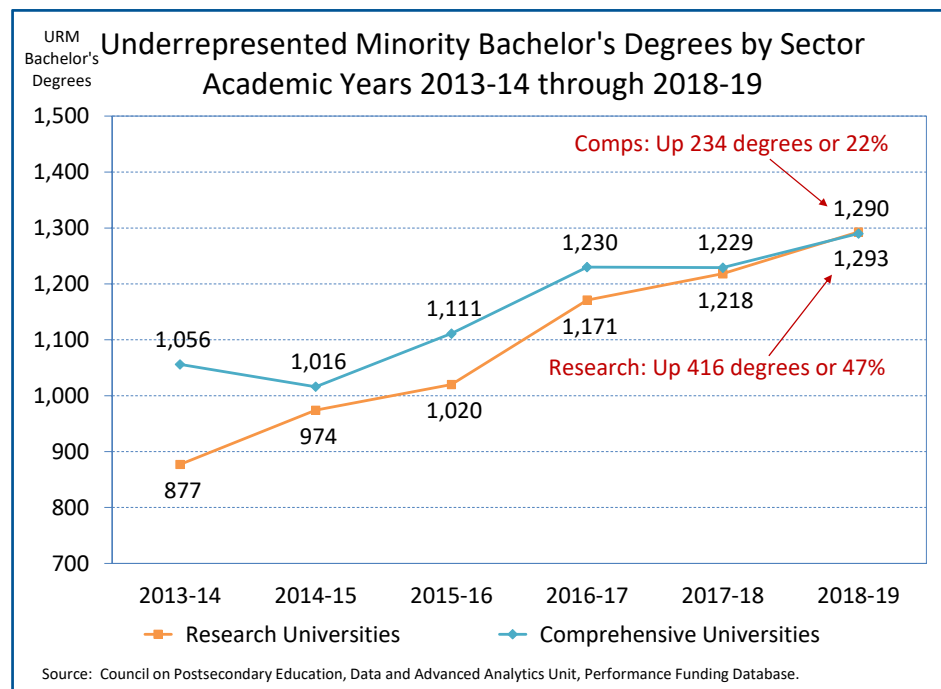
Trends in Student Success Metrics

URM Bachelor's Degrees



- System total URM bachelor's degrees grew at an average annual rate of 6.0% per year
- On current trajectory, the number of URM bachelor's degrees will double by 2025-26 (from the 2013-14 base)

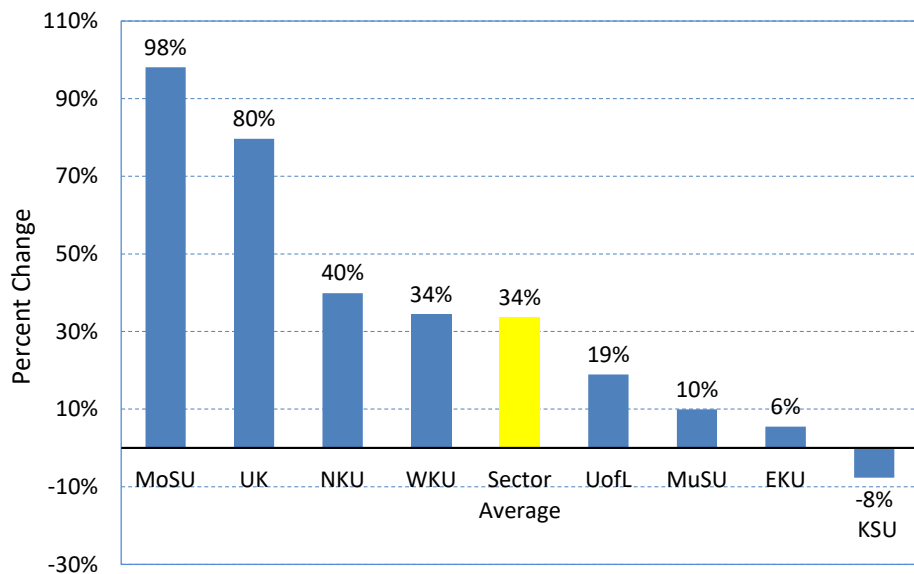
- Research university growth in URM bachelor's degrees is more than twice that of the comprehensive universities
- UK accounted for 79% of the increase in URM bachelor's degrees in the research sector



Trends in Student Success Metrics

URM Bachelor's Degrees (Cont'd)

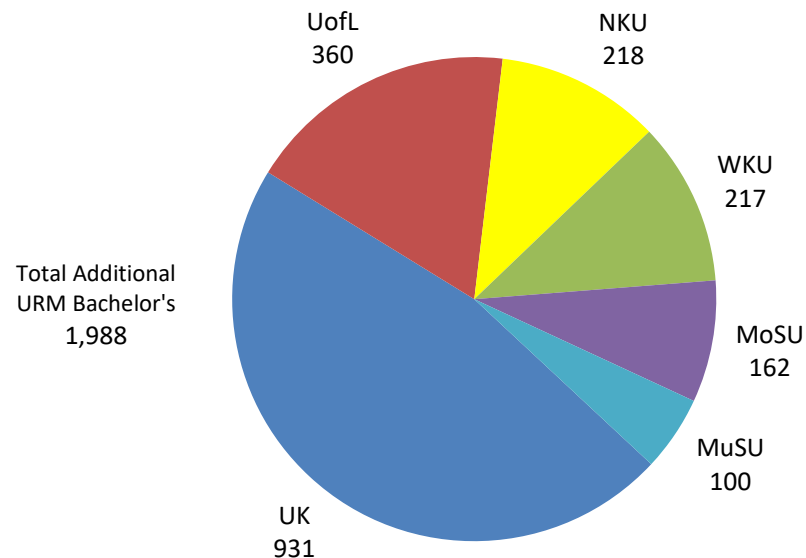
Five-Year Change in Minority Bachelor's Degrees Produced Between Academic Years 2013-14 and 2018-19



- Four universities had five-year growth rates above the sector average in URM bachelor's degrees
- Rates of change at MoSU (98%, +50) and UK (80%, +328) were more than twice the sector average

- Six universities had positive cumulative net gains in URM bachelor's degrees produced
- Four universities - UK, UofL, NKU, and WKU – accounted for 87% of the total cumulative net gain in URM degrees

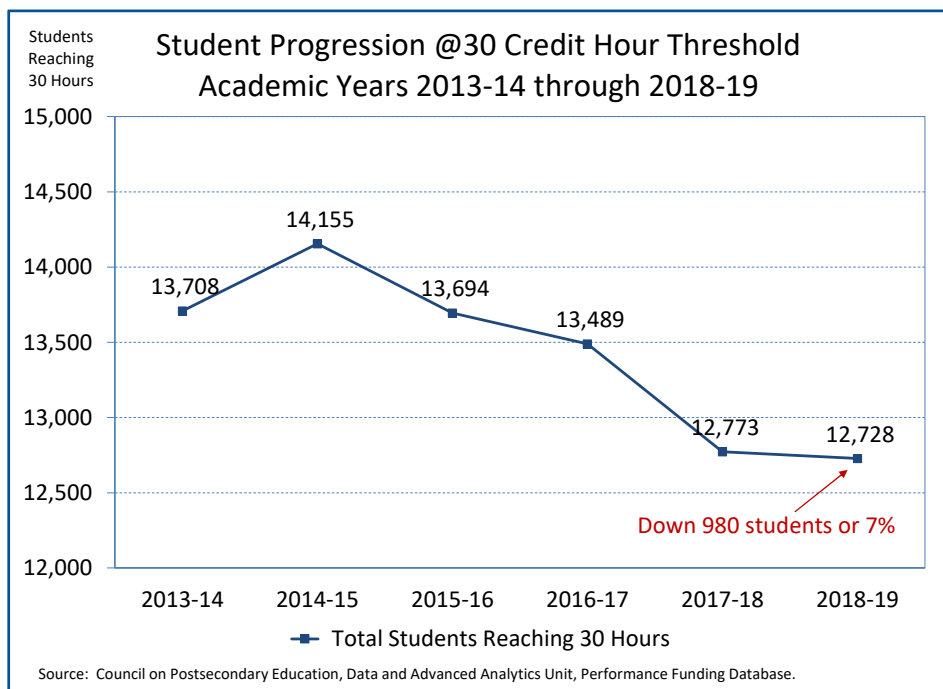
Cumulative Net Gain in Minority Bachelor's Degrees Academic Years 2013-14 through 2018-19



17

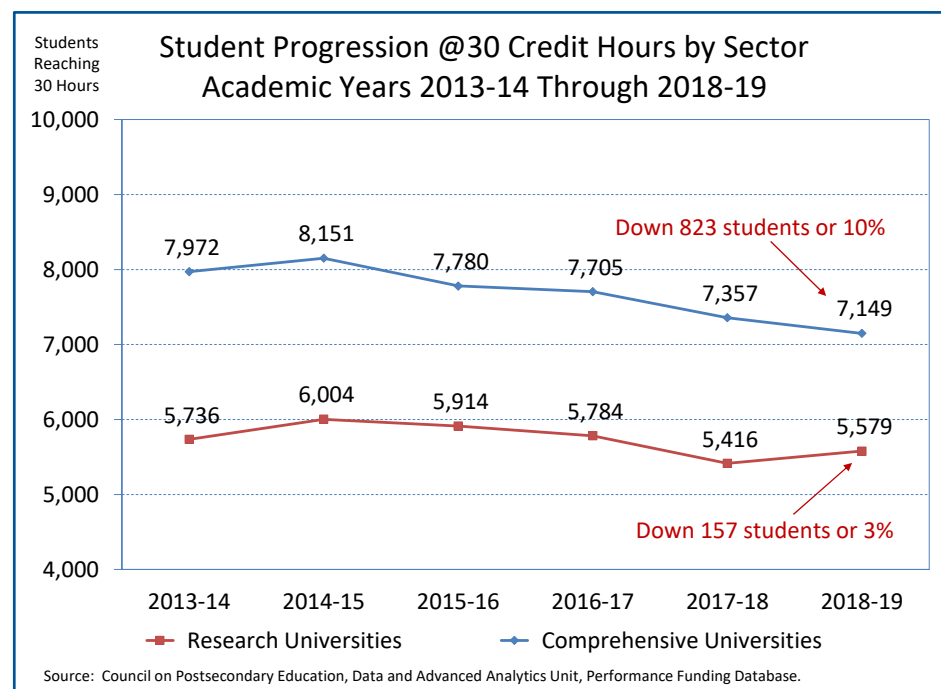
Trends in Student Success Metrics

Student Progression @30 Hours



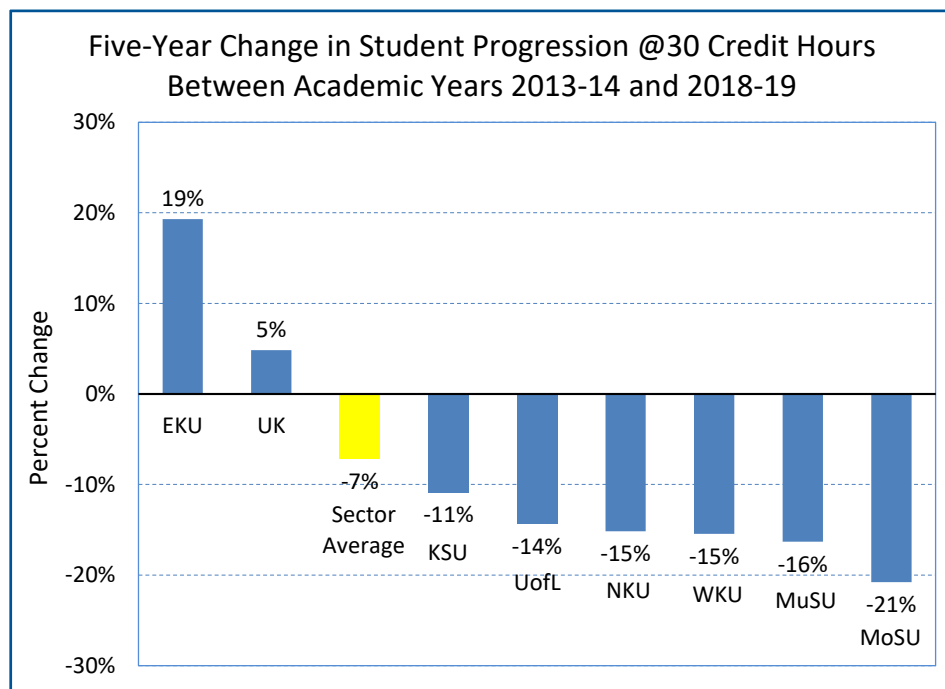
- Over the past five years, progression @30 credit hours has decreased at an average annual rate of 1.5% per year
- The trend in progression @30 hours mirrors the trend in undergraduate FTE enrollment (down 4.6% from fall 2013)

- Progression @30 hours is trending down in both sectors, but the rate of decrease is 3x greater among the comps
- Undergraduate FTE enrollment is essentially flat in the research sector and down 7.6% among comprehensives



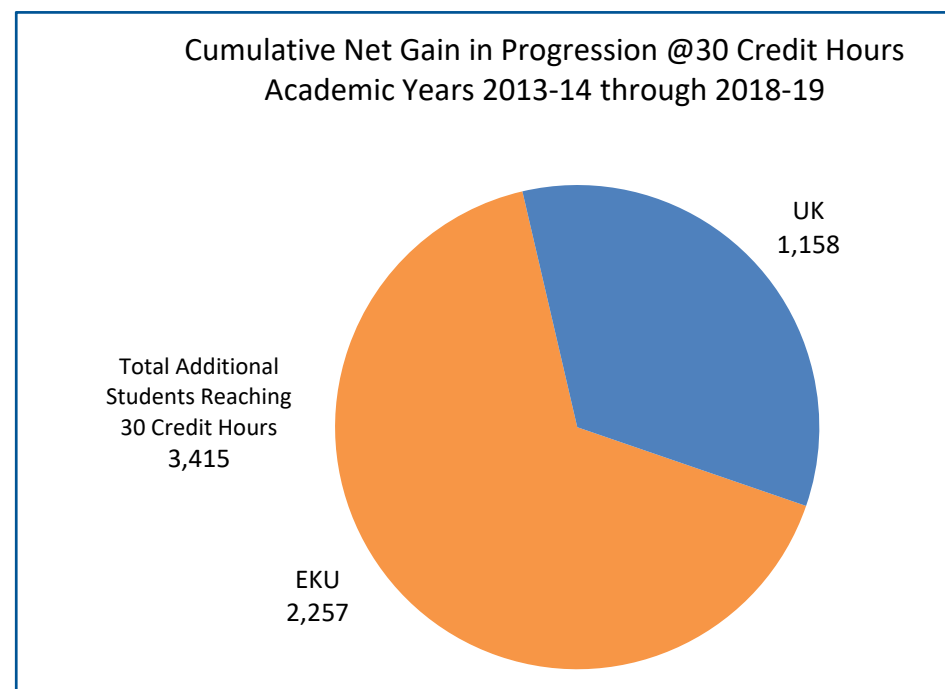
Trends in Student Success Metrics

Student Progression @30 Hours (Cont'd)



- Growth rates in progression @30 credit hours were above the sector average and above zero at two universities
- The number of students reaching the 30 credit hour threshold increased by +261 at EKU and +168 at UK

- Only two universities had positive cumulative net gains in student progression @30 credit hours
- EKU accounted for about two-thirds of the cumulative net gain in students reaching the 30 hour threshold



19

Performance Funding Survey Results

Survey Overview

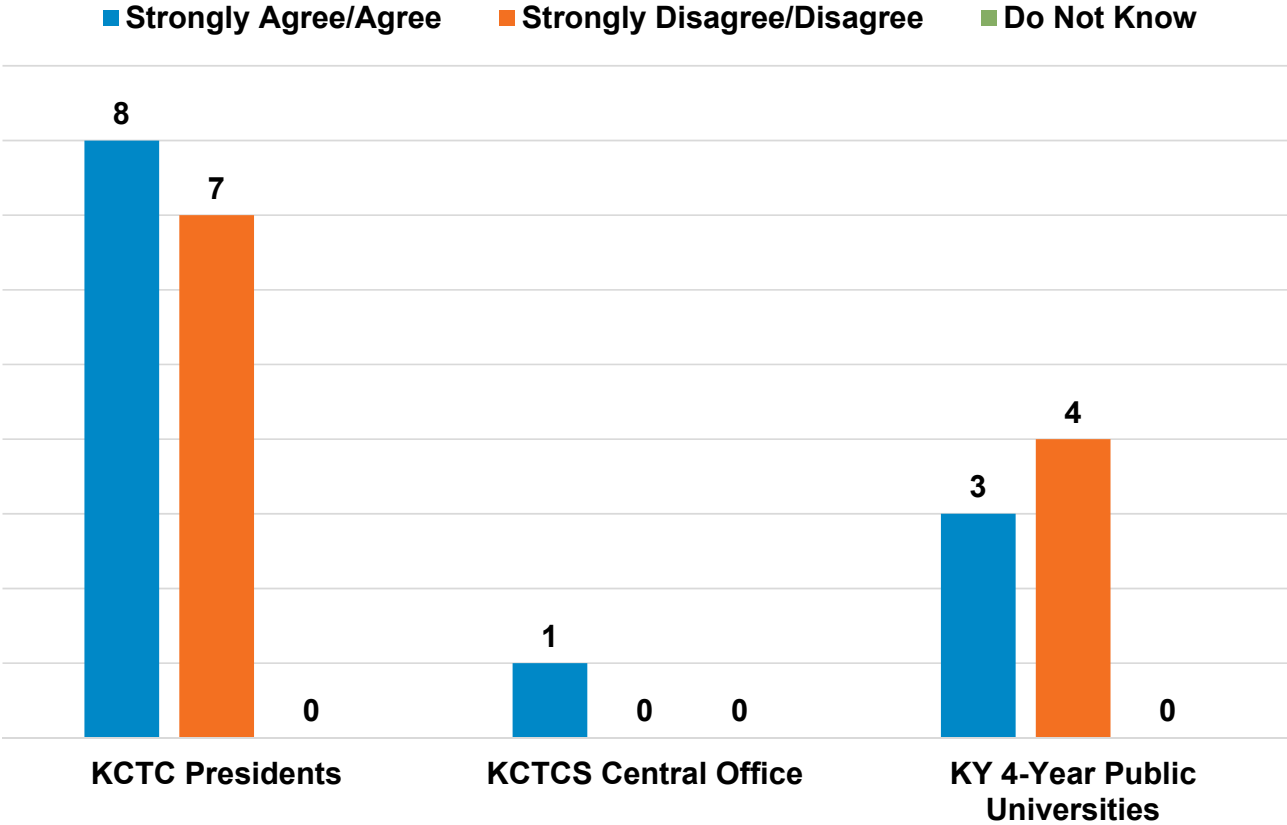
Topics covered in the survey:

- State level assessment of performance funding
- Alignment of institutions' goals and state goals for higher education
- Performance funding model calculations, metrics, and weighting

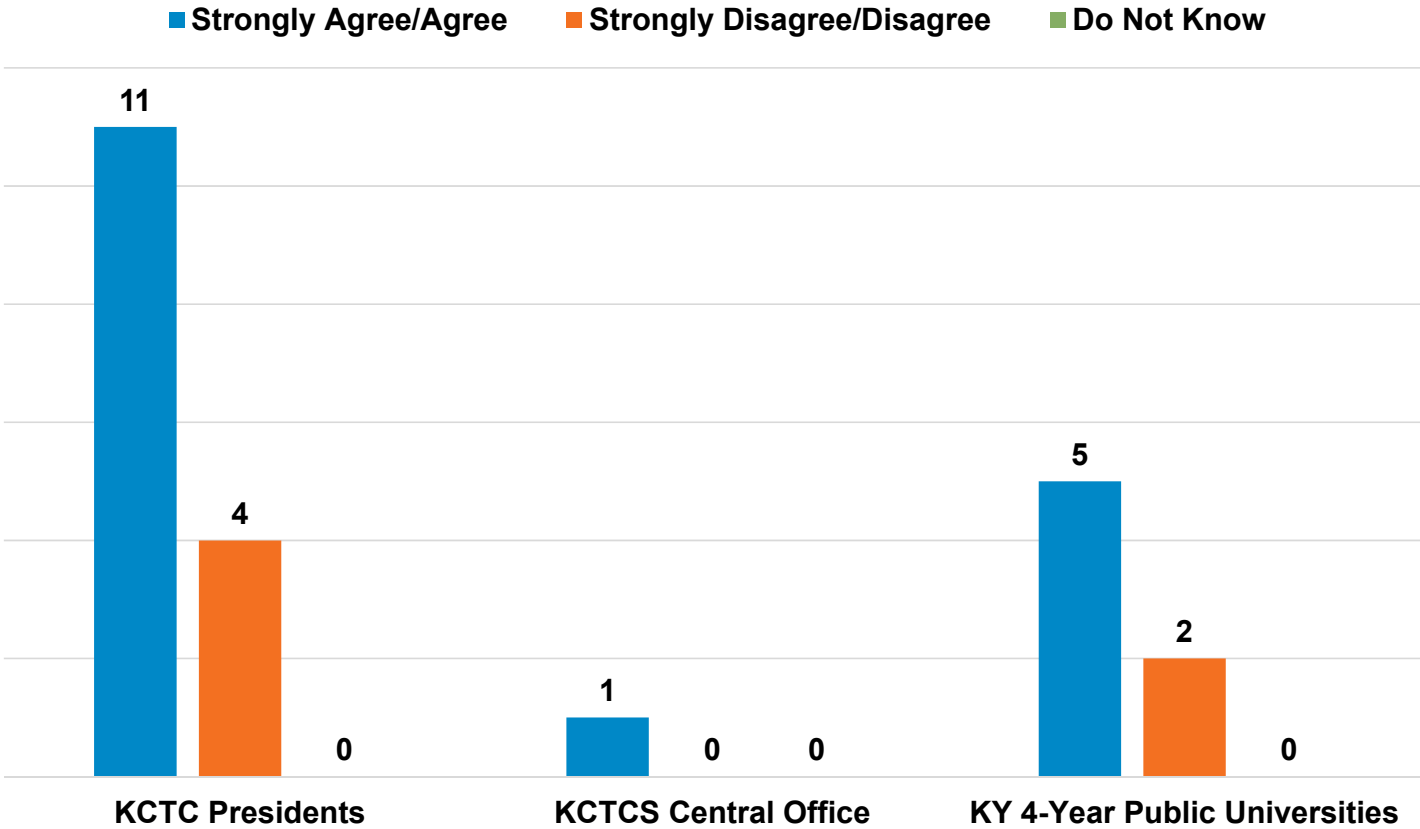
Responses by postsecondary sector:

	Number of Respondents	Number of Surveys Distributed
KCTCS Presidents	15	16
KCTCS Central Office	1	1
KY 4-Year Public Universities	8	8

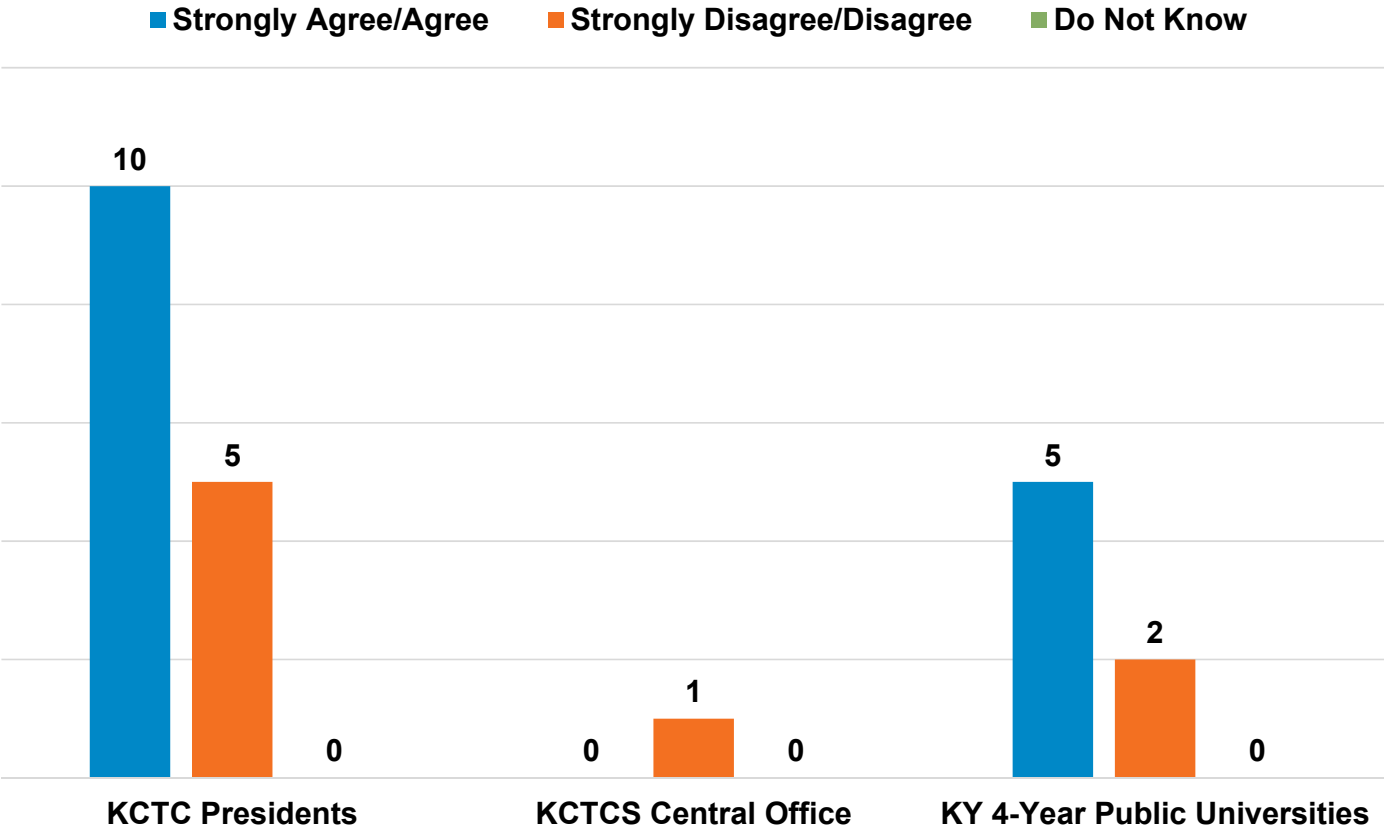
Kentucky’s performance funding model is an improvement compared to the previous method of “across-the-board” percent increases in distributing state General Fund appropriations in terms of consistency, fairness, and equity for public institutions.



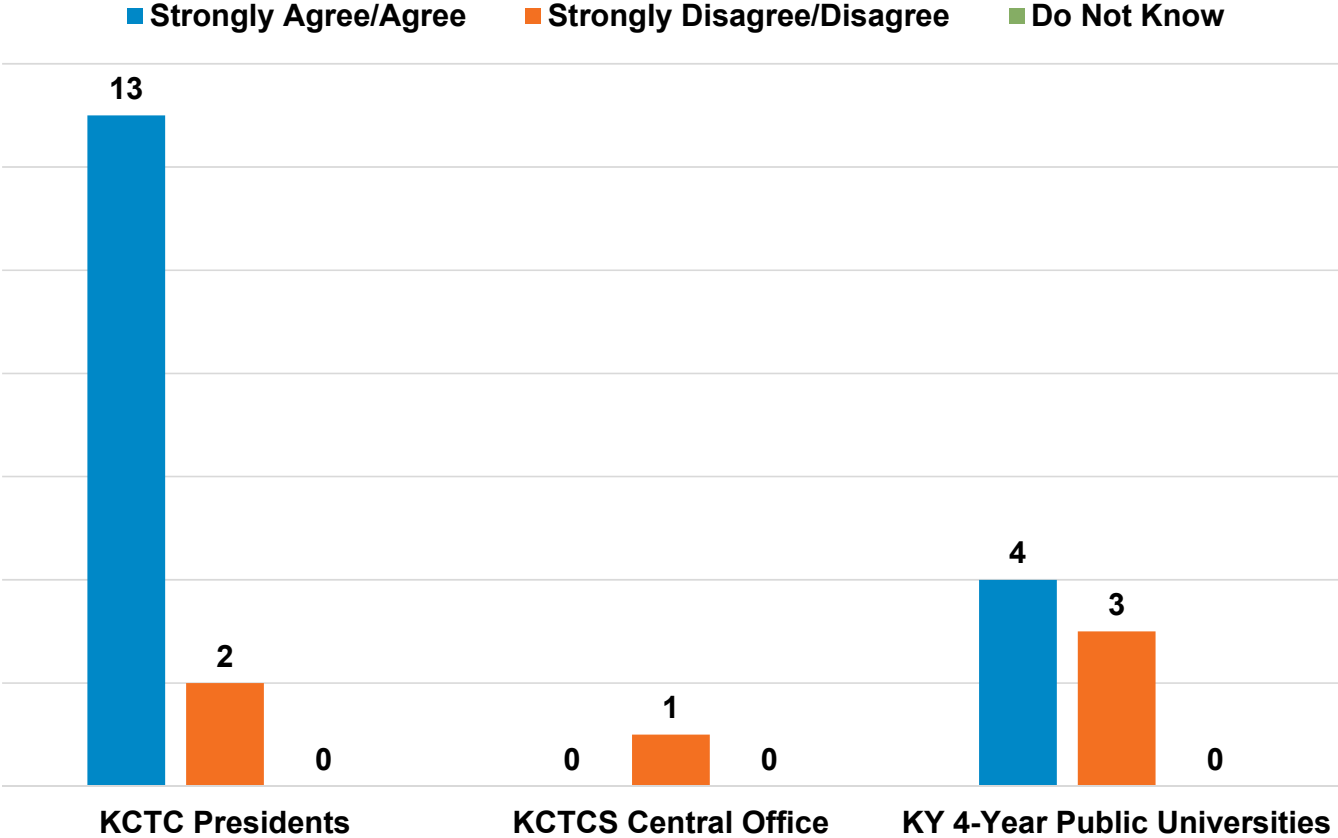
Kentucky's performance funding model has enhanced state level efforts towards achievement of the 60x30 attainment goal.



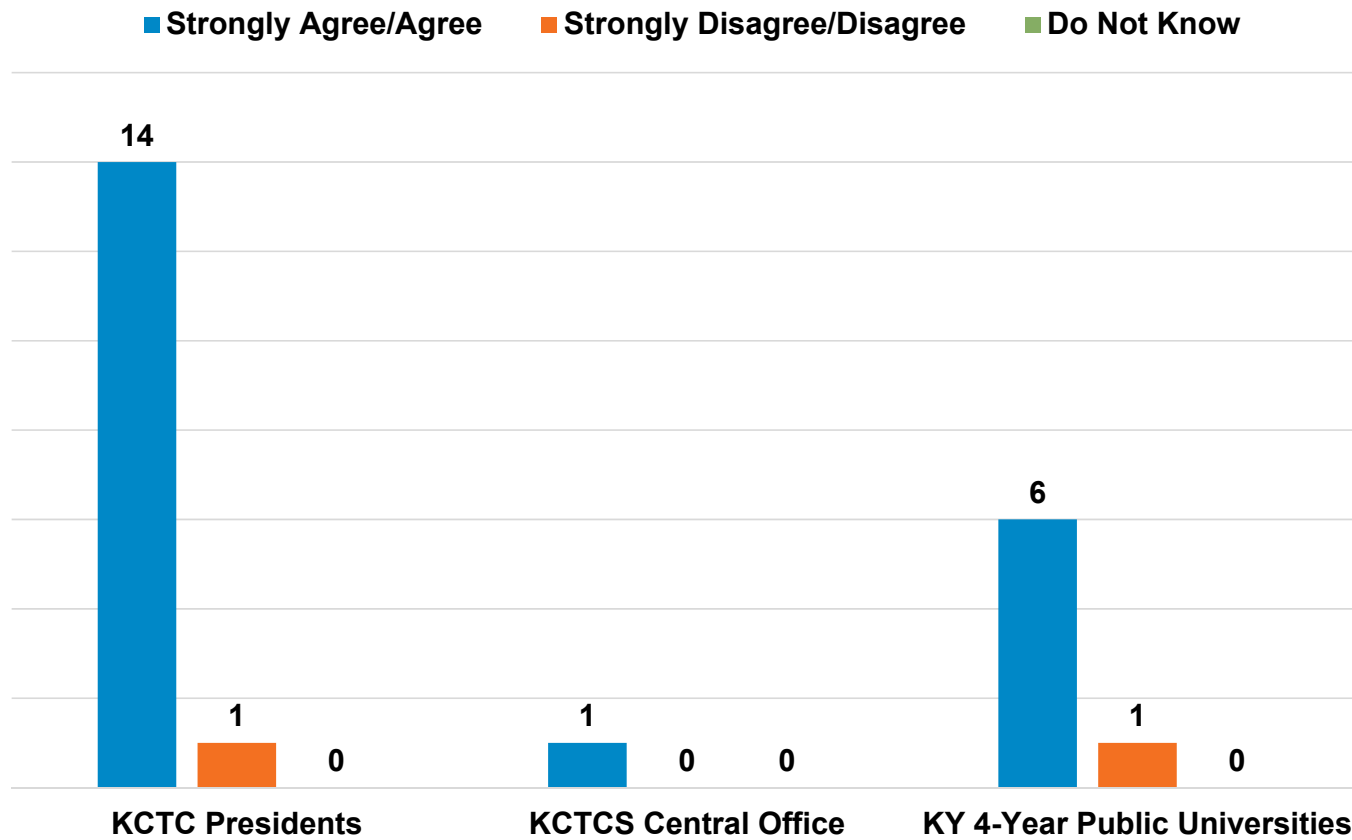
Kentucky's performance funding model adequately focuses on the success of low-income students and students of color.



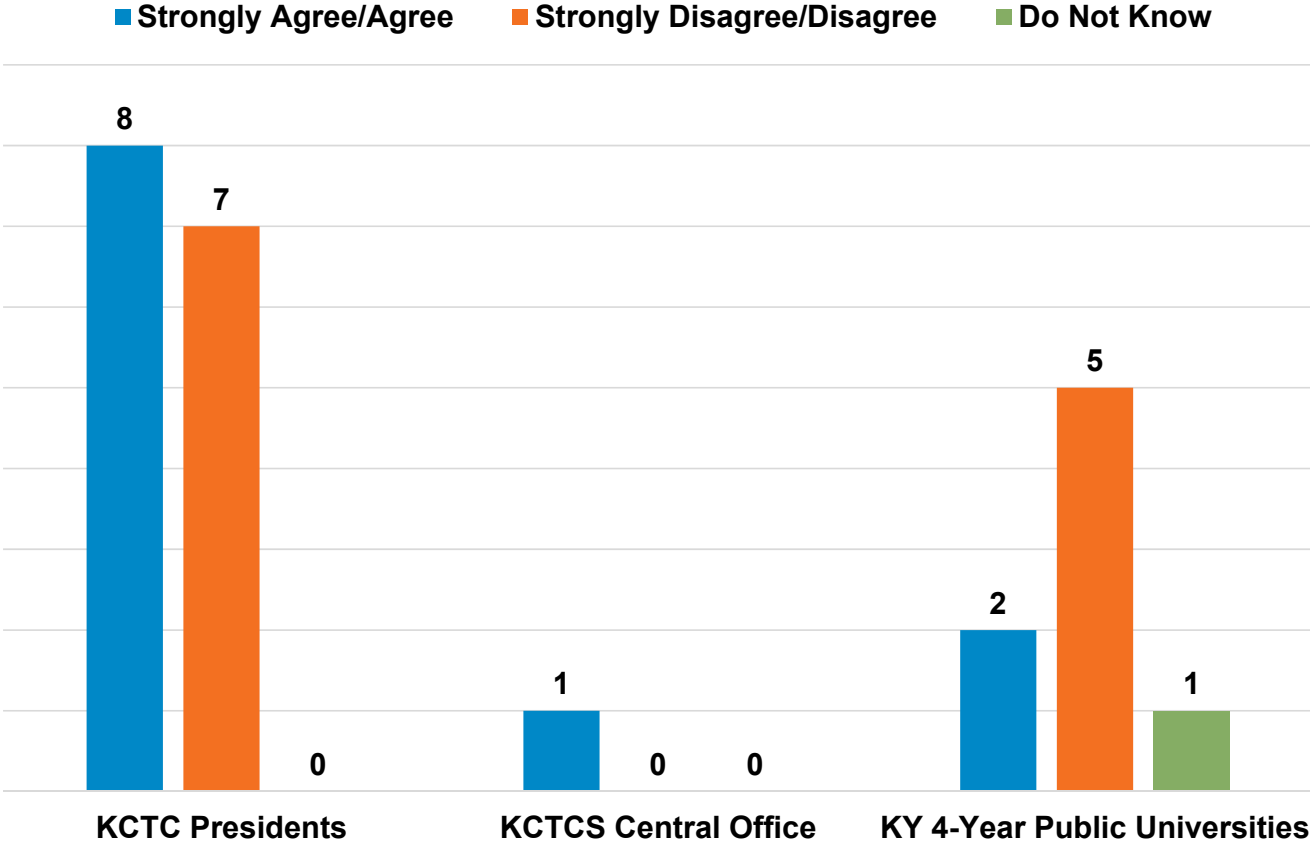
Kentucky's performance funding model adequately focuses on the needs of the state's workforce with incentives for STEM+H degrees and other workforce targeted credentials.



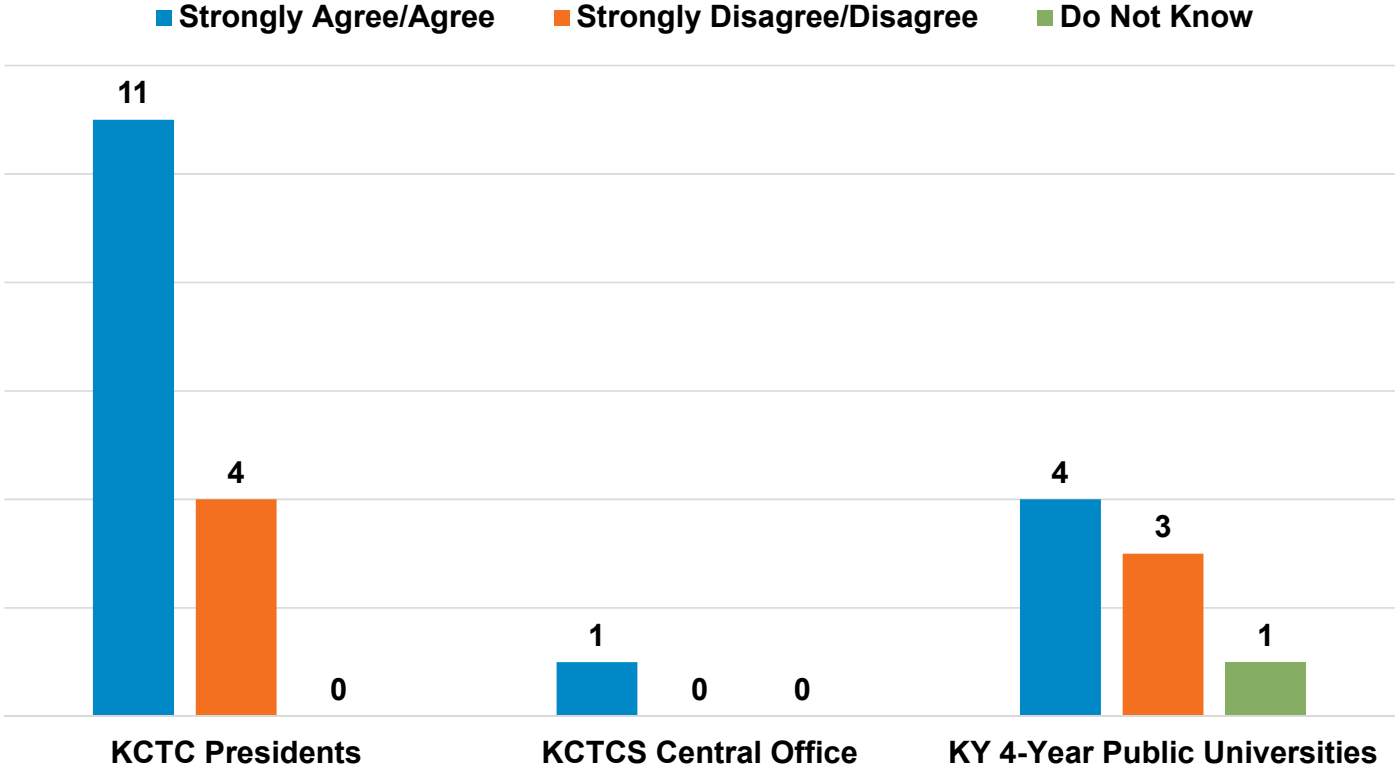
Additional state funding is necessary for the performance funding model to achieve its goals for the state of Kentucky.



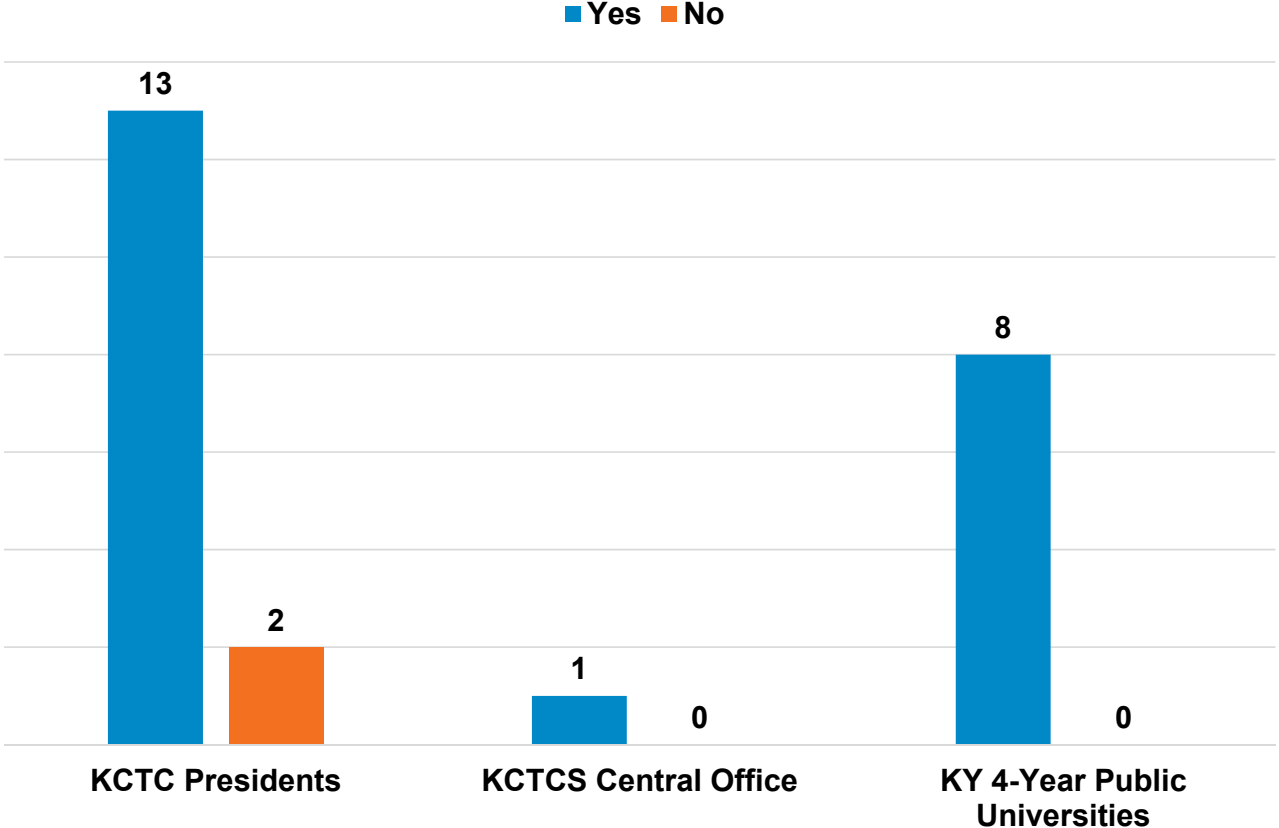
Performance funding distributions to my institution have been consistent with campus' expectations.



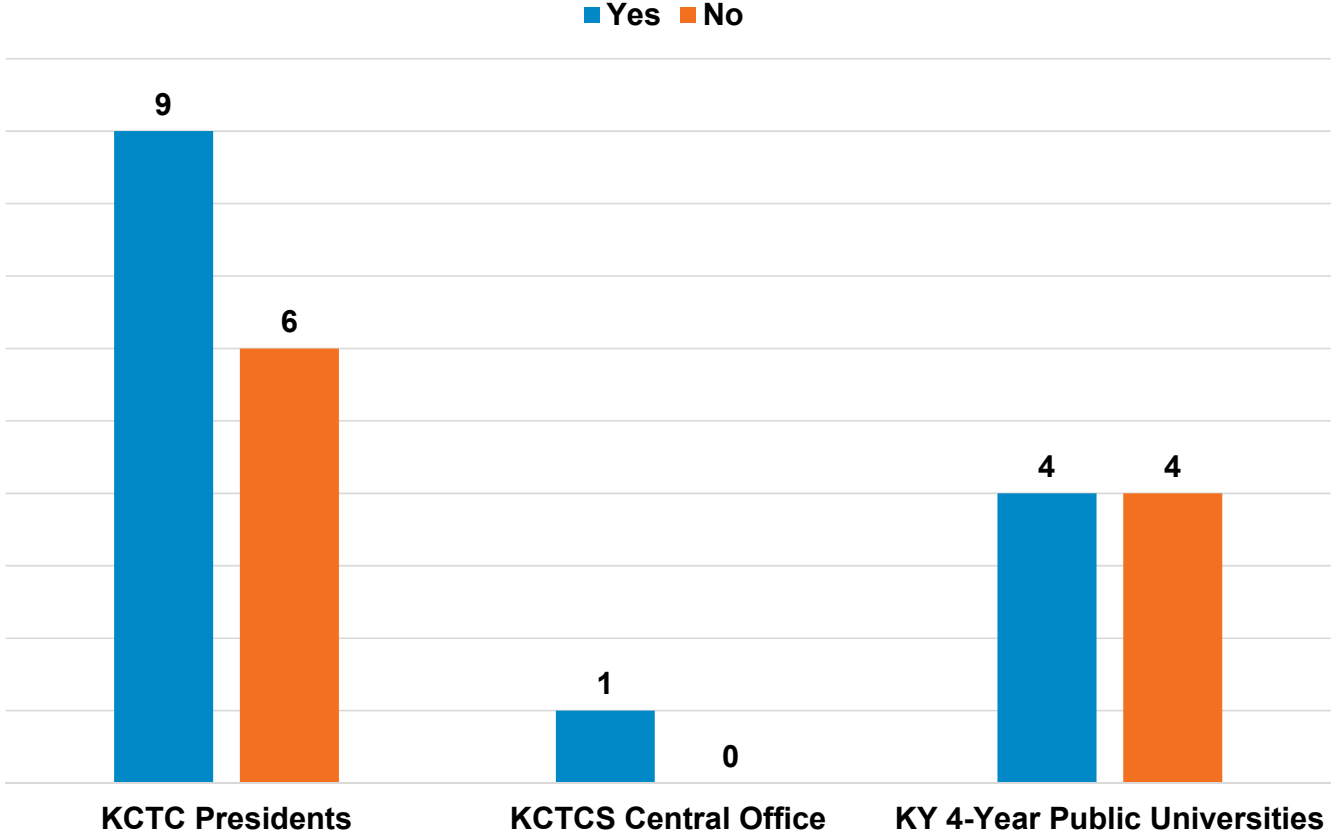
The COVID-19 pandemic has increased my institution's concerns related to Kentucky's performance funding model.



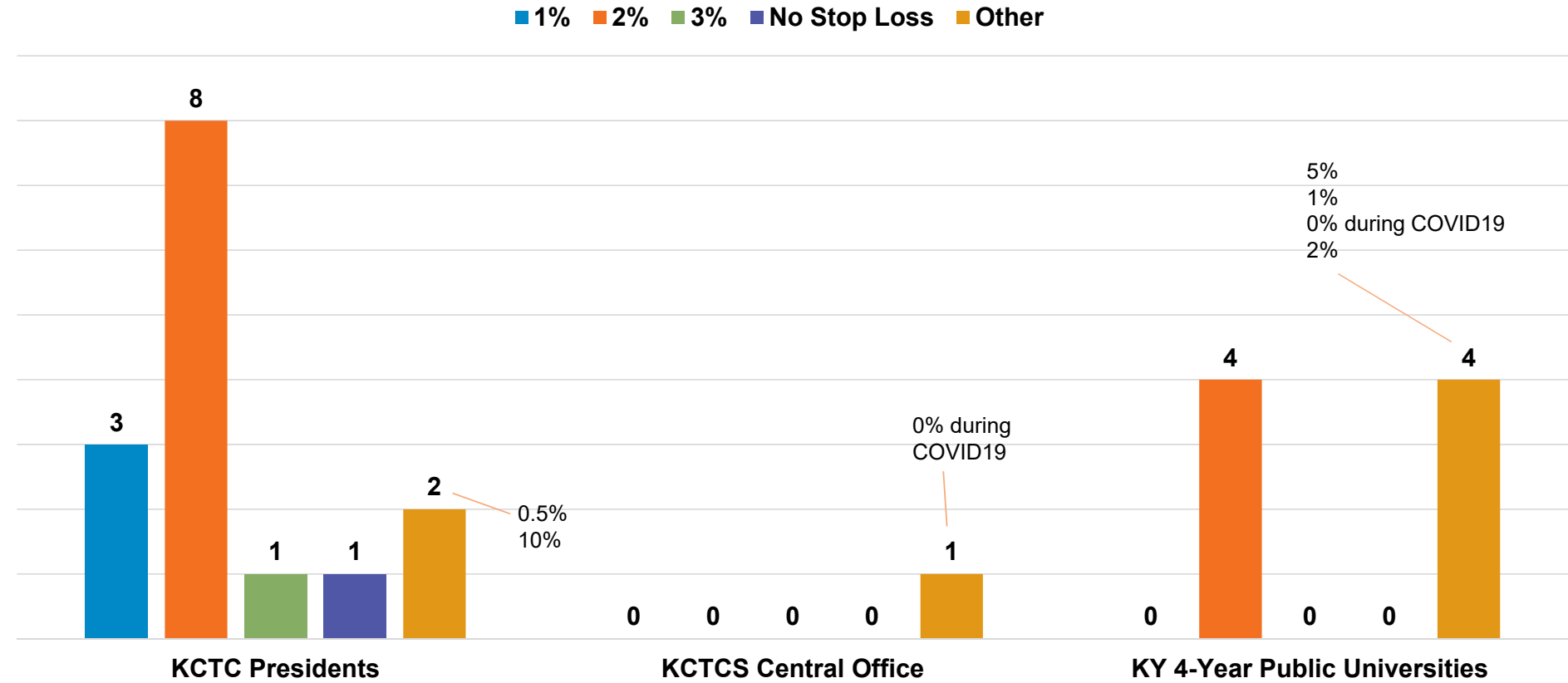
My institution has changed budgetary or other finance-related practices in response to performance funding.



The culture of my institution has become more focused on student success because of performance funding.



What is the appropriate level of stop loss (amount of regular general fund appropriation susceptible to redistribution)?



Performance Funding Metrics: KCTC Presidents' Recommendations

	Continue without change	Continue with recommended change	Discontinue
Total Credentials (10%)	8	6	1
STEM-H Credentials (2%)	10	4	1
URM Credentials (2%)	7	8	0
Low-income Credentials (2%)	7	8	0
Under-prepared Credentials (2%)	8	7	0
High Wage High Demand Credentials (1%)	8	6	1
Targeted Industry Credentials (2%)	11	3	1
Transfers (2%)	10	4	1
Student Progression @ 15 hours (2%)	9	6	0
Student Progression @ 30 hours (4%)	10	5	0
Student Progression @ 45 hours (6%)	9	6	0
Weighted Earned Credit Hours (35%)	9	6	0
M&O- Instructional Square Footage (10%)	7	7	1
Instructional Support-Direct Cost of Instruction (10%)	9	4	2
Academic Support-FTE Students (10%)	11	4	0

Performance Funding Metrics: Public University Recommendations

	Continue without change	Continue with recommended change	Discontinue
Bachelor's Degrees Conferred (9%)	0	7	0
STEM-H Bachelor's Degrees Conferred (5%)	1	6	0
URM Bachelor's Degrees Conferred (3%)	1	6	0
Low-income Bachelor's Degrees Conferred (3%)	1	6	0
Student Progression @ 30 hours (3%)	2	4	1
Student Progression @ 60 hours (5%)	2	4	1
Student Progression @ 90 hours (7%)	2	4	1
Weighted Earned Credit Hours (35%)	1	6	0
M&O- Instructional Square Footage (10%)	1	5	1
Instructional Support-Direct Cost of Instruction (10%)	2	4	1
Academic Support-FTE Students (10%)	1	5	1


Preliminary Review


Model Functioning as Expected

- State funding no longer distributed based on historical share, but on outcomes produced (reflects Δ 's in enrollment, program mix, degrees)
- Growth rates above sector average have increased funding share
- Model is providing incentives for increased progression and timely completion, and premiums for STEM+H, URM, and LI degrees
- Institutions are reacting to the model strategically:
 - Increasing alignment between institutional goals and state goals
 - Adopting internal budget allocation models to reward performance
 - Expanding emphasis on need-based aid and completion grants
- Progressing toward funding parity (achieved at 5 of 8 universities)

Preliminary Review

Model Functioning as Expected (Cont'd)

 Bachelor's Degrees (Normalized) Pool Size = \$46.6 M in 2020-21	2019-20	2020-21	Volume	Percent	Status	Institution	2019-20	2020-21
	Iteration	Iteration	Change	Change			Share	Share
University of Kentucky	7,754	8,191	437	5.6%	Above	UK	32.7%	33.7%
University of Louisville	4,920	5,167	247	5.0%	Above	UofL	20.7%	21.2%
Eastern Kentucky University	2,642	2,706	64	2.4%	Below	EKU	11.1%	11.1%
Kentucky State University	284	237	(47)	-16.5%	Below	KSU	1.2%	1.0%
Morehead State University	1,256	1,214	(42)	-3.4%	Below	MoSU	5.3%	5.0%
Murray State University	1,799	1,733	(66)	-3.7%	Below	MuSU	7.6%	7.1%
Northern Kentucky University	2,228	2,161	(66)	-3.0%	Below	NKU	9.4%	8.9%
Western Kentucky University	2,849	2,910	61	2.1%	Below	WKU	12.0%	12.0%
Sector	23,734	24,320	586	2.5% =	Average		100.0%	100.0%

 Student Credit Hours Earned Pool Size = \$181.1 M in 2020-21	2019-20	2020-21	Volume	Percent	Status	Institution	2019-20	2020-21
	Iteration	Iteration	Change	Change			Share	Share
University of Kentucky	1,348,256	1,391,065	42,809	3.2%	Above	UK	30.6%	31.3%
University of Louisville	1,017,022	1,027,807	10,785	1.1%	Above	UofL	23.1%	23.1%
Eastern Kentucky University	514,109	506,415	(7,694)	-1.5%	Below	EKU	11.7%	11.4%
Kentucky State University	40,074	37,950	(2,124)	-5.3%	Below	KSU	0.9%	0.9%
Morehead State University	241,295	235,150	(6,145)	-2.5%	Below	MoSU	5.5%	5.3%
Murray State University	289,065	278,768	(10,297)	-3.6%	Below	MuSU	6.6%	6.3%
Northern Kentucky University	396,255	409,154	12,899	3.3%	Above	NKU	9.0%	9.2%
Western Kentucky University	565,626	562,907	(2,719)	-0.5%	Below	WKU	12.8%	12.7%
Sector	4,411,703	4,449,217	37,513	0.9% =	Average		100.0%	100.0%

Preliminary Review

Unintended Consequences

- For three straight years, the models have been implemented with no new funding (resulting in limited redistribution of the base)
- When applied in the same year as a General Fund reduction, stop loss contributions can result in a second budget cut for some
- Unless action is taken, KSU, MoSU, MuSU, and six KCTCS colleges are facing fiscal cliffs in 2021-22 (sunset of 2% stop loss)
- The impact of unfunded KERS cost increases is of great concern for comprehensive universities and KCTCS institutions
- KSU has unique challenges given current enrollment and degree production levels

Preliminary Review

Unintended Consequences (Cont'd)

Funding Models for the Public Universities and KCTCS Institutions
 Implementation Schedule and Funding Sources
(Dollars in Millions)

<u>Timeline</u>	<u>Fiscal Year</u>	<u>Institution Contribution</u>	<u>New Funding</u>	<u>Total Funding</u> ¹
Year 0	2017-18	\$42.9	\$0.0	\$42.9
Year 1	2018-19	31.0	0.0	31.0
Year 2	2019-20	38.7	0.0	38.7
Year 3	2020-21	\$14.9	0.0	\$14.9
Year 4	2021-22	TBD	TBD	TBD

¹ Represents total appropriations to the Postsecondary Education Performance Fund, which were distributed among institutions based on outcomes produced.

Preliminary Review

Unintended Consequences (Cont'd)

Estimated Budgetary Impact of Discontinuing the 2% Stop Loss Provision Fiscal Year 2021-22

<u>Sector</u>	<u>Institution</u>	<u>Fiscal 2020-21 Formula Base ¹</u>	<u>Hold Harmless Allocation ²</u>	<u>Estimated Budget Impact</u>
<i>University</i>	Kentucky State University	18,235,500	(6,885,400)	-38%
	Morehead State University	34,931,500	(2,826,900)	-8%
	Murray State University	40,553,800	(675,800)	-2%
<i>KCTCS</i>	Ashland Community and Technical College	8,599,200	(836,100)	-10%
	Big Sandy Community and Technical College	9,735,900	(1,823,900)	-19%
	Hazard Community and Technical College	11,049,500	(3,519,100)	-32%
	Henderson Community College	4,231,400	(369,300)	-9%
	Madisonville Community College	7,898,500	(633,700)	-8%
	Southeast Community and Technical College	9,248,600	(2,166,800)	-23%

¹ The formula base, also referred to as the adjusted net General Fund, is calculated by subtracting debt service and mandated program funding from each institution's total direct appropriation.

² Estimated reduction in each institution's formula base that could occur if stop loss and hold harmless provisions sunset. These numbers represent the calculated hold harmless allocations in fiscal 2020-21.

Next Steps

- Outcomes-Based Funding Status Report (HCM Strategists)
- University Model
 - Financial Impact Analysis
- KCTCS Funding Model
 - Trends in Student Success Metrics
 - Financial Impact Analysis
 - Preliminary Review
- Individual Institution Reviews

Questions?



Twitter: CPENews and CPEPres



Website: <http://cpe.ky.gov>



Facebook: KYCPE



Performance Funding Model for the Public Universities
 Total Bachelor's Degrees Produced by Institution and Sector
 Academic Years 2013-14 through 2018-19

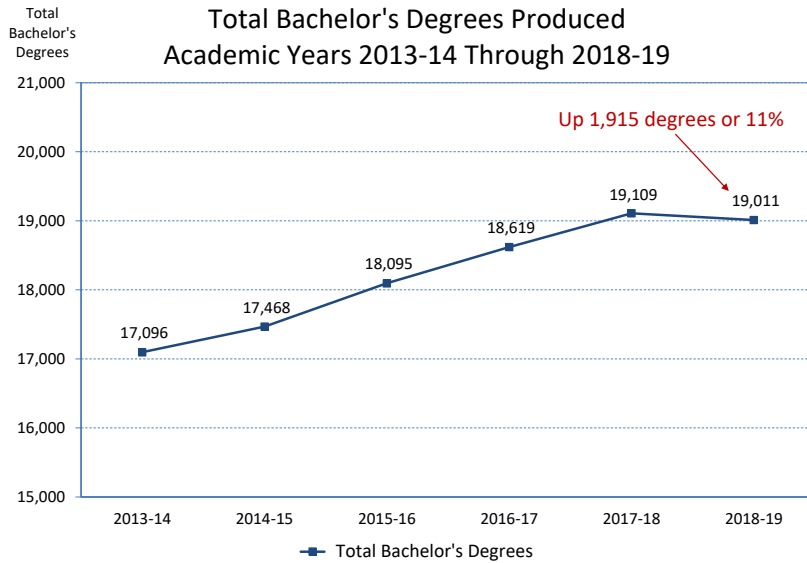
July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	3,988	4,238	4,540	4,642	4,956	5,105	1,117	28.0%	5.1%
University of Louisville	2,821	2,832	2,705	3,010	3,041	3,049	228	8.1%	1.6%
Eastern Kentucky University	2,508	2,532	2,559	2,573	2,648	2,690	182	7.3%	1.4%
Kentucky State University	272	270	276	315	222	212	(60)	-22.1%	-4.9%
Morehead State University	1,144	1,166	1,306	1,291	1,308	1,260	116	10.1%	2.0%
Murray State University	1,469	1,512	1,696	1,699	1,678	1,577	108	7.4%	1.4%
Northern Kentucky University	2,143	2,214	2,196	2,238	2,218	2,134	(9)	-0.4%	-0.1%
Western Kentucky University	2,751	2,704	2,817	2,851	3,038	2,984	233	8.5%	1.6%
Total Bachelor's Degrees	17,096	17,468	18,095	18,619	19,109	19,011	1,915	11.2%	2.1%

Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	6,809	7,070	7,245	7,652	7,997	8,154	1,345	19.8%	3.7%
Comprehensive Universities	10,287	10,398	10,850	10,967	11,112	10,857	570	5.5%	1.1%
Total Bachelor's Degrees	17,096	17,468	18,095	18,619	19,109	19,011	1,915	11.2%	2.1%

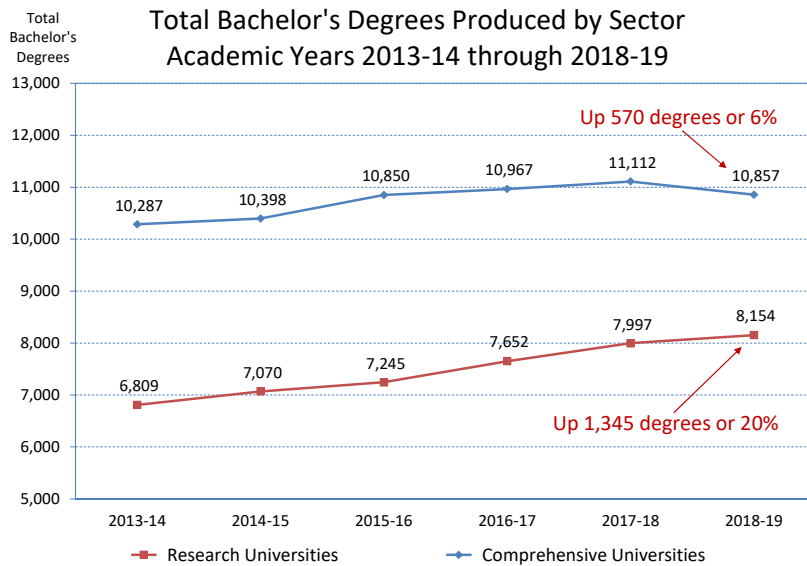
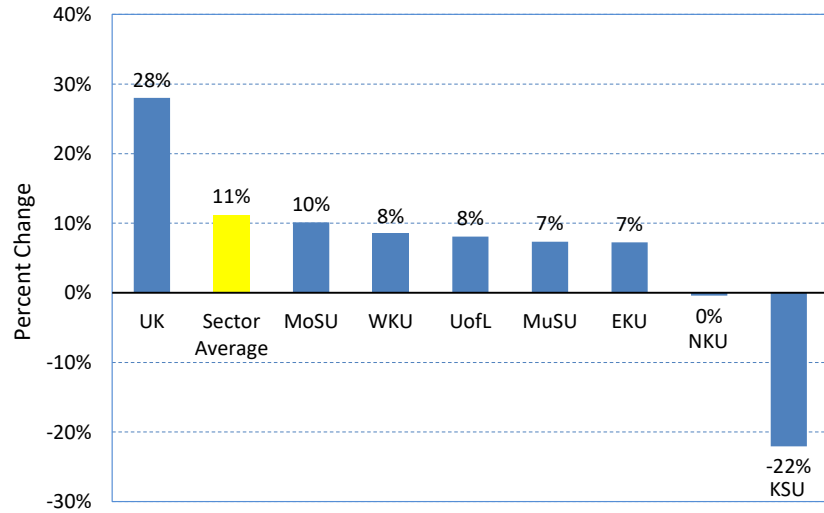
AAGR = Average Annual Growth Rate

Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.



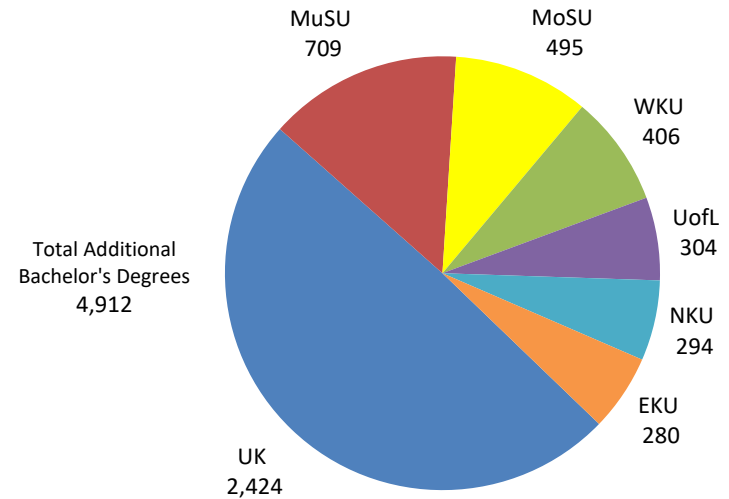
Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Five-Year Change in Bachelor's Degrees Produced Between Academic Years 2013-14 and 2018-19



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Cumulative Net Gain in Bachelor's Degrees Academic Years 2013-14 through 2017-18



Performance Funding Model for the Public Universities
STEM+H Bachelor's Degrees Produced by Institution and Sector
Academic Years 2013-14 through 2018-19

July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	1,345	1,439	1,609	1,793	1,908	2,042	697	51.8%	8.7%
University of Louisville	798	782	835	955	1,038	1,056	258	32.3%	5.8%
Eastern Kentucky University	657	682	769	840	900	873	216	32.9%	5.8%
Kentucky State University	48	59	65	70	46	38	(10)	-20.8%	-4.6%
Morehead State University	286	306	343	357	384	385	99	34.6%	6.1%
Murray State University	564	643	741	710	719	730	166	29.4%	5.3%
Northern Kentucky University	587	648	672	722	679	694	107	18.2%	3.4%
Western Kentucky University	808	743	888	825	880	867	59	7.3%	1.4%
Total STEM+H Bachelor's Degrees	5,093	5,302	5,922	6,272	6,554	6,685	1,592	31.3%	5.6%

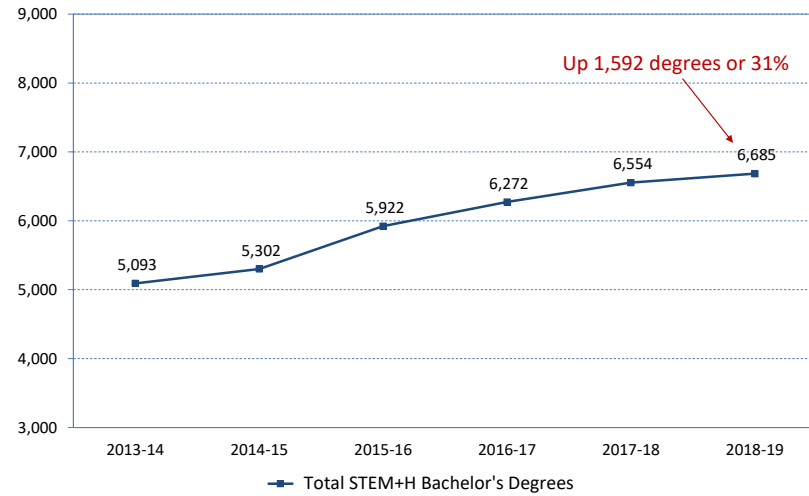
Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	2,143	2,221	2,444	2,748	2,946	3,098	955	44.6%	7.6%
Comprehensive Universities	2,950	3,081	3,478	3,524	3,608	3,587	637	21.6%	4.0%
Total STEM+H Bachelor's Degrees	5,093	5,302	5,922	6,272	6,554	6,685	1,592	31.3%	5.6%

AAGR = Average Annual Growth Rate

Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.

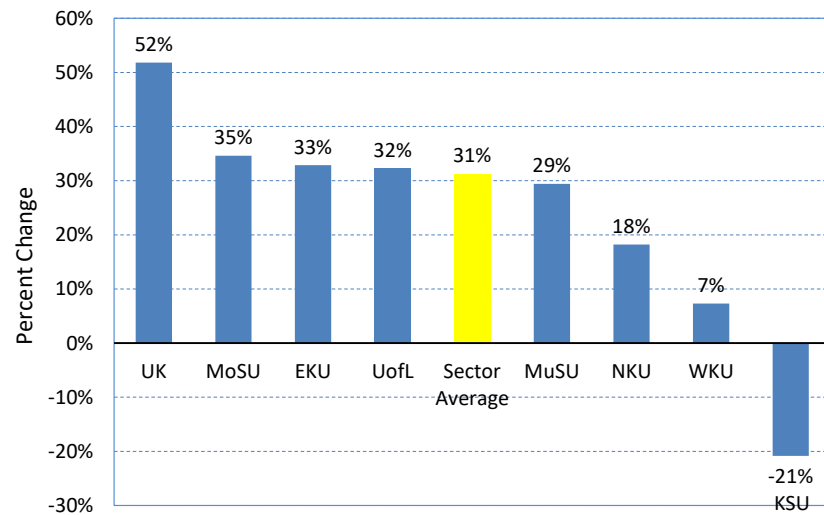
STEM+H Bachelor's Degrees

Total STEM+H Bachelor's Degrees Produced Academic Years 2013-14 through 2018-19



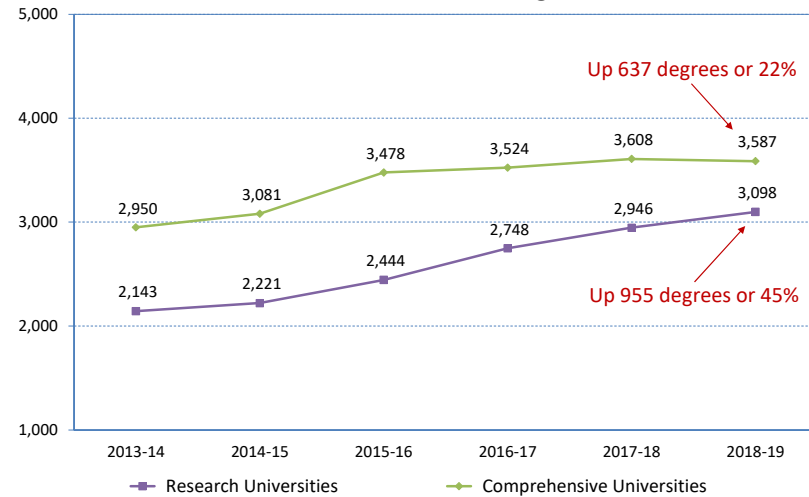
Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Five-Year Change in STEM+H Bachelor's Degrees Produced Between Academic Years 2013-14 and 2018-19



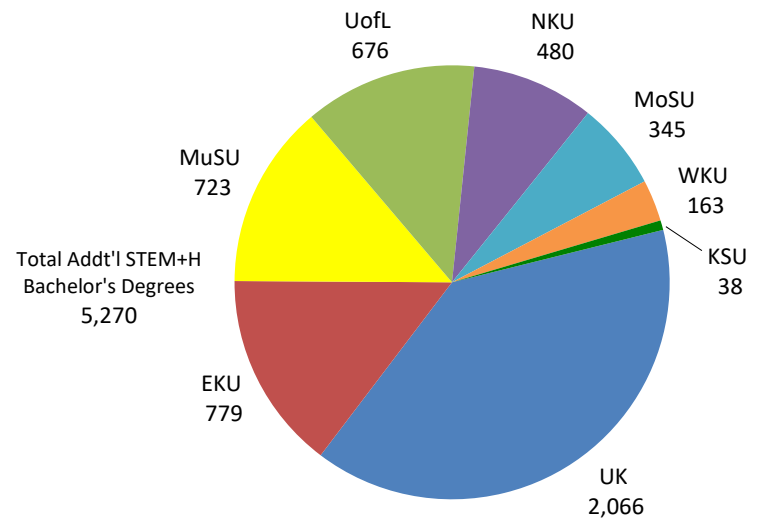
STEM+H Bachelor's Degrees

STEM+H Bachelor's Degrees Produced by Sector Academic Years 2013-14 through 2018-19



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Cumulative Net Gain in STEM+H Bachelor's Degrees Academic Years 2013-14 through 2018-19



Performance Funding Model for the Public Universities
 Underrepresented Minority (URM) Bachelor's Degrees Produced by Institution and Sector
 Academic Years 2013-14 through 2018-19

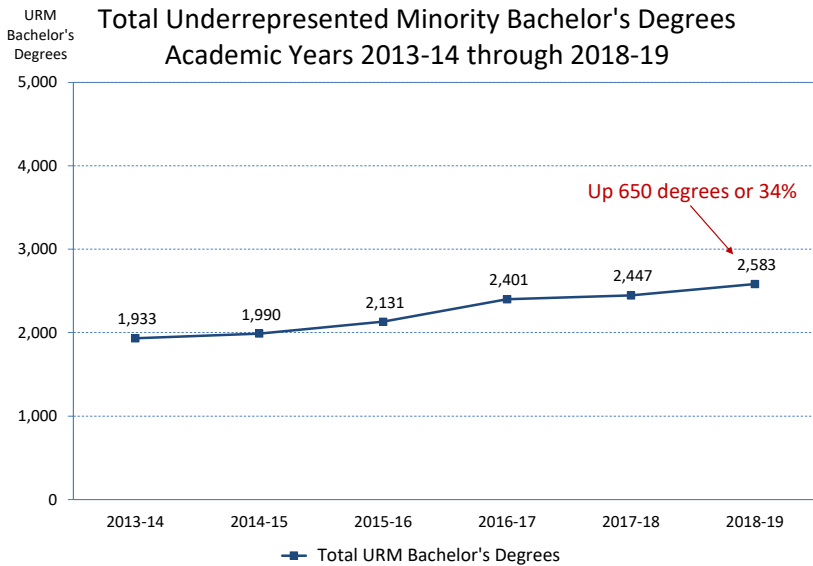
July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	412	460	536	594	661	740	328	79.6%	12.4%
University of Louisville	465	514	484	577	557	553	88	18.9%	3.5%
Eastern Kentucky University	236	213	207	213	271	249	13	5.5%	1.1%
Kentucky State University	170	141	160	182	136	157	(13)	-7.6%	-1.6%
Morehead State University	51	63	69	105	79	101	50	98.0%	14.6%
Murray State University	131	127	151	174	159	144	13	9.9%	1.9%
Northern Kentucky University	183	185	209	246	237	256	73	39.9%	6.9%
Western Kentucky University	285	287	315	310	347	383	98	34.4%	6.1%
Total URM Bachelor's Degrees	1,933	1,990	2,131	2,401	2,447	2,583	650	33.6%	6.0%

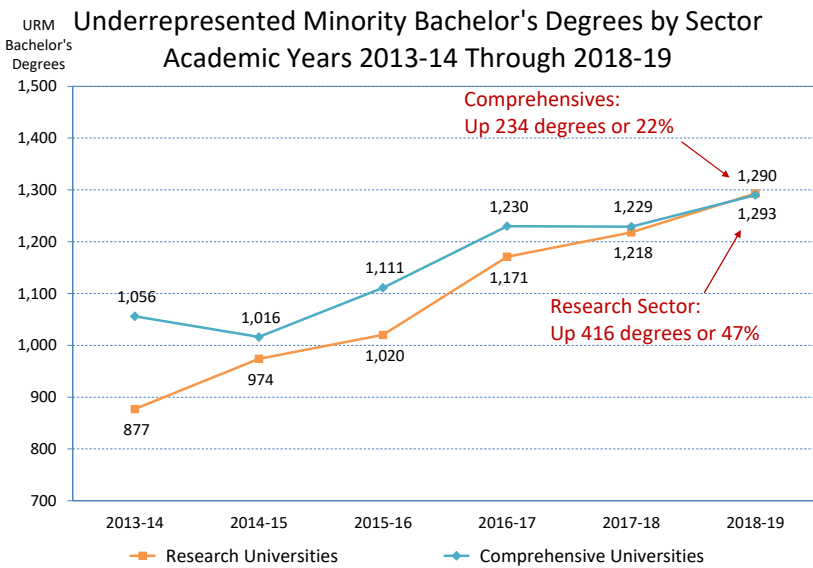
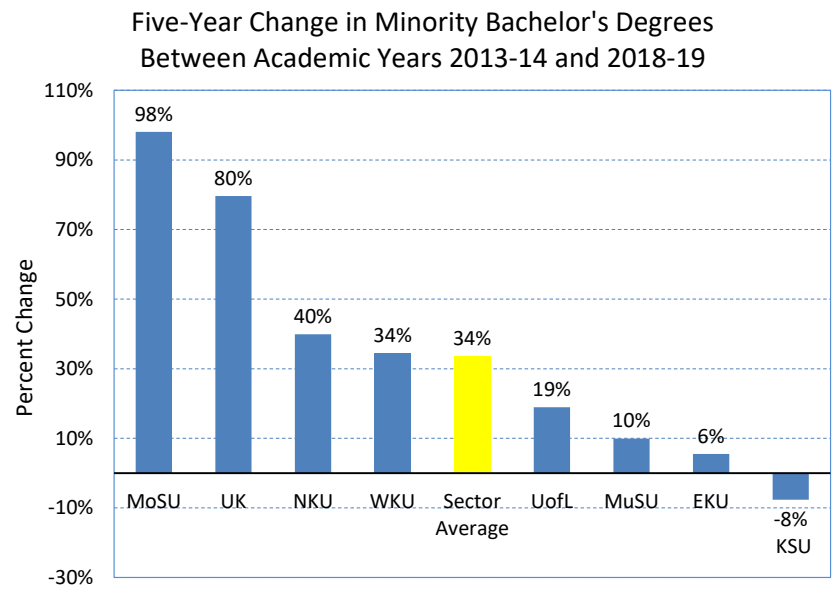
Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	877	974	1,020	1,171	1,218	1,293	416	47.4%	8.1%
Comprehensive Universities	1,056	1,016	1,111	1,230	1,229	1,290	234	22.2%	4.1%
Total URM Bachelor's Degrees	1,933	1,990	2,131	2,401	2,447	2,583	650	33.6%	6.0%

AAGR = Average Annual Growth Rate

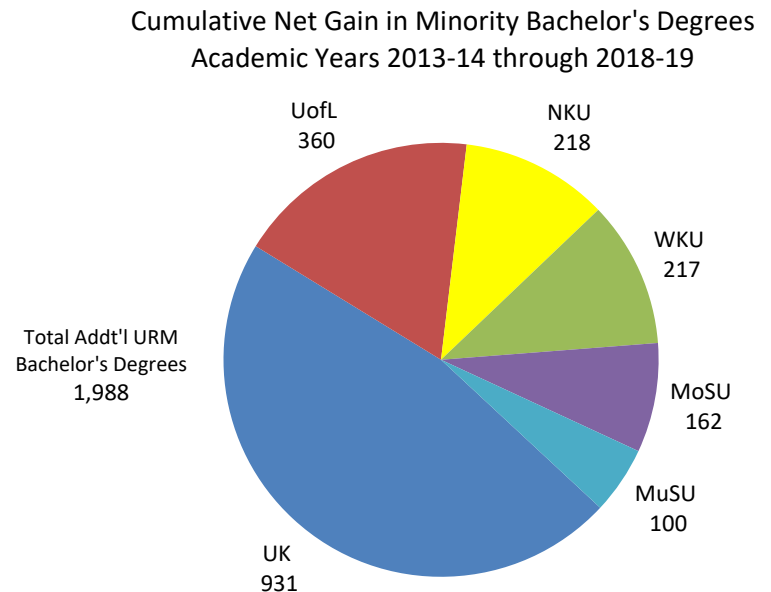
Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Performance Funding Model for the Public Universities
 Low Income Bachelor's Degrees Produced by Institution and Sector
 Academic Years 2013-14 through 2018-19

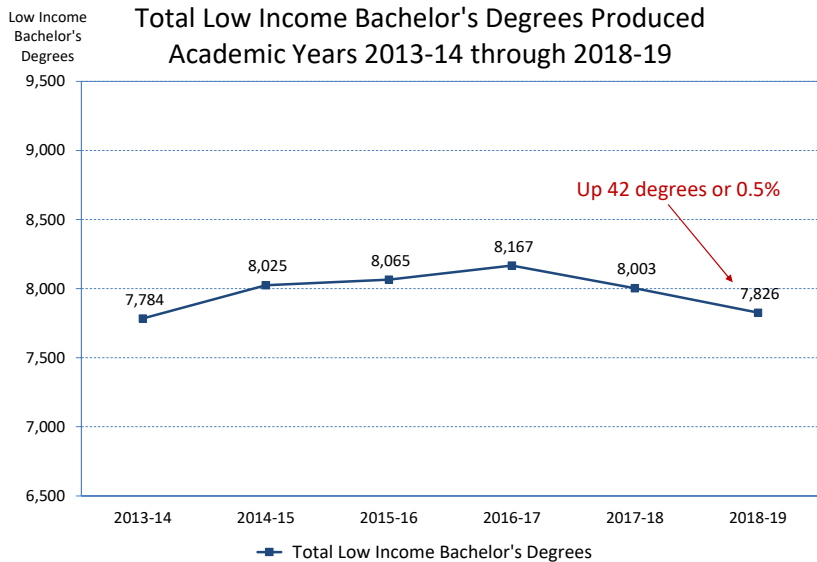
July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	1,287	1,350	1,423	1,494	1,457	1,501	214	16.6%	3.1%
University of Louisville	1,218	1,210	1,137	1,203	1,184	1,200	(18)	-1.5%	-0.3%
Eastern Kentucky University	1,343	1,372	1,378	1,399	1,345	1,327	(16)	-1.2%	-0.2%
Kentucky State University	203	196	211	237	164	158	(45)	-22.2%	-4.9%
Morehead State University	703	703	779	743	765	708	5	0.7%	0.1%
Murray State University	687	733	747	775	725	680	(7)	-1.0%	-0.2%
Northern Kentucky University	962	1,071	1,037	1,040	1,005	954	(8)	-0.8%	-0.2%
Western Kentucky University	1,381	1,390	1,353	1,276	1,358	1,298	(83)	-6.0%	-1.2%
Total Low Income Bachelor's Degrees	7,784	8,025	8,065	8,167	8,003	7,826	42	0.5%	0.1%

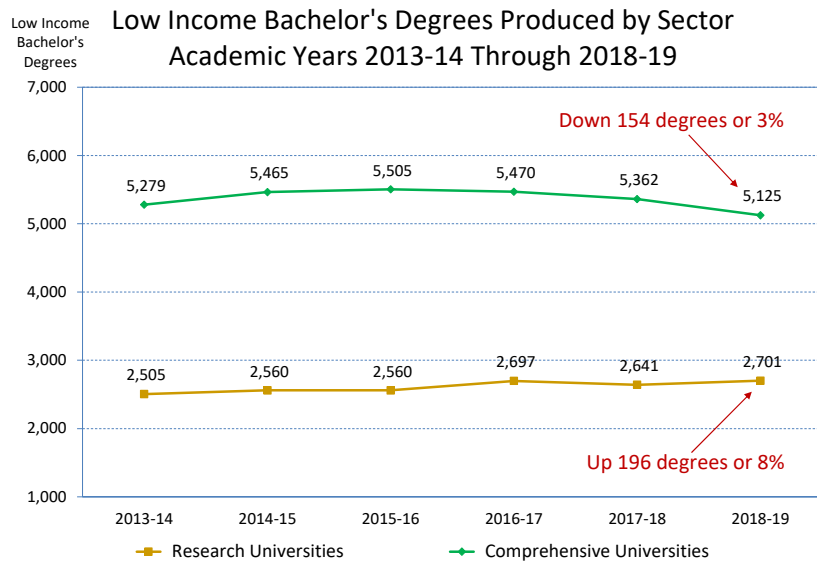
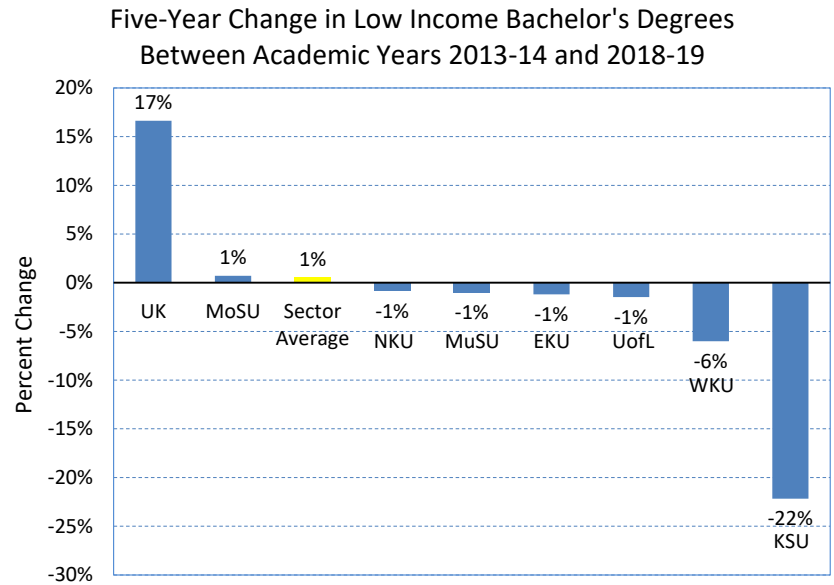
Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	2,505	2,560	2,560	2,697	2,641	2,701	196	7.8%	1.5%
Comprehensive Universities	5,279	5,465	5,505	5,470	5,362	5,125	(154)	-2.9%	-0.6%
Total Low Income Bachelor's Degrees	7,784	8,025	8,065	8,167	8,003	7,826	42	0.5%	0.1%

AAGR = Average Annual Growth Rate

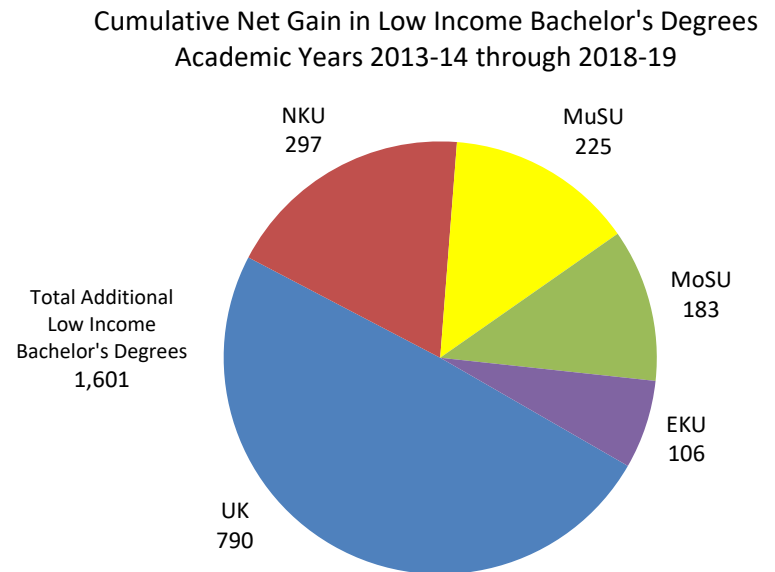
Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Performance Funding Model for the Public Universities
 Student Progression @30 Credit Hour Threshold by Institution and Sector
 Academic Years 2013-14 through 2018-19

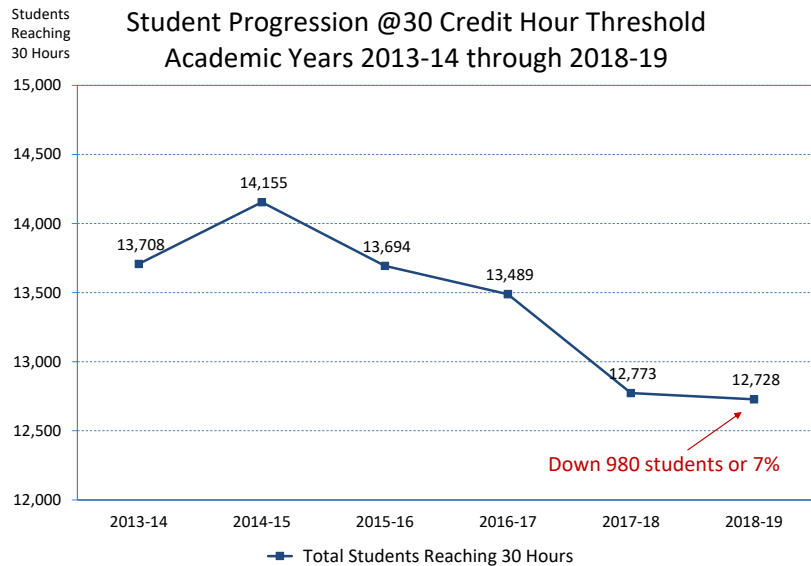
July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	3,471	3,839	3,868	3,720	3,447	3,639	168	4.8%	0.9%
University of Louisville	2,265	2,165	2,046	2,064	1,969	1,940	(325)	-14.3%	-3.1%
Eastern Kentucky University	1,353	1,821	1,955	1,881	1,751	1,614	261	19.3%	3.6%
Kentucky State University	211	221	144	163	172	188	(23)	-10.9%	-2.3%
Morehead State University	1,237	1,048	975	957	945	980	(257)	-20.8%	-4.6%
Murray State University	1,146	1,080	968	1,077	984	959	(187)	-16.3%	-3.5%
Northern Kentucky University	1,681	1,623	1,569	1,576	1,450	1,426	(255)	-15.2%	-3.2%
Western Kentucky University	2,344	2,358	2,169	2,051	2,055	1,982	(362)	-15.4%	-3.3%
Total Students Reaching 30 Hours	13,708	14,155	13,694	13,489	12,773	12,728	(980)	-7.1%	-1.5%

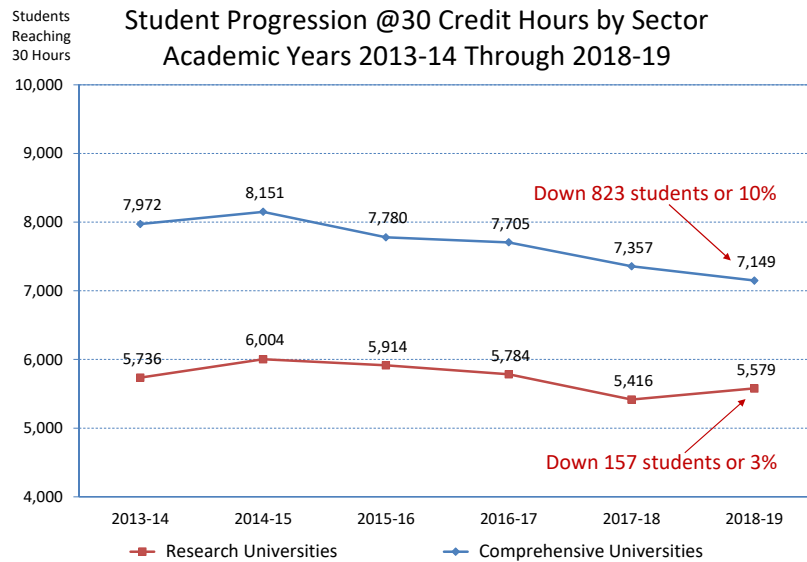
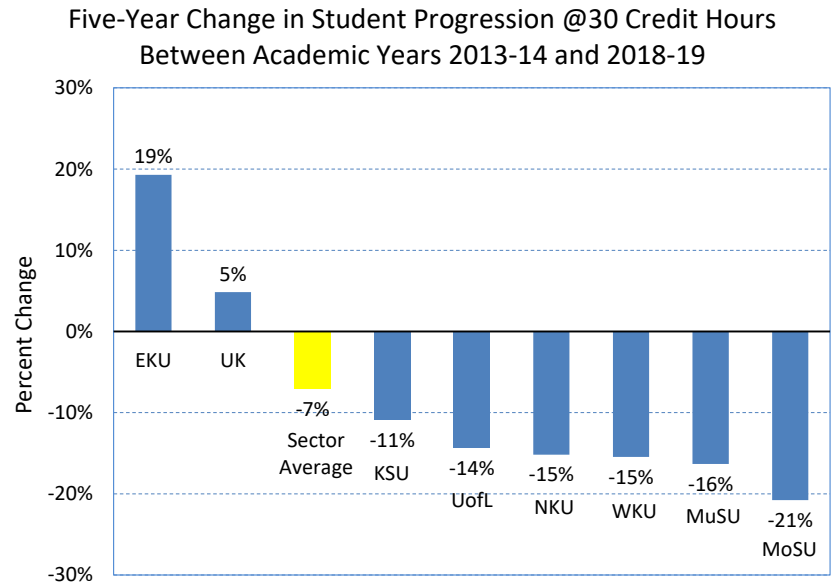
Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	5,736	6,004	5,914	5,784	5,416	5,579	(157)	-2.7%	-0.6%
Comprehensive Universities	7,972	8,151	7,780	7,705	7,357	7,149	(823)	-10.3%	-2.2%
Total Students Reaching 30 Hours	13,708	14,155	13,694	13,489	12,773	12,728	(980)	-7.1%	-1.5%

AAGR = Average Annual Growth Rate

Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.

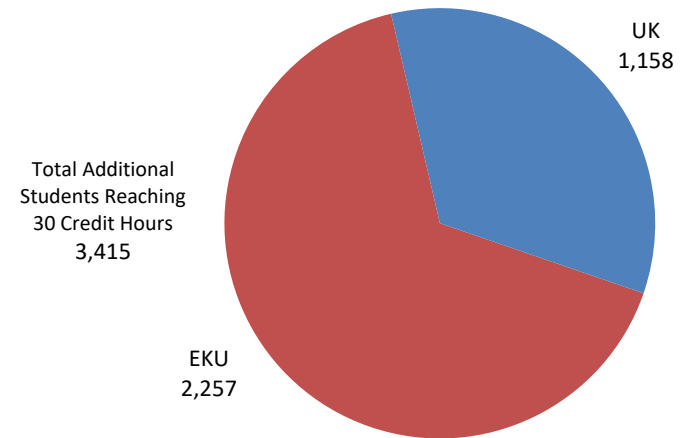


Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Cumulative Net Gain in Progression @ 30 Credit Hours Academic Years 2013-14 through 2018-19



Performance Funding Model for the Public Universities
 Student Progression @60 Credit Hour Threshold by Institution and Sector
 Academic Years 2013-14 through 2018-19

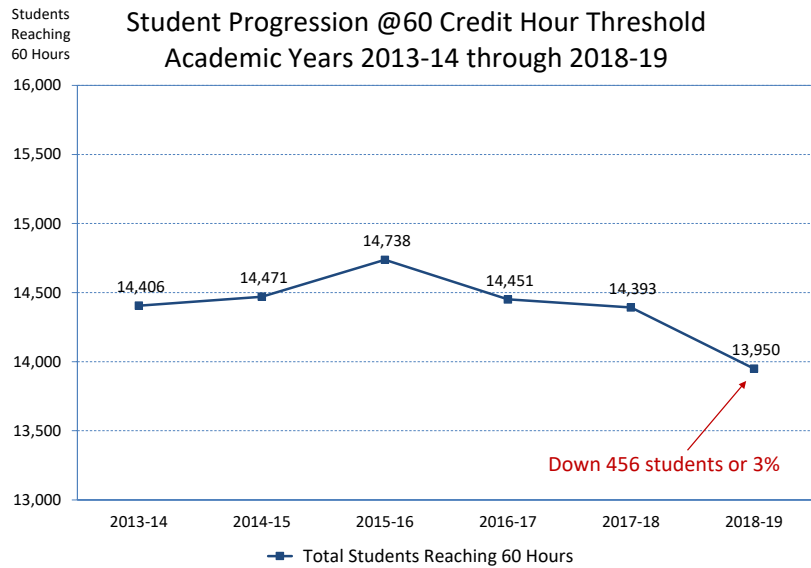
July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	3,761	3,694	4,083	4,112	3,930	3,780	19	0.5%	0.1%
University of Louisville	2,366	2,449	2,470	2,399	2,423	2,323	(43)	-1.8%	-0.4%
Eastern Kentucky University	1,932	1,822	1,846	1,947	1,978	1,851	(81)	-4.2%	-0.9%
Kentucky State University	228	212	190	196	165	179	(49)	-21.5%	-4.7%
Morehead State University	1,039	1,115	1,052	951	962	966	(73)	-7.0%	-1.4%
Murray State University	1,193	1,225	1,141	1,041	1,162	1,069	(124)	-10.4%	-2.2%
Northern Kentucky University	1,649	1,699	1,659	1,598	1,579	1,588	(61)	-3.7%	-0.8%
Western Kentucky University	2,238	2,255	2,297	2,207	2,194	2,194	(44)	-2.0%	-0.4%
Total Students Reaching 60 Hours	14,406	14,471	14,738	14,451	14,393	13,950	(456)	-3.2%	-0.6%

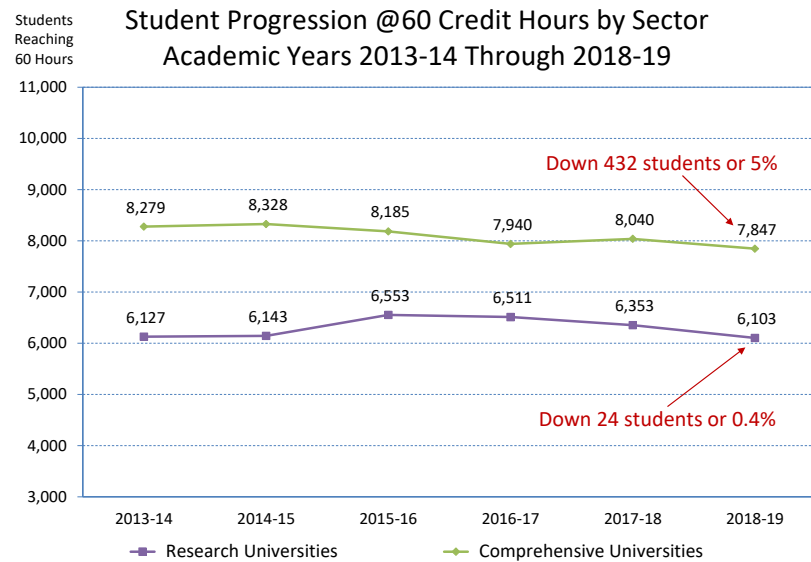
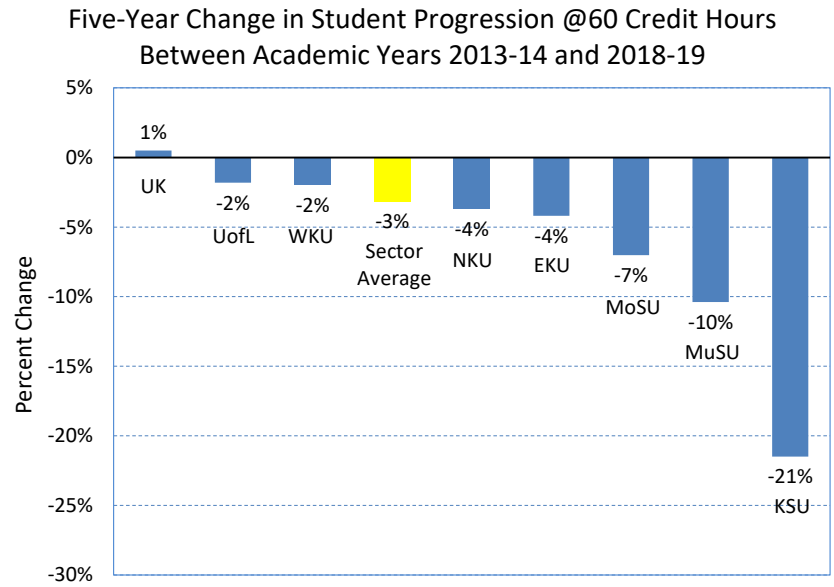
Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	6,127	6,143	6,553	6,511	6,353	6,103	(24)	-0.4%	-0.1%
Comprehensive Universities	8,279	8,328	8,185	7,940	8,040	7,847	(432)	-5.2%	-1.1%
Total Students Reaching 60 Hours	14,406	14,471	14,738	14,451	14,393	13,950	(456)	-3.2%	-0.6%

AAGR = Average Annual Growth Rate

Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.

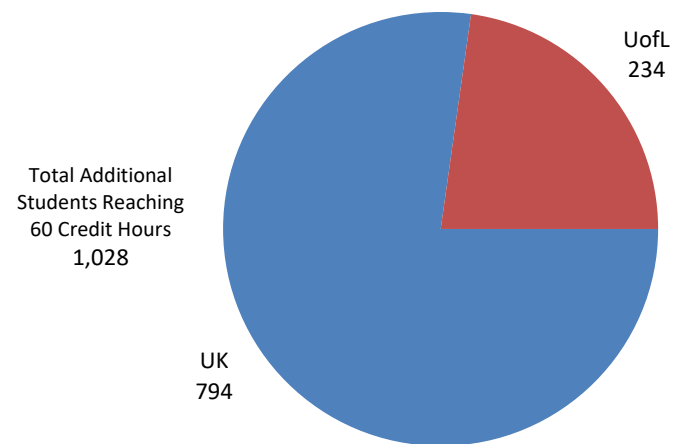


Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Cumulative Net Gain in Progression @60 Credit Hours Academic Years 2013-14 through 2018-19



Performance Funding Model for the Public Universities
 Student Progression @90 Credit Hour Threshold by Institution and Sector
 Academic Years 2013-14 through 2018-19

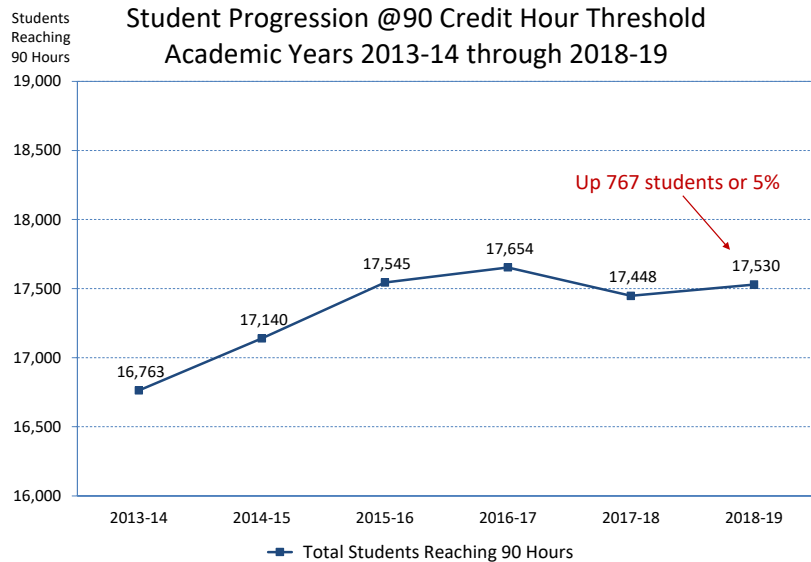
July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	4,150	4,259	4,500	4,654	4,781	4,629	479	11.5%	2.2%
University of Louisville	2,694	2,771	2,933	2,929	2,838	2,906	212	7.9%	1.5%
Eastern Kentucky University	2,534	2,374	2,231	2,347	2,356	2,420	(114)	-4.5%	-0.9%
Kentucky State University	255	253	256	254	213	159	(96)	-37.6%	-9.0%
Morehead State University	1,097	1,231	1,313	1,202	1,197	1,191	94	8.6%	1.7%
Murray State University	1,462	1,615	1,588	1,546	1,420	1,518	56	3.8%	0.8%
Northern Kentucky University	1,969	2,011	2,009	1,920	1,916	1,912	(57)	-2.9%	-0.6%
Western Kentucky University	2,602	2,626	2,715	2,802	2,727	2,795	193	7.4%	1.4%
Total Students Reaching 90 Hours	16,763	17,140	17,545	17,654	17,448	17,530	767	4.6%	0.9%

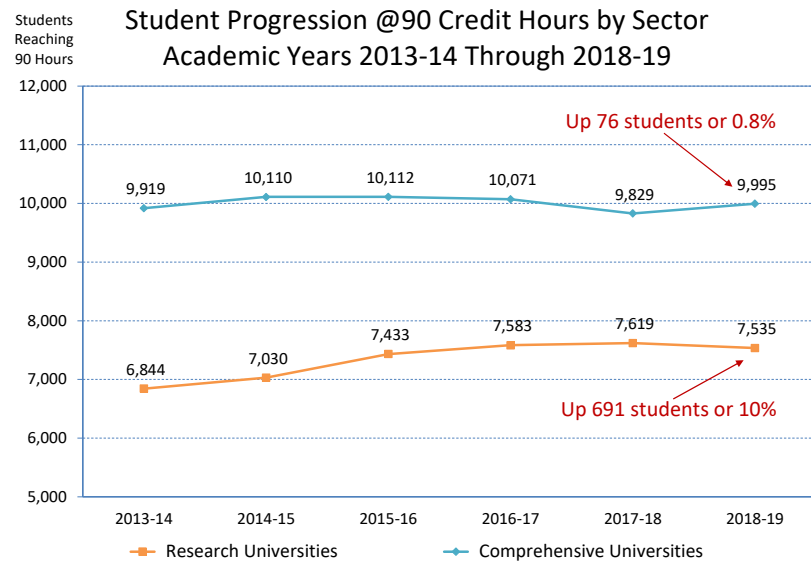
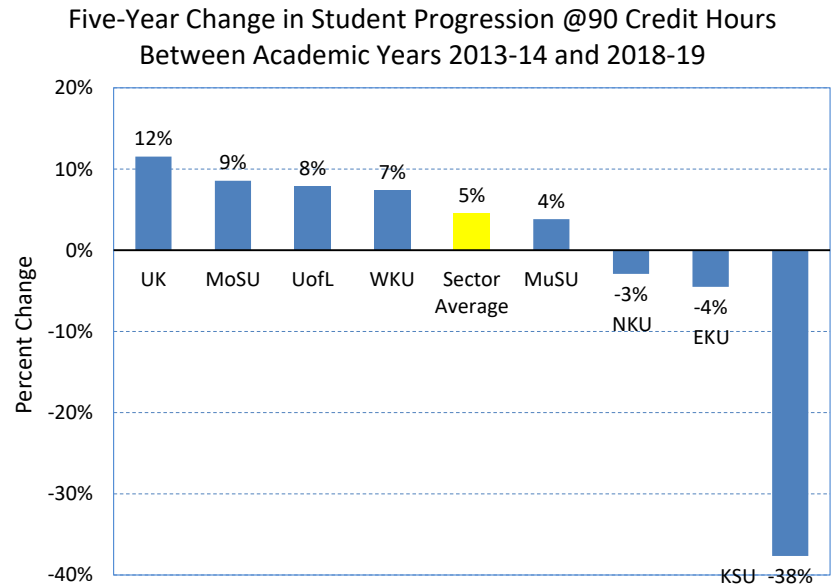
Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	6,844	7,030	7,433	7,583	7,619	7,535	691	10.1%	1.9%
Comprehensive Universities	9,919	10,110	10,112	10,071	9,829	9,995	76	0.8%	0.2%
Total Students Reaching 90 Hours	16,763	17,140	17,545	17,654	17,448	17,530	767	4.6%	0.9%

AAGR = Average Annual Growth Rate

Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.

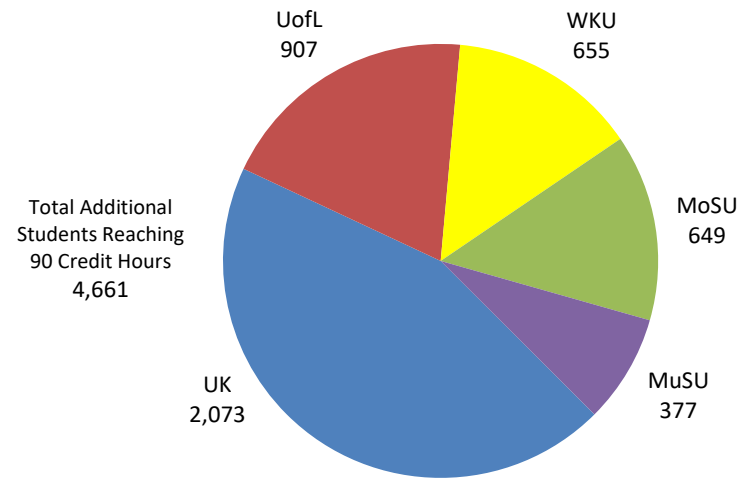


Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Cumulative Net Gain in Progression @90 Credit Hours Academic Years 2013-14 through 2018-19



Performance Funding Model for the Public Universities
 Unweighted Credit Hours Earned by Institution and Sector
 Academic Years 2013-14 through 2018-19

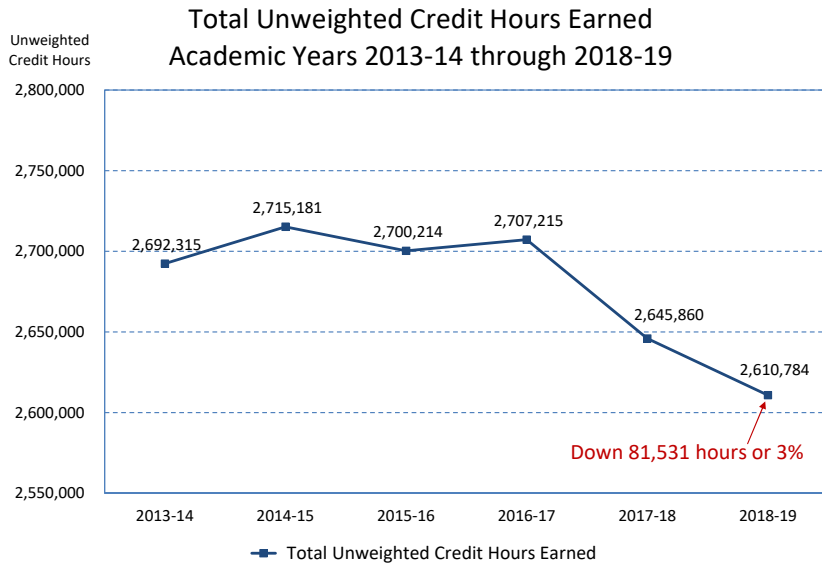
July 30, 2020

Institution	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
University of Kentucky	691,534	717,945	716,694	748,430	737,439	736,838	45,304	6.6%	1.3%
University of Louisville	478,198	479,970	480,591	490,174	480,356	473,949	(4,250)	-0.9%	-0.2%
Eastern Kentucky University	351,892	357,130	361,218	355,129	347,262	337,239	(14,654)	-4.2%	-0.8%
Kentucky State University	41,644	39,192	33,042	33,577	30,841	29,361	(12,284)	-29.5%	-6.8%
Morehead State University	183,397	179,323	178,430	171,160	167,534	163,612	(19,785)	-10.8%	-2.3%
Murray State University	223,532	228,433	224,245	213,743	202,210	194,335	(29,197)	-13.1%	-2.8%
Northern Kentucky University	308,817	304,450	299,168	292,299	285,437	292,095	(16,722)	-5.4%	-1.1%
Western Kentucky University	413,301	408,738	406,826	402,703	394,781	383,357	(29,945)	-7.2%	-1.5%
Total Unweighted Credit Hours Earned	2,692,315	2,715,181	2,700,214	2,707,215	2,645,860	2,610,784	(81,531)	-3.0%	-0.6%

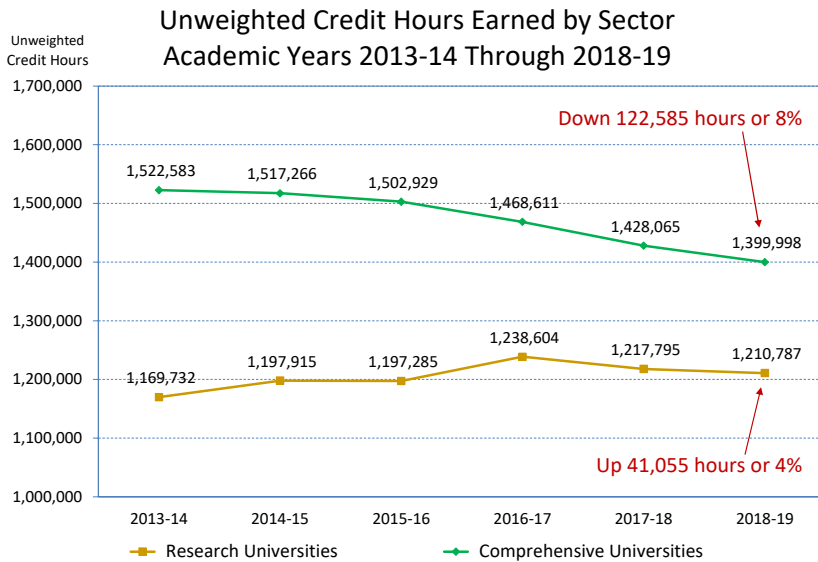
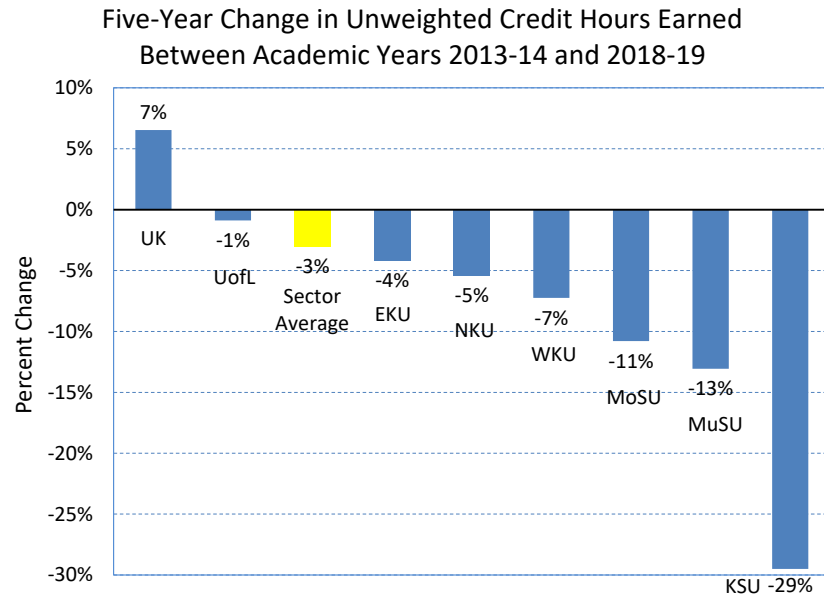
Sector	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Five-Year		
							Number Change	Percent Change	AAGR
Research Universities	1,169,732	1,197,915	1,197,285	1,238,604	1,217,795	1,210,787	41,055	3.5%	0.7%
Comprehensive Universities	1,522,583	1,517,266	1,502,929	1,468,611	1,428,065	1,399,998	(122,585)	-8.1%	-1.7%
Total Unweighted Credit Hours Earned	2,692,315	2,715,181	2,700,214	2,707,215	2,645,860	2,610,784	(81,531)	-3.0%	-0.6%

AAGR = Average Annual Growth Rate

Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.



Source: Council on Postsecondary Education, Data and Advanced Analytics Performance Funding Database.

Cumulative Net Gain in Unweighted Credit Hours Earned Academic Years 2013-14 through 2018-19

