

A GUIDE TO KENTUCKY'S HIGHER EDUCATION PERFORMANCE FUNDING MODEL

DISTRIBUTION OF ALLOCABLE FUNDING

35% Student Success

Based on

- Degrees and credentials awarded
- Degrees per 100 full-time enrollments
- STEM+H degrees
- Degrees earned by minority and low-income students
- Student progression



35% Course Completion

Based on each institution's share of sector total student credit hours earned, weighted to account for cost differences by degree level and academic discipline.

10% Maintenance & Operations

Based on each institution's share of square footage dedicated to student learning.

10% Institutional Support

Based on each institution's share of sector total instruction and student services spending.

10% Academic Support

Based on each institution's share of sector total full-time enrollment.

- ✓ **RATIONAL**
Well-aligned with campus missions and state goals for higher education.
- ✓ **COMPREHENSIVE**
Capable of distributing any proportion of base funding (up to 100%).
- ✓ **DYNAMIC**
Reacts to changes in campus productivity and changes in levels of state support.
- ✓ **FAIR**
Provides like funding for like activities.

GOALS

- Increase retention and progression of students.
- Increase the number of degrees and credentials earned by all types of students.
- Grow the number of degrees and credentials that garner higher salaries upon graduation: STEM+H fields, high-wage, high-demand fields.
- Close achievement gaps by increasing the number of degrees and credentials earned by low-income, minority and underprepared students.



STATE BENEFITS

- An overall rise in the number of graduates maximizes taxpayers' return on investment in higher education.
- More degrees translates to a more highly-skilled workforce that will help strengthen Kentucky's economy.
- An emphasis upon on-time graduation helps reduce costs to students and their families.
- A better educated citizenry helps meet current workforce demand, as well as attracts new industries.



DEVELOPED BY

- Key legislators
- State Budget Office leadership
- Presidents of Kentucky's public institutions
- President of the Council on Postsecondary Education