

ILLINOIS COMMUNITY COLLEGE SYSTEM
Performance Based Funding
Principles and Metrics

The Illinois community college system has adopted five guiding principles for performance based funding.

1. Performance based funding is not about money, but about performance. However, performance based funding, when tried in other states, has been most successful when the state added funding to the budget for performance incentives. All higher education leaders are pledged to the success of performance based funding; and therefore, the needed new funds must be added to the FY2013 budget.
2. Universities and community colleges should have separate funding and metrics for the performance initiative. Dr. George Reid has stated at many public meetings that performance funding would recognize the different missions of Illinois' four year universities, research universities, and two year public community colleges.
3. Community colleges should not compete against each other for their performance based funds. The 39 community colleges differ widely in available resources per student, diversity, and student academic preparedness prior to enrollment, as well as in the characteristics, socio-economic status, and labor markets of the districts they serve.
4. To determine performance within specific metrics, each district will be measured against changes from year to year to establish district performance. That performance increase or decrease should not be compared to other districts statewide to allocate funds. Performance based funding is about enhancing the performance of each college.
5. If no new state funds are appropriated for performance, the community college system believes that no more than \$1M should be reallocated from base operating grants for implementation of the program in FY13.

The six community college performance measures are:

1. **Degree and Certificate Completion:** Students completing a degree or certificate.
2. **Degree and Certificate Completion of "At Risk" students:** The community college system, for this metric, is defining "At risk" students as those who are academically or financially at risk of not achieving their educational goals. The metric will measure student completion for students receiving a Pell grant and/or students who were enrolled in remedial education.
3. **Transfer to a four year institution:** Full time and part time students who transfer to another institution of higher education within three years for full time students and five years for part time students.
4. **Remedial and Adult Education Advancement:** remedial students and adult education students who advance to college level courses.
5. **Momentum Points:** first time/part time students completing 12 credit hours, first time/full time students completing 24 hours in the first year, and adult education students moving a "grade" level based on pre and post test performance. For purposes of this metric, completion of remedial courses is included and adult education grade levels are based on NRS standards.

6. **Transfer to a community college:** Full time and part time students who transfer to a community college within 18 months of leaving the initial community college. Lateral transfer is recognized as an important performance measure because lateral transfer students remain in higher education and reasons for lateral transfer are often prompted by changes in students' home residence, employment, or pursuit of a program not offered by the home institution.

**ILLINOIS COMMUNITY COLLEGE BOARD
SAMPLE OF THE PERFORMANCE FORMULA**

METRIC 1

DEGREE PRODUCTION OF AT-RISK STUDENTS

Data Source: ICCB Annual Enrollment and Completion (A1)

Allocation \$ 200,000
 10,473
\$ 19,096

	<u>2008 Degrees and Certificates</u>			<u>2009 Degrees and Certificates</u>					
	<u>Pell Recipient</u>	<u>Remedial Hours</u>	<u>Total</u>	<u>Pell Recipient</u>	<u>Remedial Hours</u>	<u>Total</u>	<u>% Change</u>	<u>Greater than zero</u>	<u>Allocation</u>
College 1	272	15	287	300	32	332	15.7%	0.157	\$ 2,994
College 2	2,510	295	2,805	2,878	272	3,150	12.3%	0.123	\$ 2,349
College 3	355	86	441	393	85	478	8.4%	0.084	\$ 1,602
College 4	386	133	519	420	99	519	0.0%	-	\$ -
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College 39	251	88	339	250	80	330	-2.7%	-	\$ -
Totals	11,897	3,064	14,961	11,248	2,977	14,225		10,473	\$ 200,000

METRIC 2

DEGREE & CERTIFICATE COMPLETION

Data Source: ICCB Annual Enrollment and Completion (A1)

Degree Allocation	\$ 125,000	Certificate Allocation	\$ 75,000
	2,585		5,324
	\$ 48,361		\$ 14,086

	<u>FY 2008 Number of Associate Degrees Awarded</u>	<u>FY 2009 Number of Associate Degrees Awarded</u>	<u>% Change</u>	<u>Greater than zero</u>	<u>Degree Allocation</u>	<u>FY 2008 Number of Certificates Awarded</u>	<u>FY 2009 Number of Certificates Awarded</u>	<u>% Change</u>	<u>Greater than zero</u>	<u>Certificate Allocation</u>	<u>Total Allocation</u>
College 1	1,803	2,361	30.9%	0.309	\$ 14,967	6,109	6,079	-0.5%	-	\$ -	\$ 14,967
College 2	626	778	24.3%	0.243	\$ 11,743	366	487	33.1%	0.331	\$ 4,657	\$ 16,399
College 3	410	494	20.5%	0.205	\$ 9,908	573	635	10.8%	0.108	\$ 1,524	\$ 11,432
College 4	1,010	1,115	10.4%	0.104	\$ 5,028	311	355	14.1%	0.141	\$ 1,993	\$ 7,021
...											
College 39	1,248	1,117	-10.5%	-	\$ -	1,537	1,488	-3.2%	-	\$ -	\$ -
Totals	25,130	26,460		2,585	\$ 125,000	26,185	26,593		5,324	\$ 75,000	\$ 200,000