

**BUDGET OVERVIEW MEETING
BOARD OF HIGHER EDUCATION AND NORTHEASTERN ILLINOIS UNIVERSITY
PROPOSED CONCEPT FOR PERFORMANCE FUNDING**

Year #1 – Fiscal Year 2013

Overall Performance Funding Pool

1% to 2% of prior year appropriation

Performance Measures

1. Establish specific institutional goals and action steps compatible with the IBHE Public Agenda. The action steps should be specific plans to further the goals for the Public Agenda.
(One-fourth of Performance Funding Pool)
2. Establish 3 national/statewide measures and 5-10 institutional measures that the University would establish for performance measurement. National/statewide measures would be used by the institution to assess progress compared to external peers. Institutional measures would be used by the institution to assess progress based on institutionally developed measures.
(One-fourth of Performance Funding Pool)
3. Develop clear baselines and national/statewide peers for performance measurement.
(One-fourth of Performance Funding Pool)
4. Develop clear and quantified targets/benchmarks for performance measurement.
(One-fourth of Performance Funding Pool)

Year #2 – Fiscal Year 2014

Overall Performance Funding Pool

2% to 3% of prior year appropriation

1. Using the performance measures and targets/benchmarks established in the prior year, assess progress by the institution in meeting established targets or making substantial progress on a majority of those targets.
(Two-thirds of Performance Funding Pool)
2. Assess the progress of the institution in planning and implementing specific actions to address performance measures for which the institution did not meet the expected target or did not make substantial progress in meeting that target.
(One-third of Performance Funding Pool)