

State Performance Funding Update

- Components of the model
- Time frame for phase-in



NKU

The model incentivizes performance in several areas

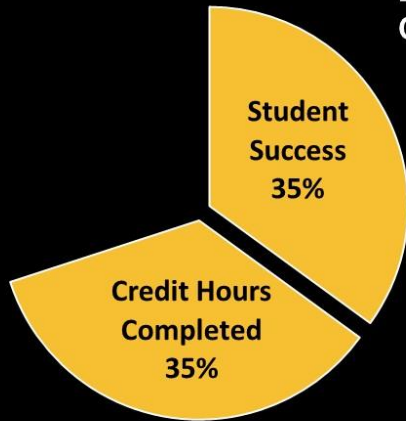


Student Success Component

- Bachelor's degrees awarded
 - Special weightings for:
 - STEM+H
 - Underrepresented minority students
 - Low-income students
 - Degrees per 100 FTE students
- Student progression at 30, 60, and 90 credit hours

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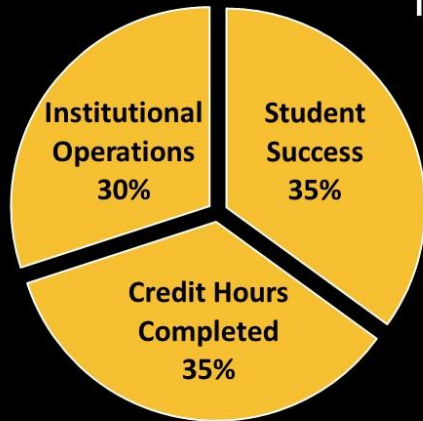


Degree Hours Completed Component

- Distributed based on each institution's share of sector total student credit hours earned
 - Weighted to account for cost differences by course level and discipline



The model incentivizes performance in several areas



Institutional Operations

- Maintenance and operations
- Institutional support
- Academic support



The model would be phased in over several years*

- Applies to 5% of base funding in 2018 and 100% thereafter
- Recommended phase-in:

2017-18	2018-19	2019-20	2020-21
<ul style="list-style-type: none">• 5% of general fund appropriation (\$42.9 million)	<ul style="list-style-type: none">• 100% of general fund appropriation• Hold harmless provision preventing a reduction in an institution's funding amount	<ul style="list-style-type: none">• Stop loss provision limiting the reduction in funding to 1% of the institution's base funding	<ul style="list-style-type: none">• Stop loss provision limiting the reduction in funding to 2% of the institution's base funding



* As written in the KY General Assembly draft bill