

# POSTSECONDARY EDUCATION WORKING GROUP PERFORMANCE FUNDING MODEL REVIEW



November 4, 2020 - 9:00 AM, EDT

ZOOM teleconferencing for Working Group members

Livestream video for public: <https://youtu.be/aCd8vM1TjLA>

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## I. Call to Order and Roll Call

## II. Revisit MuSU Proposal

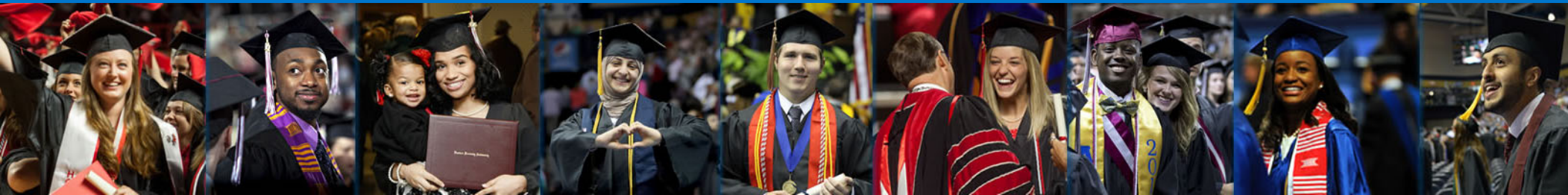
## III. Major Decision Points

- A. Stop Loss Going Forward
- B. Modified Small School Adjustment
- C. Percent of Formula Share Approach
- D. Nonresident Student Weighting
- E. Premiums for Underserved Populations
- F. Weighting Between Sectors

## IV. Next Steps

## V. Other Business and Adjournment

*Next meeting: December 2, 2020 @ 9am ET*



# Postsecondary Education Working Group Performance Funding Model Review

Dr. Aaron Thompson, President  
Kentucky Council on Postsecondary Education  
November 4, 2020



# Meeting Agenda



- I. Revisit MuSU Proposal
- II. Major Decision Points
  - A. Stop Loss Going Forward
  - B. Modified Small School Adjustment
  - C. Percent of Formula Share Approach
  - D. Nonresident Student Weighting
  - E. Premiums for Underserved Populations
  - F. Weighting Between Sectors
- III. Next Steps

# Revisit MuSU Proposal

## *Main Components*

- Adopt a 0% stop loss in 2021-22, so that no institution incurs a loss or gain of General Fund as a result of running the model
- Implement a 2% stop loss in 2022-23, continuing in subsequent years, that limits redistribution of funds among institutions
- Eliminate the fiscal cliff at KSU, MoSU, and MuSU by increasing the small school adjustment at those institutions (by an amount equal to their respective 2020-21 hold harmless allocations)

# Major Decision Points



- Stop Loss Going Forward
- Modified Small School Adjustment
- Percent of Formula Share Approach
- Nonresident Student Weighting
- Premiums for Underserved Populations
- Weighting Between Sectors

# Major Decision Points

## *Stop Loss Going Forward*

### *Background Information*

- A “stop-loss provision” means a provision included in the funding formulas to limit reduction of an institution’s funding amount to a predetermined percentage (KRS 164.092)
- The funding models were phased in over three years and included:
  - a hold harmless provision in 2018-19 (or a 0% stop loss)
  - a 1% stop loss in 2019-20
  - and a 2% stop loss in 2020-21
- Except by enactment of the General Assembly, hold harmless and stop-loss provisions will not be included in 2021-22 and thereafter

# Major Decision Points

## *Stop Loss Going Forward (Cont'd)*

### *Background Information (Cont'd)*

- Unless action is taken by the General Assembly, three universities and six KCTCS institutions will face fiscal cliffs in 2021-22
- Based on a recent survey, most university and KCTCS presidents favor maintaining a 2% stop loss going forward (CPE, 2020)
- After being asked to develop plans for a sizable state budget cut, several presidents now prefer a 0% stop loss in 2021-22
- At the October 7 work group meeting, at least two members indicated they do not support a 0% stop loss in 2021-22

# Major Decision Points

## *Stop Loss Going Forward (Cont'd)*

Estimated Budgetary Impact of Allowing Stop-Loss and Hold-Harmless Provisions to Sunset  
Fiscal Year 2021-22

<u>Sector</u>	<u>Institution</u>	<u>Fiscal 2020-21 Formula Base <sup>1</sup></u>	<u>Hold Harmless Allocation <sup>2</sup></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%

<sup>1</sup> 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.

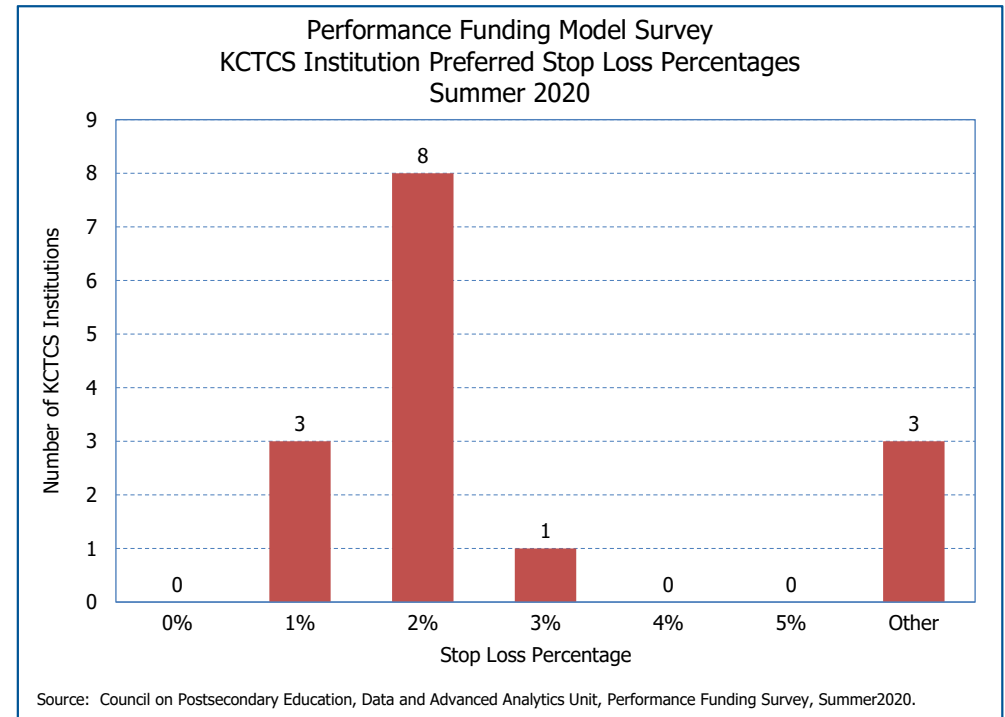
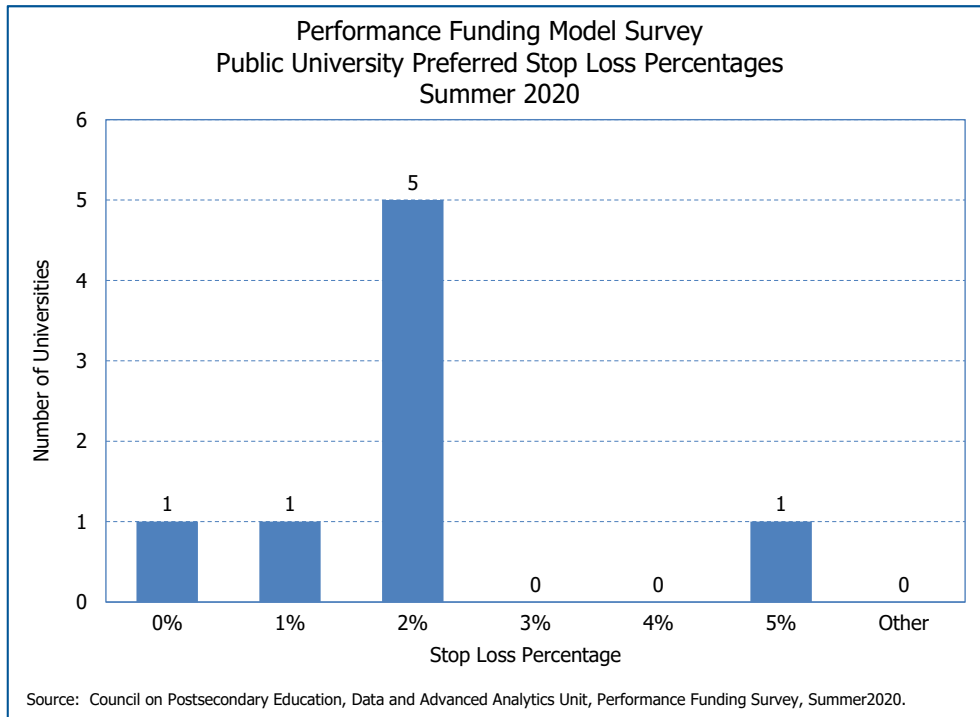
<sup>2</sup> Estimated reduction in each institution's formula base that could occur if stop loss and hold harmless provisions sunset. These numbers represent the calculated hold harmless allocations in fiscal 2020-21.



# Major Decision Points

## *Stop Loss Going Forward (Cont'd)*

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



# Major Decision Points

## *Stop Loss Going Forward (Cont'd)*

Hypothetical Stop-Loss Contribution Amounts at Various Percentages  
Fiscal Year 2021-22

Institution	Hypothetical Stop-Loss Contributions <sup>1</sup>				
	@ 1%	@ 2%	@ 3%	@ 4%	@ 5%
University of Kentucky	\$1,846,600	\$3,693,200	\$5,539,900	\$7,386,500	\$9,233,100
University of Louisville	1,262,100	2,524,200	3,786,300	5,048,500	6,310,600
Eastern Kentucky University	608,400	1,216,800	1,825,300	2,433,700	3,042,100
Kentucky State University	182,400	364,700	547,100	729,400	911,800
Morehead State University	349,300	698,600	1,047,900	1,397,300	1,746,600
Murray State University	405,500	811,100	1,216,600	1,622,200	2,027,700
Northern Kentucky University	509,200	1,018,500	1,527,700	2,036,900	2,546,200
Western Kentucky University	676,200	1,352,400	2,028,600	2,704,800	3,381,000
Subtotal	\$5,839,700	\$11,679,500	\$17,519,400	\$23,359,300	\$29,199,100
KCTCS	1,657,600	3,315,200	4,972,800	6,630,500	8,288,100
Total	\$7,497,300	\$14,994,700	\$22,492,200	\$29,989,800	\$37,487,200

<sup>1</sup> Assumes performance funds distributed in fiscal year 2020-21 become recurring to the base of the respective institutions that earned those funds, flat funding in fiscal year 2021-22, and no change in debt service or mandated program funding.

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# Major Decision Points

## *Stop Loss Going Forward (Cont'd)*

### *Discussion Questions*

- Do work group members support the use of stop-loss provisions going forward?
- If so, what level of stop loss should be recommended to the General Assembly for fiscal year 2021-22?
- What level should be recommended for 2022-23 and beyond?

# Major Decision Points

## *Modified Small School Adjustment*

### *Background Information*

- At the October 7 meeting, a proposal was submitted on behalf of several university presidents asking the work group to consider modifying the small school adjustment for fiscal year 2021-22
- Specifically, it was proposed that:
  - Beginning in 2021-22, hold harmless amounts calculated in the current year (i.e., 2020-21) would be retained by institutions that had a hold harmless allocation in that year and treated in a manner similar to the small school adjustment (i.e., excluded from allocable resources in the model)
- In other words, the small school adjustments would be increased, and the fiscal cliffs would be reduced, at KSU, MoSU, and MuSU

# Major Decision Points

## *Modified Small School Adjustment (Cont'd)*

### *Background Information (Cont'd)*

- At the September 2 meeting, KCTCS submitted a proposal to the work group recommending a change in the equity adjustment in their model for fiscal year 2021-22 and beyond
- Specifically, it was proposed that KCTCS be allowed to:
  - Revise the equity adjustment to reflect a Community Need Index (based on local unemployment, labor force participation, and poverty rates) versus using an equal share allocation
- The rationale was to increase equity and provide colleges an equal opportunity to improve relative to their performance

# Major Decision Points

## Modified Small School Adjustment (Cont'd)

Impact of Adopting Modified Small School Adjustment  
Comparison of Performance Distributions and Hold Harmless Allocations

→ Fiscal Year 2020-21

Institution	Actual 2020-21 Calculations		Hypothetical <sup>1</sup> Modified Small School Adjustment		(C - A)
	A Performance Distribution	B Hold Harmless Allocations	C Performance Distribution	D Hold Harmless Allocations	E Distribution Differences
University of Kentucky	\$6,621,600	\$0	\$6,621,300	\$0	(\$300)
University of Louisville	2,938,900	0	2,938,800	0	(100)
Eastern Kentucky University	394,200	0	394,300	0	100
Kentucky State University	0	(6,885,400)	100	0	100
Morehead State University	0	(2,826,900)	0	0	0
Murray State University	0	(675,800)	0	0	0
Northern Kentucky University	967,000	0	967,200	0	200
Western Kentucky University	757,900	0	757,900	0	0
<b>Total</b>	<b>\$11,679,600</b>	<b>(\$10,388,100)</b>	<b>\$11,679,600</b>	<b>\$0</b>	<b>\$0</b>

<sup>1</sup> Several universities are proposing a change in the public university funding model that would add calculated hold harmless amounts in fiscal year 2020-21 to the respective small school adjustments at KSU, MoSU, and MuSU, which would eliminate the fiscal cliff at those institutions.

# Major Decision Points

## Modified Small School Adjustment (Cont'd)

Impact of Adopting Modified Small School Adjustment  
Comparison of Performance Distributions and Hold Harmless Allocations

→ Fiscal Year 2021-22

Institution	<i>Hypothetical</i> <sup>1</sup>		<i>Hypothetical</i> <sup>2</sup>		<b>(C - A)</b> <b>E</b> Distribution Differences
	Current Model With No Changes		Modified Small School Adjustment		
	<b>A</b> Performance Distribution	<b>B</b> Hold Harmless Allocations	<b>C</b> Performance Distribution	<b>D</b> Hold Harmless Allocations	
University of Kentucky	\$4,296,900	\$0	\$3,692,900	\$0	(\$604,000)
University of Louisville	2,934,000	0	2,524,100	0	(409,900)
Eastern Kentucky University	1,419,900	0	1,216,900	0	(203,000)
Kentucky State University	0	(6,495,800)	364,800	0	364,800
Morehead State University	0	(2,028,700)	698,600	0	698,600
Murray State University	262,900	0	811,100	0	548,200
Northern Kentucky University	1,185,900	0	1,018,700	0	(167,200)
Western Kentucky University	1,579,900	0	1,352,400	0	(227,500)
<b>Total</b>	<b>\$11,679,500</b>	<b>(\$8,524,500)</b>	<b>\$11,679,500</b>	<b>\$0</b>	<b>\$0</b>

<sup>1</sup> The current model with no changes, assuming flat funding, a 2.0% stop loss contribution, and no change in performance metric data.

<sup>2</sup> The modified small school adjustment approach also assumes flat funding, a 2.0% stop loss contribution, and no change in performance metric data, but it adds calculated hold harmless amounts from fiscal year 2020-21 to the small school adjustments at KSU, MoSU, and MuSU.

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# Major Decision Points

## Modified Small School Adjustment (Cont'd)

Impact of Adopting Modified Small School Adjustment  
Comparison of Stop-Loss Contributions and Performance Distribution

→ Fiscal Year 2021-22

Institution	<i>Hypothetical</i>		(B - A)
	A	B	C
	2.0% Stop Loss Contributions <sup>1</sup>	Modified SSA Distribution <sup>2</sup>	Difference
University of Kentucky	\$3,693,200	\$3,692,900	(\$300)
University of Louisville	2,524,200	2,524,100	(100)
Eastern Kentucky University	1,216,800	1,216,900	100
Kentucky State University	364,700	364,800	100
Morehead State University	698,600	698,600	0
Murray State University	811,100	811,100	0
Northern Kentucky University	1,018,500	1,018,700	200
Western Kentucky University	1,352,400	1,352,400	0
<b>Total</b>	<b>\$11,679,500</b>	<b>\$11,679,500</b>	<b>\$0</b>

Under the assumption that performance data does not change, every university would have opportunity to earn back its stop loss contribution in fiscal 2021-22

<sup>1</sup> Hypothetical 2.0% stop-loss contributions that assume performance funds distributed in 2020-21 become recurring to the base of institutions that earned those funds, flat funding in 2021-22, and no change in debt service or mandated program funding.

<sup>2</sup> Assumes adoption of a modified small school adjustment approach, flat funding in 2021-22, a 2.0% stop loss, and no change in performance metric data.



# Major Decision Points

## *Modified Small School Adjustment (Cont'd)*

### *Discussion Questions*

- Does the working group support increasing the small school adjustment and reducing fiscal cliffs at KSU, MoSU, and MuSU?
- Do work group members support the idea of allowing KCTCS to modify its equity adjustment based on a Community Need Index to address fiscal cliffs at six colleges?

# Major Decision Points

## *Percent of Formula Share Approach*

### *Background Information*

- MuSU has proposed using a “percent of formula share” approach for distributing performance funds in years when the state does not provide new funding (MuSU, Campus Summary Statements)
- Under this approach, performance funds would be distributed using formula totals generated by the model, but the level of redistribution among institutions would be limited
- The approach would reduce the current four-step distribution calculation to one step and could be applied in years when state funds don’t equal or exceed total campus stop loss contributions

# Major Decision Points

## *Percent of Formula Share Approach (Cont'd)*

Comparison of Actual and Hypothetical Performance Distributions  
 Funding Model Applied Using Percent of Formula Share Approach  
 Fiscal Year 2020-21

Institution	Actual 2020-21 Performance Distribution	Percent Share of Formula Approach		Hypothetical Formula Share Distribution	Difference
		Fiscal 2020-21 Formula Totals	Percent of Total		
University of Kentucky	\$6,621,600	\$167,244,400	32.4%	\$3,784,000	(\$2,837,600)
University of Louisville	2,938,900	113,536,100	22.0%	2,568,900	(370,000)
Eastern Kentucky University	394,200	56,250,400	10.9%	1,272,700	878,500
Kentucky State University	0	6,881,700	1.3%	155,700	155,700
Morehead State University	0	27,584,400	5.3%	624,100	624,100
Murray State University	0	35,338,400	6.8%	799,600	799,600
Northern Kentucky University	967,000	46,356,500	9.0%	1,048,900	81,900
Western Kentucky University	757,900	63,010,200	12.2%	1,425,700	667,800
<b>Total</b>	<b>\$11,679,600</b>	<b>\$516,202,100</b>	<b>100.0%</b>	<b>\$11,679,600</b>	<b>\$0</b>

Public University 2020-21 Performance Fund Allocation: \$11,679,600

# Major Decision Points

## *Percent of Formula Share Approach (Cont'd)*

Comparison of Stop Loss Contributions and Performance Distributions  
 Funding Model Applied Using Percent of Formula Share Approach  
 Fiscal Year 2020-21

Institution	Actual 2020-21 2.0% Stop Loss Contributions	Actual 2020-21 Performance Distribution	Difference	Actual 2020-21 2.0% Stop Loss Contributions	Hypothetical Formula Share Distribution	Difference
University of Kentucky	\$3,633,500	\$6,621,600	\$2,988,100	\$3,633,500	\$3,784,000	\$150,500
University of Louisville	2,515,800	2,938,900	423,100	2,515,800	2,568,900	53,100
Eastern Kentucky University	1,233,600	394,200	(839,400)	1,233,600	1,272,700	39,100
Kentucky State University	372,200	0	(372,200)	372,200	155,700	(216,500)
Morehead State University	712,900	0	(712,900)	712,900	624,100	(88,800)
Murray State University	827,600	0	(827,600)	827,600	799,600	(28,000)
Northern Kentucky University	1,019,500	967,000	(52,500)	1,019,500	1,048,900	29,400
Western Kentucky University	1,364,500	757,900	(606,600)	1,364,500	1,425,700	61,200
Total	\$11,679,600	\$11,679,600	\$0	\$11,679,600	\$11,679,600	\$0

# Major Decision Points

## *Percent of Formula Share Approach (Cont'd)*

### *Discussion Question*

- Do work group members support the idea of using a percent of formula share approach in years when new state funding does not equal or exceed campus stop-loss contributions?

# Major Decision Points

## *Nonresident Student Weighting*

### *Background Information*

- Three years ago, the nonresident student weighting in the credit hour metric was a major area of negotiation and compromise
- Several institutions argued for equal weight between resident and nonresident students and others argued that nonresident students should receive zero weight
- Ultimately, the group reached consensus at a 50% weighting
- In recent Campus Summary Statements submitted to the Council, three universities asked the work group to revisit the nonresident student weighting (MuSU, NKU, WKU)

# Major Decision Points

## *Nonresident Student Weighting (Cont'd)*

### *Background Information (Cont'd)*

- MuSU has proposed that the working group consider eliminating the nonresident student differential (i.e., adopt equal weighting)

### *Campus Feedback:*

- The 50% weighting for nonresident student earned credit hours limits the benefit of enrolling nonresident students
- The current weighting runs counter to the Council's new nonresident student tuition policy

# Major Decision Points

## *Nonresident Student Weighting (Cont'd)*

Comparison of Hypothetical and Actual Performance Distributions  
Using Different Weights for Nonresident Student Credit Hours Earned  
Fiscal Year 2020-21

Nonresident Credit Hour Weights:	@ 0.00	@ .25	@ .50	@ .75	@ 1.00
Institution	Hypothetical Distribution	Hypothetical Distribution	Actual 2020-21 Distribution	Hypothetical Distribution	Hypothetical Distribution
University of Kentucky	\$3,799,200	\$5,330,900	\$6,621,600	\$7,586,800	\$8,141,900
University of Louisville	3,411,500	3,155,000	2,938,900	2,661,800	2,284,000
Eastern Kentucky University	2,218,600	1,228,500	394,200	0	0
Kentucky State University	0	0	0	0	0
Morehead State University	0	0	0	0	0
Murray State University	0	0	0	0	0
Northern Kentucky University	390,800	703,500	967,000	1,154,300	1,253,700
Western Kentucky University	1,859,500	1,261,700	757,900	276,700	0
Total	\$11,679,600	\$11,679,600	\$11,679,600	\$11,679,600	\$11,679,600

Note: Four universities (UK, KSU, MuSU, and NKU) benefit from using higher weightings for credit hours earned by nonresident students, while the remaining universities (UofL, ECU, MoSU, and WKU) benefit from using lower weightings.



# Major Decision Points

## *Nonresident Student Weighting (Cont'd)*

### *Discussion Questions*

- Do any work group members support increasing the weighting for nonresident students in the earned credit hour metric?
- If so, by how much?
- Do any work group members support decreasing the weighting for nonresident students?
- If so, by how much?
- How many members support keeping the weighting the same?

# Major Decision Points

## *Premiums for Underserved Populations*

### *Background Information*

- The funding models currently provide premiums for degrees and credentials earned in STEM+H fields and awarded to low income, URM, and underprepared students (KCTCS only)
- Over the past five years, institutions have recorded increases in STEM+H, URM, and underprepared degrees and credentials, but awards to low income students have lagged behind

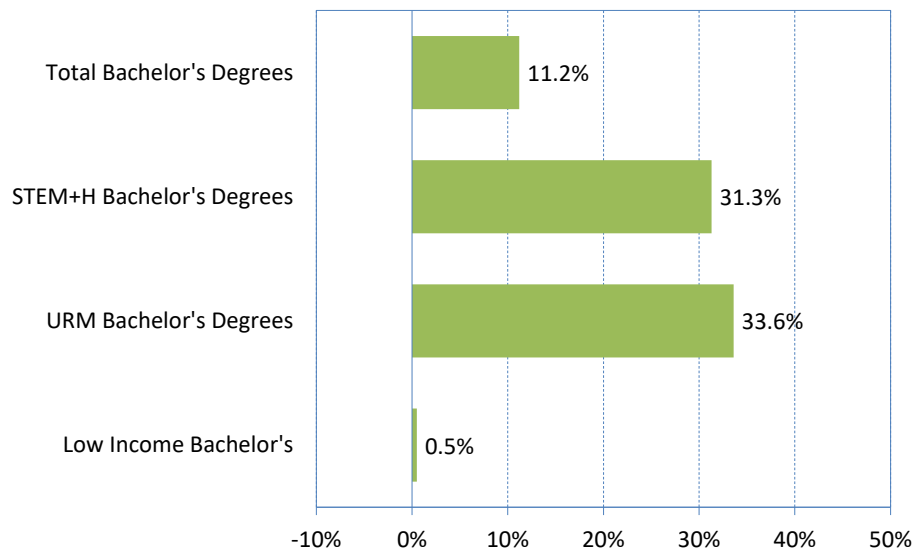
### *Campus Feedback*

- Two institutions propose that the work group consider increasing metric weights for low income and URM degrees (UofL, NKU)

# Major Decision Points

## Premiums for Underserved Populations (Cont'd)

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



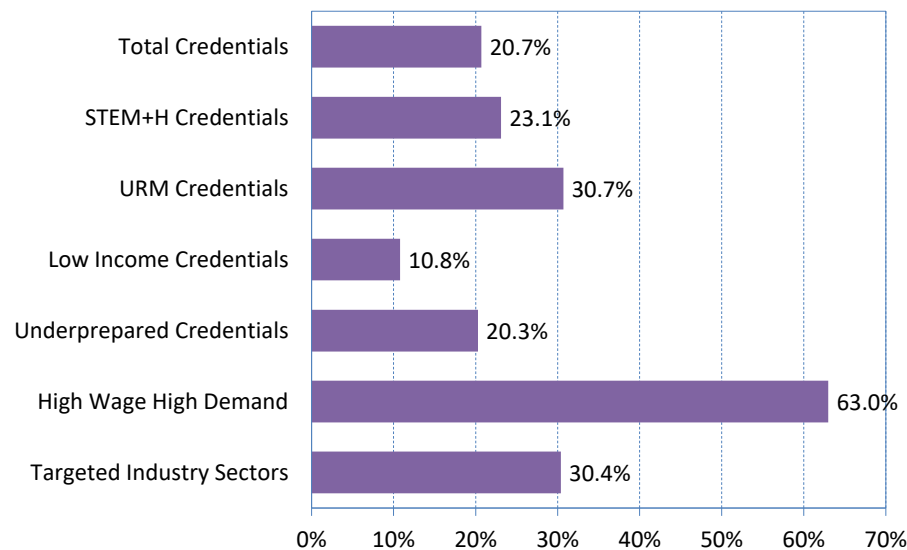
Source: Council on Postsecondary Education, Data and Advanced Analytics Unit, Performance Funding Database.

- 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%

- 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



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, Performance Funding Database.

# Major Decision Points

## *Premiums for Underserved Populations (Cont'd)*

Performance Funding Model for the Public Universities  
 Premiums for Low Income and Minority Student Degree Production  
 Fiscal Year 2020-21

<u>Component Category</u>	<u>Allocation Percent</u>	<u>Size of Pool</u>	<u>Weighted Degrees</u>	<u>State Funding per Degree</u>	<u>Funding Multiple</u>
→ Bachelor's Degrees	9.0%	\$46,574,400	24,320	\$1,915	1.0
Bachelor's Degrees				\$1,915	
→ Low Income Bachelor's	3.0%	\$15,524,800	11,619	1,336	0.7
Low Income Total				\$3,251	
Bachelor's Degrees				\$1,915	
→ Minority Bachelor's	3.0%	\$15,524,800	2,751	5,643	2.9
Minority Total				\$7,558	

Total Allocable Resources: \$517,493,200

Note: The premium for a STEM+H bachelor's degree is \$3,199 or 1.7 times a bachelor's degree.

# Major Decision Points

## *Premiums for Underserved Populations (Cont'd)*

### *Discussion Questions*

- Do work group members support increasing the weighting for bachelor's degrees awarded to URM students?
- If so, which metric should have its weight reduced to accommodate that increase?
- Should the weighting for bachelor's degrees awarded to low income students be increased?
- If so, which metric should have its weight reduced to accommodate that increase?

# Major Decision Points

## *Weighting Between Sectors*

### *Background Information*

- HB 303 directed CPE to convene a working group to develop a comprehensive model for distributing state General Fund that incorporates elements of enrollment, mission, and performance
- To account for differences in mission and instructional costs, the university model applies different weights between research and comprehensive sectors
- The assignment of differential weights by sector was one of many areas of negotiation and compromise in the model's development
- High-cost graduate degrees and research not rewarded in model

# Major Decision Points

## *Weighting Between Sectors (Cont'd)*

### *Background Information (Cont'd)*

- The weights were calibrated to achieve equilibrium between sectors for each metric in the first year of implementation

### *Campus Feedback*

- Perception that comprehensive and smaller institutions are disadvantaged by research sector weights
- Institutions have proposed eliminating differential weights for FTE students (EKU) and for low income and URM degrees (MuSU)
- MuSU asked CPE to share how sector weights were calculated

# Major Decision Points

## *Weighting Between Sectors (Cont'd)*

Council on Postsecondary Education  
Funding Model for the Public Universities

June 6, 2017

### Metric Weighting Chart

<u>Funding Model Metrics</u>	<u>Research Universities</u>	<u>Comprehensive Universities</u>
Bachelor's Degrees (Normalized)	1.67345	1.00000
STEM+H Bachelor's Degrees	1.54105	1.00000
URM Bachelor's Degrees	1.22322	1.00000
Low Income Bachelor's Degrees	2.35120	1.00000
Student Progression (@ 30 Credit Hours)	1.49386	1.00000
Student Progression (@ 60 Credit Hours)	1.45320	1.00000
Student Progression (@ 90 Credit Hours)	1.56076	1.00000
Student Credit Hours Earned (Weighted)	1.14208	1.00000
Facilities Square Feet	1.36134	1.00000
Instruction and Student Services Costs	0.90251	1.00000
FTE Student Enrollment	1.34278	1.00000



# Major Decision Points

## *Weighting Between Sectors (Cont'd)*

Council on Postsecondary Education  
Funding Model for the Public Universities

June 6, 2017

### STEM+H Bachelor's Degree Weights

<u>Campus/Sector</u>	<u>Allocable Resources</u>	<u>Contributed Percent</u>	<u>Contributed Amount</u>	<u>STEM+H Degrees</u>	<u>Sector Subsidy</u>	<u>Weight Factors</u>
UK	\$163,067,600	5.0%	\$8,153,380	1,464.3		
UofL	118,814,800	5.0%	5,940,740	805.0	A	(A ÷ B)
Research	\$281,882,400		\$14,094,120 ÷	2,269.3 =	\$6,210.69	1.54105
EKU	\$57,914,000	5.0%	\$2,895,700	702.7		
KSU	15,262,400	5.0%	763,120	57.3		
MoSU	33,831,400	5.0%	1,691,570	311.7		
MuSU	38,583,500	5.0%	1,929,175	649.3		
NKU	45,566,000	5.0%	2,278,300	635.7		
WKU	64,328,000	5.0%	3,216,400	813.0	B	(B ÷ B)
Comprehensive	\$255,485,300		\$12,774,265 ÷	3,169.7 =	\$4,030.16	1.00000
Four-Year	<u>\$537,367,700</u>		<u>\$26,868,385</u>	<u>5,439.0</u>		

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# Major Decision Points

## *Weighting Between Sectors (Cont'd)*

Council on Postsecondary Education  
Funding Model for the Public Universities

June 6, 2017

### URM Bachelor's Degree Weights

<u>Campus/Sector</u>	<u>Allocable Resources</u>	<u>Contributed Percent</u>	<u>Contributed Amount</u>	<u>URM Degrees</u>	<u>Sector Subsidy</u>	<u>Weight Factors</u>
UK	\$163,067,600	3.0%	\$4,892,028	469.3		
UofL	118,814,800	3.0%	3,564,444	487.7	A	(A ÷ B)
Research	\$281,882,400		\$8,456,472 ÷	957.0 =	\$8,836.44	1.22322
EKU	\$57,914,000	3.0%	\$1,737,420	218.7		
KSU	15,262,400	3.0%	457,872	157.0		
MoSU	33,831,400	3.0%	1,014,942	61.0		
MuSU	38,583,500	3.0%	1,157,505	136.3		
NKU	45,566,000	3.0%	1,366,980	192.3		
WKU	64,328,000	3.0%	1,929,840	295.7	B	(B ÷ B)
Comprehensive	\$255,485,300		\$7,664,559 ÷	1,061.0 =	\$7,223.90	1.00000
Four-Year	<u>\$537,367,700</u>		<u>\$16,121,031</u>	<u>2,018.0</u>		

# Major Decision Points

## *Weighting Between Sectors (Cont'd)*

### *Discussion Questions*

- Do working group members support the elimination of the sector differential for the FTE metric in the Academic Support pool?
- Do working group members support the elimination of the sector differential for low income and URM metrics?
- Do work group members support any changes to the weightings between sectors?

# Next Steps

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- Finalize Remaining Decision Points
- Review Performance Metric Proposals
  - Add Adult Learner Metric
  - Reward All Degrees Conferred
  - Increase Low Income Degree Weighting
  - Increase URM Degree Weighting
  - Modify Direct Cost Metric
  - Modify or Eliminate Square Footage Metric