



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

TAB C

May 21, 2021

Performance Funding Training

The Commissioner's office worked with the legislature to amend the current performance funding model to align with the Board's work on the statewide attainment goals of: 1. access, 2. timely completion, and 3. high-yield awards. The legislation making these changes, S.B. 193 by Ann Millner, passed during the 2021 General Session. The performance progress in the current model will be replaced by 5-year and annual institutional goals aligned with the System's 5-year and 10-year goals.

The Board will now have greater flexibility to work with institutions and their boards of trustees to set and achieve meaningful goals for which the Legislature will award performance funding. The bill provides a two-year implementation phase in which the current model will be used to allocate performance funds and the Board will review and submit proposed goals for the new model to the legislature for review. The Commissioner's office met with institutional presidents, their cabinets, and board of trustees' chairs to discuss these changes and provide training on future expectations. The attached presentation provides similar training and information for the Board.

Commissioner's Recommendation

This is a discussion item; no action is required.

Attachment



1

Current Performance Funding Model

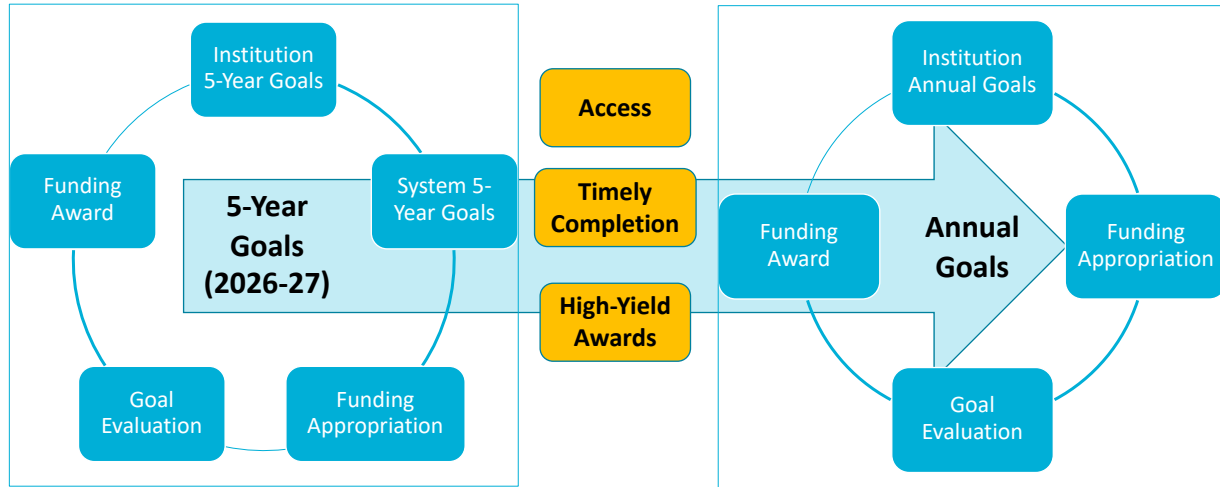
1% Improvement
Average of Past 5-Years

1. Completion
2. Underserved Students
3. Market Demand
4. Awards per FTE
5. Research (UU/USU)

- Opportunity to connect currently disjointed goals
- Need to account for institutional missions, growth, and regional factors

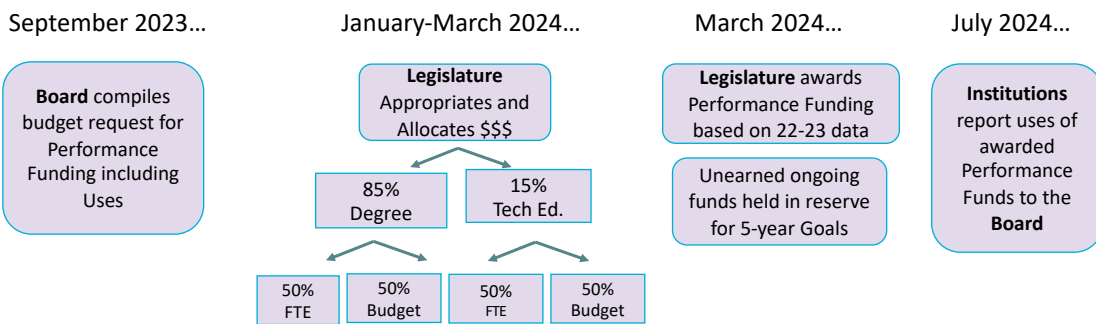
2

Revised Performance Funding Model

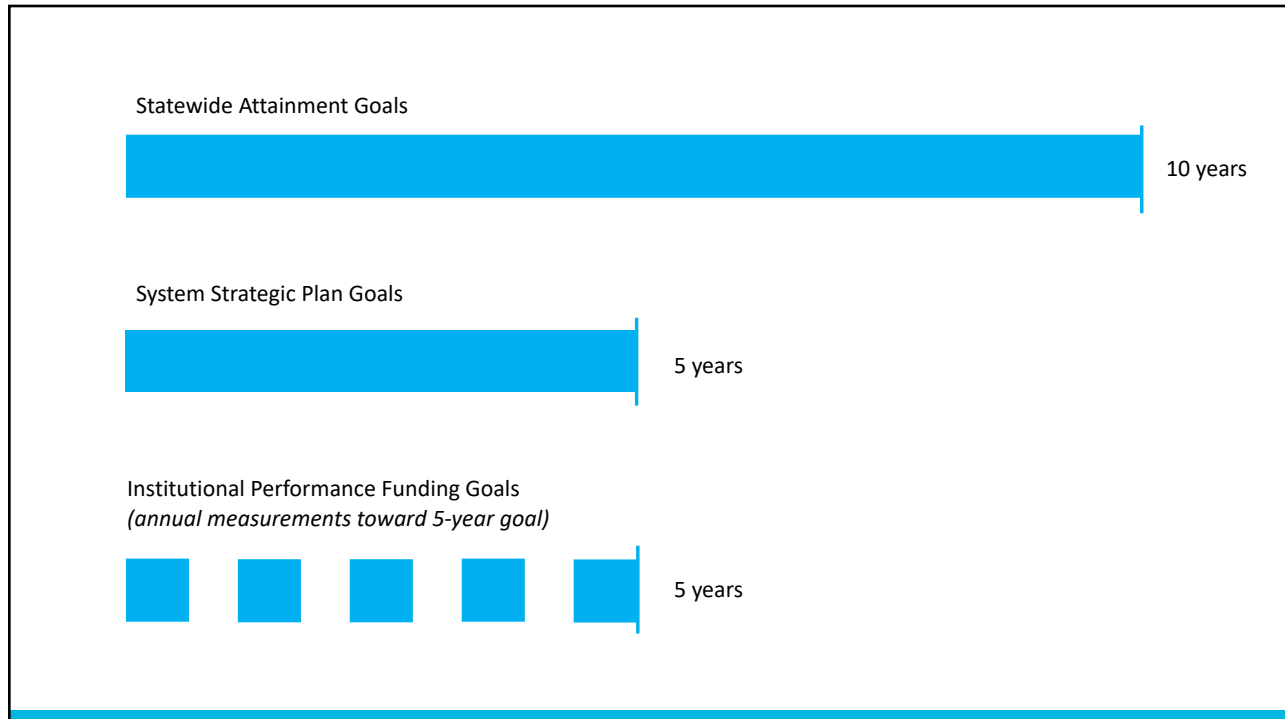


3

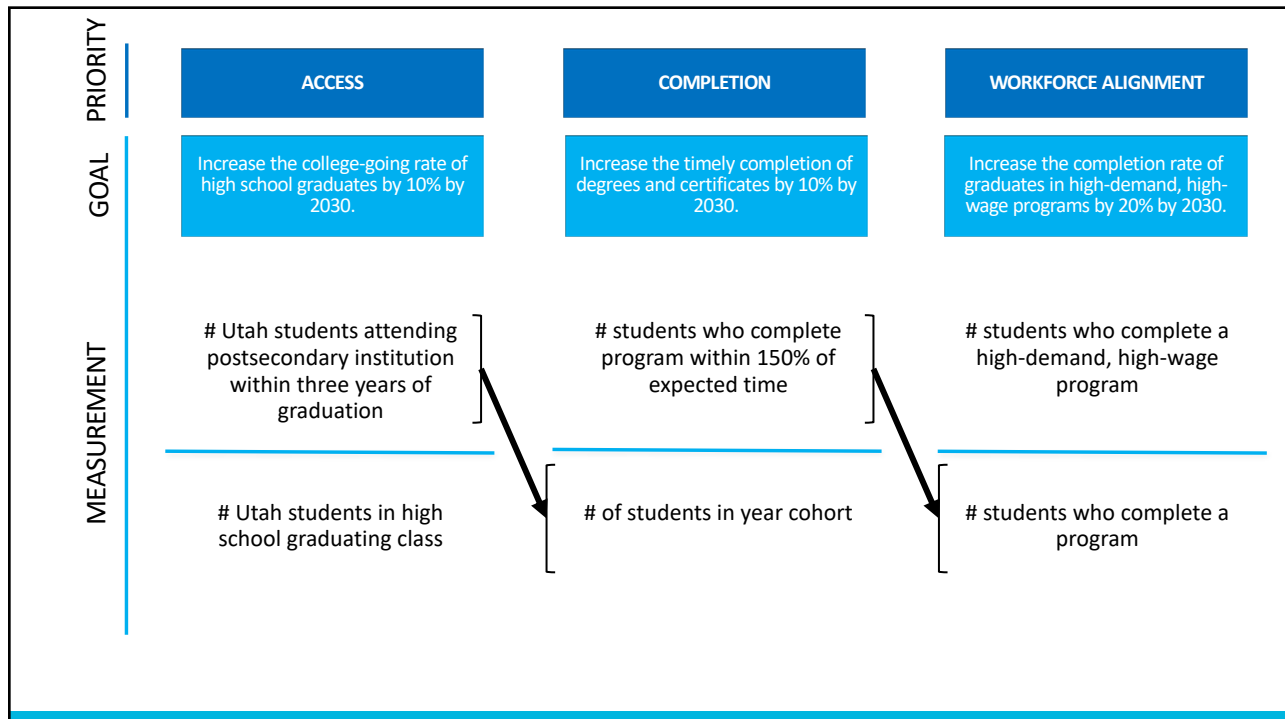
Performance Funding Allocations



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Goal Setting Process, Data, and Funding

Data Available to Set Goal	Annual Goal Set by Board	Data Available for Goal Evaluation	Data Available for Goal Evaluation	Legislate Session for Funding	Fiscal Year Funding Available
2020-21	May 2022	November 2023	2022-23	Jan-Mar 2024 (2024 G.S.)	July 1, 2024 (FY 2024-25)
2021-22	May 2023	November 2024	2023-24	Jan-Mar 2025 (2025 G.S.)	July 1, 2025 (FY 2025-26)
2022-23	May 2024	November 2025	2024-25	Jan-Mar 2026 (2026 G.S.)	July 1, 2026 (FY 2026-27)
2023-24	May 2025	November 2026	2025-26	Jan-Mar 2027 (2027 G.S.)	July 1, 2027 (FY 2027-28)
2024-25	May 2026	November 2027*	2026-27*	Jan-Mar 2028* (2028 G.S.)	July 1, 2028* (FY 2028-29)

* Data and Funding used for Five Year Goal Evaluation

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2021 Calendar for Performance Funding



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Board of Trustees Role

- Understand Institutional Metrics
- Provide Feedback to Institutional Leadership
- Set 5-Year Goal by August 27, 2021
- Set Annual Goal by May 2022