

## State Share of Instruction



**UNIVERSITIES  
FY 2015**

**Spring 2014**

## State Share of Instruction



- Overall appropriations determined by Governor & Legislature
- Cost-Based Model
- Distributive or Rationing Formula
- Based on 3-year averages (starting FY14)

## Components and Sources

- **Main Components:**
  - Degrees
    - ✦ At-Risk Component
  - Course Completions
    - ✦ At-Risk Component
  - Set-Asides
    - ✦ Doc
    - ✦ Med
  - Earmarks
    - ✦ POM
    - ✦ Access Challenge
- **Major Players:**
  - End of Term processes
  - CN File
  - SN File
  - CI File
  - DC File
  - FF File
  - FX File
  - CX File

## Major Changes in FY 15

- **Main and Regional Campus funding merged**
  - All UM and UB campuses will use same formula (similar to UM formula for FY 14)
- **Degrees**
  - Associate's Degrees at all UM and UB campuses are eligible for funding
  - Proportional or Fractional Degree Credits are introduced
  - Individual at-risk weights for degree completion are used
  - Out-of state degree costs are weighted at 0.5 for undergraduate degrees if the graduate remains in Ohio
- **Doc Set-Aside**
  - 55% enrollment, 30% degrees, 15% research

## Major Changes for Degrees in FY 15

- Proportional or Fractional Degree Credits are introduced
  - Degree costs divided amongst institutions based on courses taken at each institution
  - “Bonus” to degree granting institution if total degree costs are less than statewide average cost for that degree
    - ✦ Typically when there are transfer in credits from outside the USO, exam based credits ...
    - ✦ If it is the student’s first degree at that level
    - ✦ Bonus credits are not included in the at-risk add-on
  - Degree selection will need to be done at OBR

## Major Changes for Degrees in FY 15

- Individual at-risk weights for degree completion are used
  - Based on graduation rate of a particular category of at-risk students compared to the graduation rate of students with no risk factors, leading to 15 individual at-risk weights.
- Out-of state degree costs for undergraduate degrees
  - Weighted at 0.5 IF the graduate remains in Ohio
    - ✦ Must be employed or enrolled in a USO school
  - Will use a rate so as not to delay funding of these degrees

## University Main Campus SSI Distributions

	2013	2014	2015*
Course Completions	~58.0%	28.0%	30.0%
Degrees	20.0%	50.0%	50.0%
Medical Set-Asides	8.6%	8.6%	7.9%
Doctoral Set-Asides	12.9%	12.9%	11.8%
Earmarks	< 1%	< 1%	< 1%
Stop-Loss	96% Stop-Loss	NO Stop-Loss	NO Stop-Loss

\*NOTE: In FY15 the allocations and distribution formula for university main and regional campuses are combined, and the apparent percentage differences in the Set-Asides are a reflection of that increased overall allocation. The allocation is combined in FY14 as well (with an earmark for the regional campuses) but this distribution shows the results separately because the formulas are still different.

## Model Cost

- Courses are grouped into models
  - Based on CIP code (Subject Field) and Level = Model
- Costs are associated with models
  - Costs are determined using a 6-year average
  - Resource Analysis
    - ✦ Based on data reported by campuses
    - ✦ FF, FX, & CX files
  - All costs are based on the STATEWIDE average
- STEM Weights are added where appropriate

## At-Risk Add-On for Course Completion FTE

### 2 Factors:

Financially at-risk

Academically at-risk

- **At-Risk Weight:**
  - Percentage of Completed FTE associated with at-risk students
  - By model – statewide (UM & UB only)
- **At-Risk Index:**
  - Campus specific
  - Measure of how at-risk the campus's population is

The At-Risk weight and index exclude Med and other grad (level D, M, or P) FTE & apply only to UM and UB campuses

## Degree Credits

- **Resident v. Non-resident**
  - Non-resident undergrad degree credits weighted at 0.5 \* the 'stay-rate' in 2015
- **At-risk v. not at-risk Degree Credits**
  - 4 Factors for at-risk
    - ✦ Academic
    - ✦ Financial
    - ✦ Age
    - ✦ Minority Status
  - 16 categories
  - Bonus degree credits are not included in at-risk degree credits

## At-Risk for Degree Credits



- **At-Risk Category Weight for Degree Credits:**
  - Difference between graduation rates of students in given risk category and graduation rate of not at risk students
  - Each risk category has its own weight
  - Statewide (UM & UB only), all subjects

The At-Risk weights exclude Med and other grad (level D, M, or P) degrees and apply only to UM and UB campuses

## Degree Cost



- **Cost of Degrees is based on cost of courses taken**
  - Courses are assigned a model cost as discussed
  - All costs are based on the STATEWIDE average
  - Total cost of courses taken by all students earning that degree in the 3 previous years are summed and averaged
    - ✦ Students who have earned a small number of credits in the USO are excluded from this calculation
- **STEM Weights are added where appropriate**

## “Reimbursement Cost” for Degrees

- Cost of Degree \* 3 year average of # of degree credits per campus/degree level/subject combination
- Non-resident degree credits were already weighted by .5 & the 'rate of stay' when the average was calculated
- The at-risk degree credits were multiplied by the appropriate At-Risk Category Weight to form the at-risk add-on

## Doc Set-Aside

- Specific percentage of overall allocation
- 3 Components
  - Historic FTE (FY 15 -- 55%)
    - ✦ 85% rule: as long as at or above 85% of base, get set percentage
  - Research (FY 15 -- 15%)
    - ✦ HHS funding weighted at 50%
    - ✦ Based on share of total research dollars
  - Degrees (FY 15 -- 30%)
    - ✦ Based on share of total PhD degree cost

## Med 2-Aside



- Specific percentage of overall allocation
  
- 3 Year Average of Medical Enrollments
  - FTE based on enrollments by term not credit hours
    - ✦ For semester calendars each enrollment = 1/2 FTE
    - ✦ For quarter calendars each enrollment = 1/3 FTE
  - Treat Summer 2012 as a semester for all schools for Med 2

## Questions?



### Contact

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