



Vermont State Colleges

Act 58 § E.608

Proposal for Outcomes-Based Funding

October 16, 2015

Jeb Spaulding, Chancellor

Why Outcomes-Based Funding?

2014: Act 186, “Results-Based Accountability”

No. 186. An act relating to reporting on population-level outcomes and indicators and on program-level performance measures.

(S.293)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. PURPOSE

(a) This act is necessary for the General Assembly to obtain data-based information to know how well State government is working to achieve the population-level outcomes the General Assembly sets for Vermont’s quality of life, and will assist the General Assembly in determining how best to invest taxpayer dollars.

Recommended Design Principles

Begin with a state goal/clear policy priorities

Use a simple approach

Include only measurable metrics

Incent success of typically underrepresented students

Account for institution differences

Seek Stakeholder Input

Make the money meaningful

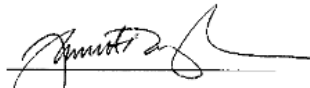
Phase-in
(≠ Hold Harmless)

Plan to evaluate

Begin with a state
goal/clear policy
priorities

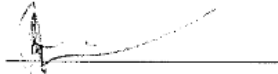
Compact with the State Of Vermont

Signatories to the Compact



James H. Douglas

Governor



Peter Shumlin

President Pro Tempore, Vermont Senate



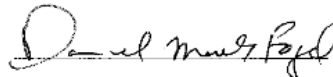
Shap Smith

Speaker, Vermont House of Representatives



Timothy J. Donovan

Chancellor, Vermont State Colleges



Daniel Mark Fogel

President, University of Vermont



Susan Stitely

President, Association of Independent Colleges



Donald R. Vickers

President/CEO
Vermont Student Assistance Corporation

From the 2009 report:

*“This Compact proposes
**THE SIXTY PERCENT
SOLUTION**
to increase the
percentage of
Vermonters who have
completed two-year or
four-year college degrees
from 42 to 60 percent by
2019.”*

Begin with a state
goal/clear policy
priorities

2010:

Act 133 Creates PreK-16 Council

“The strategies developed by the prekindergarten-16 council ... shall include the goal of ensuring that at least 60 percent of the adult population will have earned an associate’s or higher-level degree by 2020.”

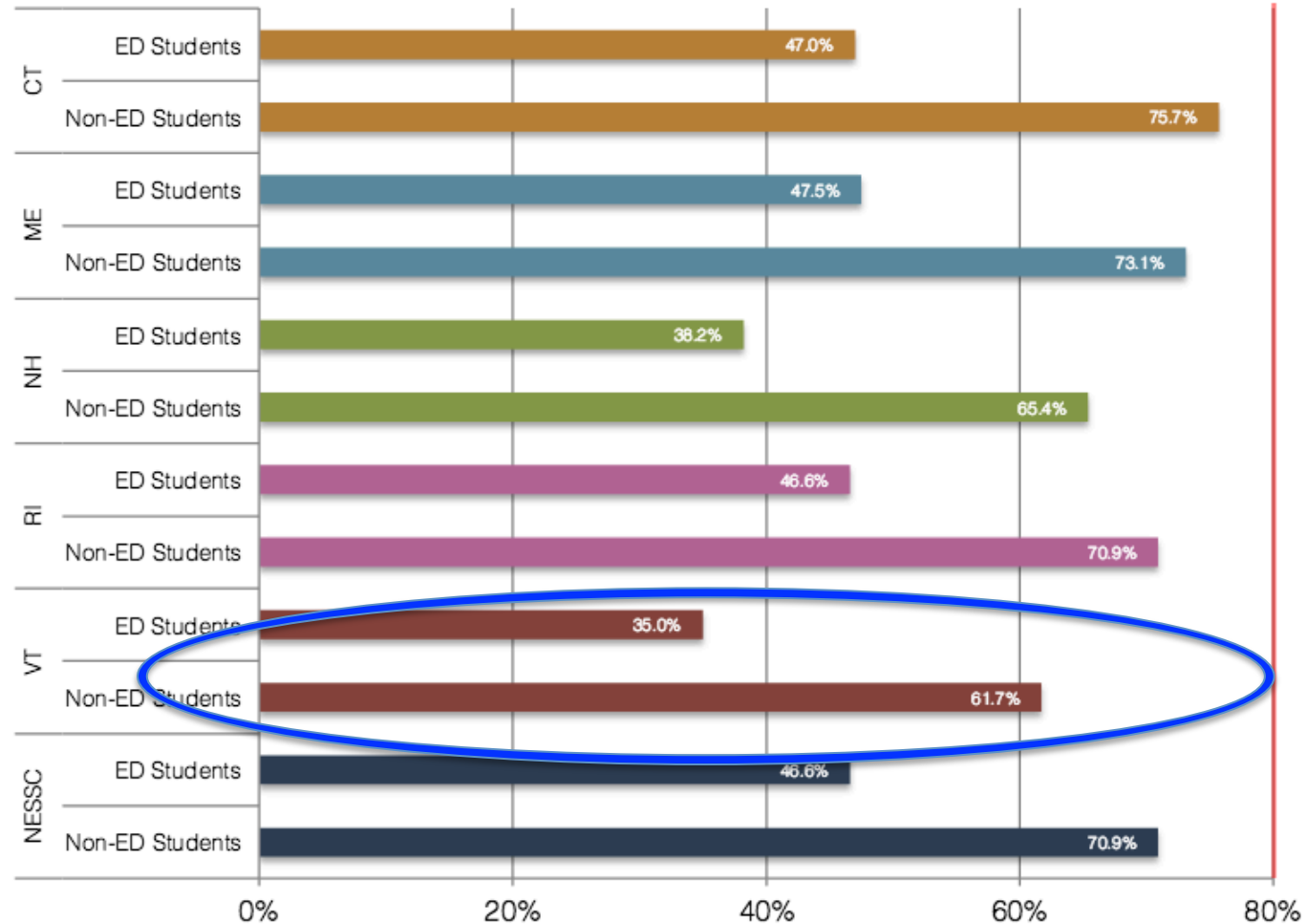
Begin with a state goal/clear policy priorities

College enrollment of economically disadvantaged Vermont H.S. grads = **35%**

Non-ED VT HS grads = **62%**

VT is lowest in New England

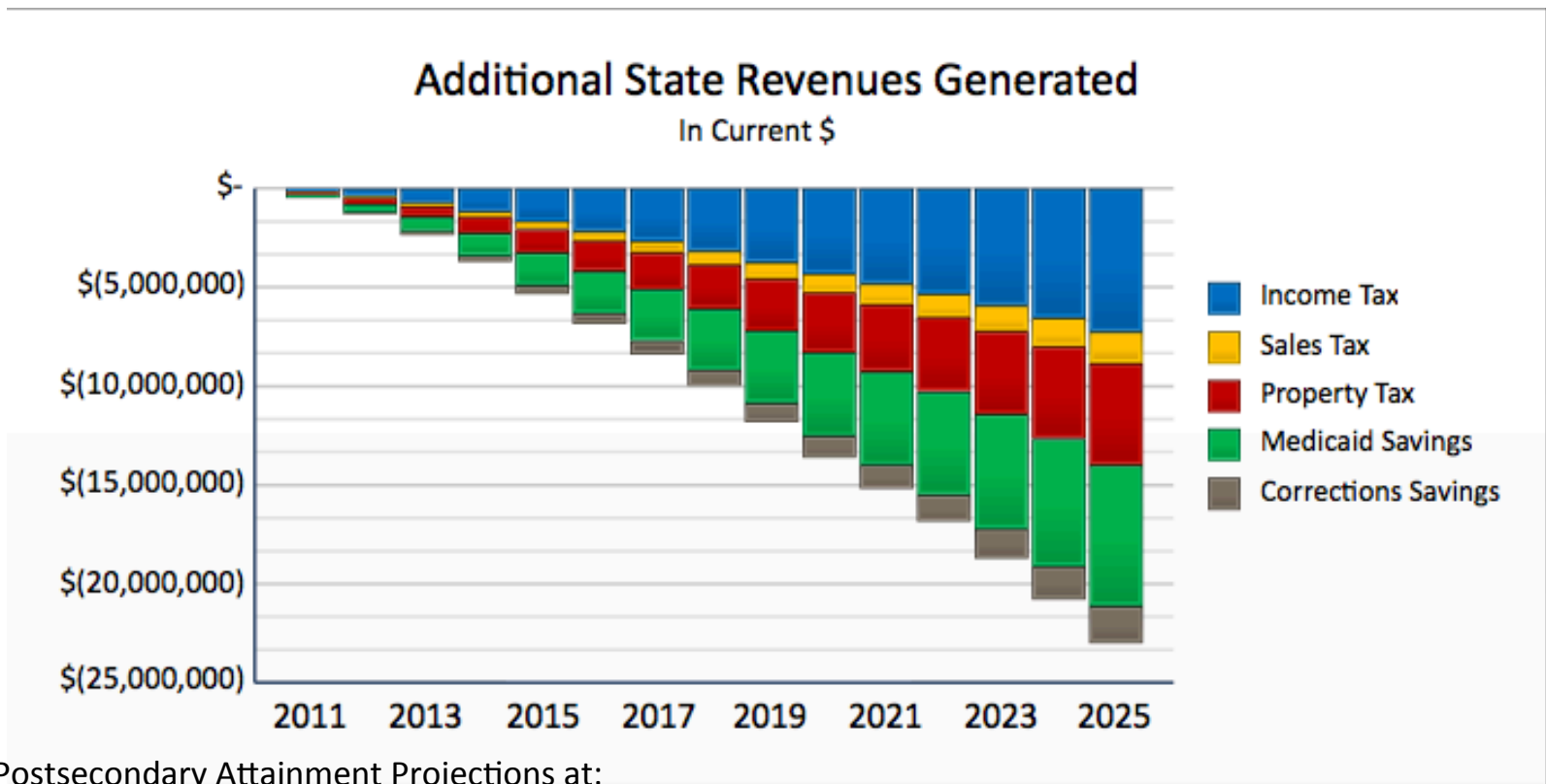
2013 College Enrollment: Economically Disadvantaged Students



Source: <http://webiva-downton.s3.amazonaws.com/342/cf/9/3611/NESSC Annual Data Report 2014 FINAL.pdf>

Begin with a state goal/clear policy priorities

Based on current demographic and educational attainment projections, Vermont will achieve only 52% attainment and lose 6,540 working-age, college-educated adults by 2025.

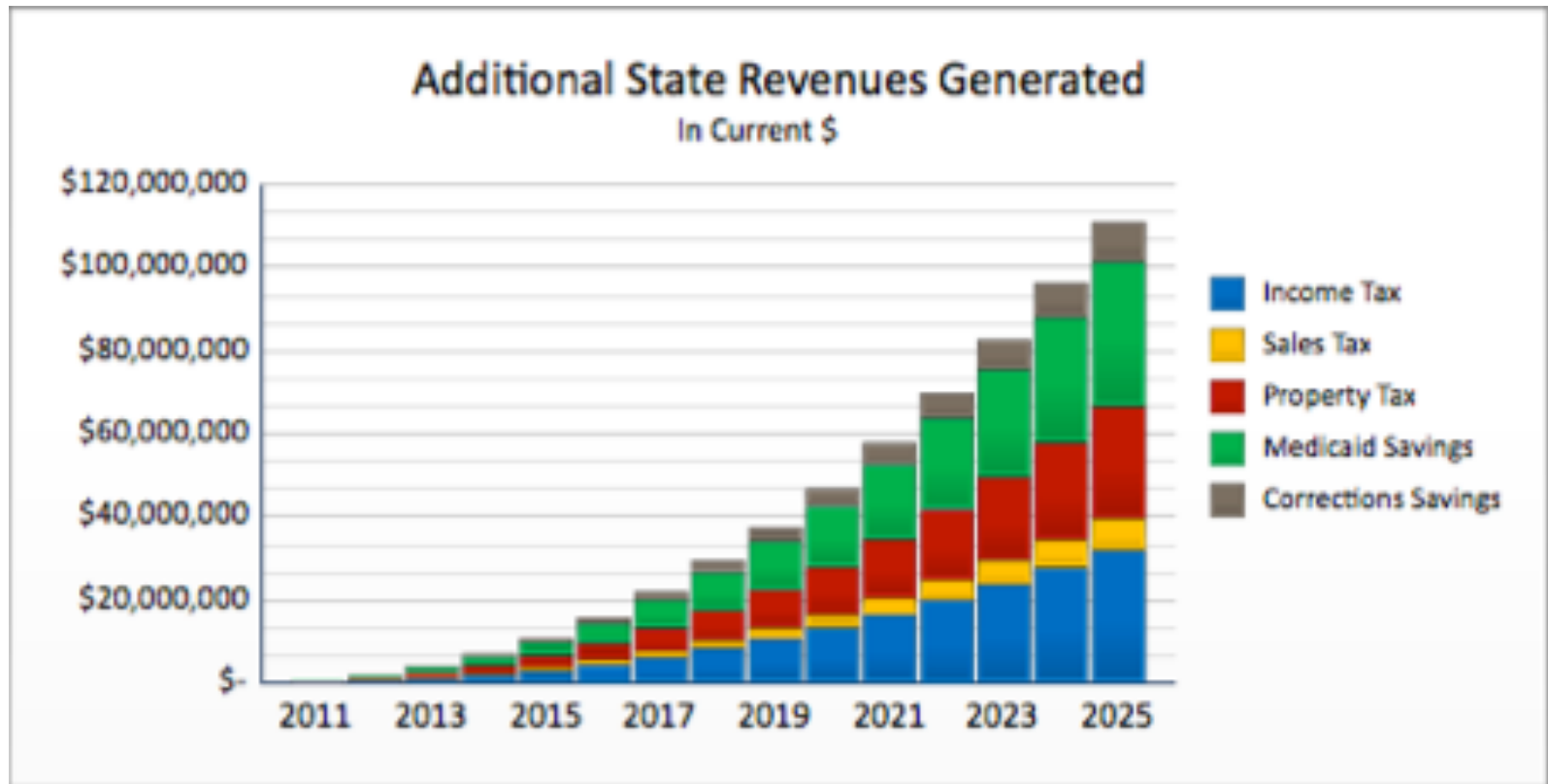


Postsecondary Attainment Projections at:

<http://www.clasp.org/resources-and-publications/flash/cpes-roi-tool/Vermont.swf>

Begin with a state goal/clear policy priorities

Achieving 60% college degree attainment would yield the following projection for Vermont.



Postsecondary Attainment Projections at:

<http://www.clasp.org/resources-and-publications/flash/cpes-roi-tool/Vermont.swf>

Begin with a state
goal/clear policy
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Use a simple
approach

VSC Proposal

Base the funding formula on the number of postsecondary credentials (one-year certificates and up) awarded to Vermonters.

Phase-in
(≠ Hold Harmless)

Make the money
meaningful

VSC Proposal

Start with 5% of each institution's appropriation

VSC = \$24 million	5% = 1.2 million
UVM = \$42 million	5% = 2.1 million
	<u>\$3.3 million</u>

Increase 5% annually over five years, to 25% maximum of total appropriation.

Use a simple approach

Incent success of typically underrepresented students

Include only measurable metrics

Outcomes-Based Measure	State Priority Weighting
1. Annual degrees awarded to Vermonters, weighted by degree type: .5 for certificates .75 associates 1 baccalaureate 1.25 any graduate or medical degree	50%
2. On-time (2- and 4-year) degrees completed by Vermonters.	20%
3. Degrees completed by Vermonters from at-risk groups (Pell and/or first-generation; working-age adults)	20%
4. High-priority, high-value degrees awarded to Vermonters (STEM)	10%



Handout: Analysis of Proposed Measures