

6A-14.07621 Performance-Based Incentive Program.

(1) Purpose. This rule administers the Florida College System Performance-Based Incentive, in accordance with Section 1001.66, F.S.

(2) Definitions. For the purposes of administering the performance-based incentive program, the following definitions shall be used.

(a) "College" means an institution within the Florida College System as defined in Section 1000.21, F.S.

(b) "Division" means the Division of Florida Colleges within the Florida Department of Education.

(c) "Lower Division" means coursework applicable to academic programs offered during what is generally considered the first two years of postsecondary education.

(d) "Upper Division" means coursework applicable to academic programs offered during what is generally considered the third and fourth years of postsecondary education.

(e) "First-time-in-college (FTIC)" means students who are enrolled in their first semester in college after high school graduation. For purpose of this rule, students enrolled in dual enrollment courses while concurrently enrolled in high school are defined as FTIC only after high school graduation. Additionally, students who enroll for the first time in the fall semester in college after graduating from high school, who have previously earned college credit via an acceleration mechanism such as dual enrollment, or who enroll in any of the summer terms immediately preceding the fall term are considered FTIC.

(f) "Full-time" means a student was enrolled in twelve (12) or more credit hours or the equivalent in contact hours during the semester.

(g) "Part-time" means a student was enrolled in less than twelve (12) credits or the equivalent in contact hours during the semester.

(h) "Catalog Time" means the amount of time required for a student to complete their program of study at the rate of thirty (30) credit hours per academic year or the equivalent number of contact hours per academic year.

(i) "First-time-upper-division (FTUD)" means a student enrolled in a baccalaureate degree program who has no record of upper-division enrollment in the previous year.

(j) "Completer" means a student who is awarded an academic credential.

(3) Measures. The Florida College System performance-based incentive shall include four (4) measures, also referred to as metrics in Section 1001.66, F.S. These four (4) measures, as described herein, are the only measures to be used for purposes of the distribution of the performance-based incentive.

(a) **"Retention Rate"** means the percent of FTIC or FTUD students who returned to the same Florida College System institution for their fall term of the next academic year.

1. Cohorts. Students are grouped in three (3) mutually exclusive sets referred to as cohorts, beginning with the most recently completed academic year for which data are available and for each of two (2) previous academic years referred to in descending order as prior year one (1) and prior year two (2). In total, there are three (3) cohorts of data utilized in the Retention Rate measure.

2. Timeframe for Measurement. This measure is calculated using data from two (2) consecutive academic years.

3. Calculation of the Retention Rate for a Cohort.

a. Cohort Numerator. Those students who enrolled as FTIC or FTUD students at a Florida College System institution and enrolled at the same Florida College System institution for the fall term of the next academic year are placed in the numerator and counted as retained.

b. Cohort Denominator. Those students who enrolled as FTIC or FTUD students at a Florida College System institution.

(I) Adjustments to the Denominator.

(A) Students who are found to have enrolled in a different postsecondary institution after the first fall semester are removed from the denominator.

(B) Students who have completed a program and are no longer enrolled are removed from the denominator.

(C) Students who died or were totally and permanently disabled; those who left school to serve in the armed forces or were called to active duty; those who left to serve with a foreign aid service of the federal government, such as the Peace Corps; and those who left to serve on an official church mission are removed from the denominator.

c. Calculating Rates.

(I) Retention Rate. For each of three (3) years, each college's numerator is divided by the denominator to arrive at a retention rate. This process is repeated for all years of data, to result in three (3) years of independent retention rates.

(b) **“Completion Rates”** means a Florida College System student has earned an academic credential in the form of a degree, certificate, or diploma.

1. This measure captures the outcomes of a cohort of full-time, FTIC or FTUD students who complete their program of study within a defined period of time. For this measure there are four (4) different classifications of students.

a. Lower Division Students Completing in 150% of Catalog Time. This classification includes all full-time FTIC lower division students at an institution who earned an academic credential within 150% of catalog time for the credential.

b. Lower Division Students Completing in 200% of Catalog Time. This classification includes all full-time FTIC lower division students at an institution who earned an academic credential within 200% of catalog time for the credential.

c. Upper Division Students Completing in 150% of Catalog Time. This classification includes all full-time FTUD students at an institution who earned an academic credential within 150% of catalog time for the credential.

d. Upper Division Students Completing in 200% of Catalogue Time. This classification includes all full-time FTUD upper division students at an institution who earned an academic credential within 200% of catalog time for the credential.

2. Cohorts. Each of the four (4) classifications of students are captured in four (4) mutually exclusive groups of students referred to as cohorts, beginning with the most recently completed academic year for which data is available and four (4) cohorts for each of two (2) previous academic years referred to in descending order as prior year one (1) and prior year two (2). In total, there are twelve (12) cohorts of data utilized in the Completion Rate measure; four (4) completion calculations for each of three (3) independent years.

3. Timeframe for Measurement. This measure is calculated using data crossing over consecutive academic years. The amount of time is dependent on the catalog time for the academic program, to which one half is added to arrive at 150% of catalog time and to which the catalog time is doubled to arrive at 200% of catalog time.

4. Calculation of the Completion Rate for a Cohort.

a. Cohort Numerator. Those students who started at a Florida College System institution and completed from the same Florida College System institution within the time frame of 150% or 200% of catalog time are placed in the numerator. An additional weight of 0.25 is added to each completer who received a federal Pell Grant while enrolled. The result being that completers who received a federal Pell Grant count as 1.25 completers, whereas a completer who did not receive a federal Pell Grant counts as 1.0 completers. The intent of this weight is to recognize the extra institutional efforts required to complete low-income students.

b. Cohort Denominator. Those students who started at a Florida College System institution are placed in the denominator. The denominator will be adjusted by:

(I) Students who are found to have enrolled in a different postsecondary institution after the first fall semester are removed from the denominator.

(II) Students who died or were totally and permanently disabled; those who left school to serve in the armed forces or were called to active duty; those who left to serve with a foreign aid service of the federal government, such as the Peace Corps; and those who left to serve on an official church mission are removed from the denominator.

c. Calculating Rates.

(I) 150% Completion Rate. For each of three (3) years, each college's numerator for 150% lower division and 150% upper division completers are summed as are the denominators. The resulting 150% numerator is divided by the resulting 150% denominator to arrive at a 150% completion rate. This process is repeated for all years of data, to result in three (3) independent 150% completion rates.

(II) 200% Completion Rate. For each of three (3) years, each college's numerator for 200% lower division and 200% upper division completers are summed as are the denominators. The resulting 200% numerator is divided by the resulting 200% denominator to arrive at a 200% completion rate. This process is repeated for all years of data, to result in three (3) independent 200% completion rates.

(c) **“Postgraduation Employment and Continuing Education Rate”** means a completer has either an enrollment record in the twelve (12) months following the academic year of completion or has an earnings record during at least one (1) fiscal quarter in the twelve (12) months following the academic year of completion.

1. This measure captures the outcomes of a cohort of completers in the twelve (12) months after completion. To be included in the cohort, the student would have earned a degree, certificate, diploma or apprenticeship awarded by the Florida College System institution.

2. There are two (2) outcomes this measure recognizes for completers. The first outcome identifies whether the completer is

enrolled at a postsecondary education institution, the second outcome identifies whether the completer is employed.

3. This calculation is determined for each college for each of the three (3) most recently completed academic years, resulting in three (3) Postgraduation Employment and Continuing Education Rates for each college.

(d) **“Completer Entry-Level Wages”** means the wages of a Florida College System completer in the first twelve (12) months after the academic year of completion.

1. This measure captures the outcomes of a cohort of completers a year after completion. To be included in the cohort, the student would have earned a degree, certificate, diploma or apprenticeship awarded by the Florida College System institution.

2. The gap between a college’s average wage of all college completers in a given year found employed in the twelve (12) months following the academic year of completion and the reported entry-level wages in the college’s service area is divided by the reported entry-level wages in the college’s service area as determined by the Florida Department of Economic Opportunity to arrive at a Completer Entry-Level Wages measure.

3. This calculation is determined for each college for each of the two (2) most recent years, resulting in two (2) Completer Entry Level Wage rates for each college.

(4) Benchmarks. Each college has the opportunity to earn points in two ways, either by meeting an Excellence benchmark or an Improvement benchmark. Both benchmarks are calculated for each of the four (4) measures. The benchmark resulting in the highest score for each Florida College System institution on each measure is utilized in the awarding of points as described herein.

(a) Excellence Benchmarks.

1. Retention Rate Excellence Benchmark. For the Retention Rate measure, the Excellence Benchmarks are determined using data for each college’s most recent year available and comparing it to the mean for all twenty-eight (28) colleges’ prior two-year means for full-time and part-time cohorts. Colleges below the mean minus one standard deviation receive no points. Colleges receive points on a scale from low (the mean minus one standard deviation) to high (the mean plus one standard deviation) in five (5) increments. Colleges above the high point of the scale receive the maximum points available.

2. Completion Rate Excellence Benchmark. For the Completion Rate measure, the two Excellence Benchmarks are determined using data for each college’s most recent year available and are compared to the mean for all twenty-eight (28) colleges’ prior two-year means. For each of the 150% and 200% thresholds, colleges below the mean minus one standard deviation receive no points. Colleges receive points on a scale from low (the mean minus one standard deviation) to high (the mean plus one standard deviation) in ten increments. Colleges above the high point of the scale receive the maximum points available.

3. Postgraduation Employment and Continuing Education Excellence Benchmark. The excellence benchmark for this measure is a criterion-referenced benchmark in that a Florida College System institution’s Postgraduation Employment and Continuing Education Rate in the most recent year is a percentage ranging from 0 percent to 100%. Colleges receive points on a scale equal to 0.1 point for each 2% of completers who are found employed or continuing their education with precision rounded to 2 decimal places.

4. Completer Entry Level Wages Excellence Benchmark. The excellence benchmark for this measure is a criterion-referenced benchmark in that a Florida College System institution’s Completer Entry Level Wages in the most recent year is a percentage. Colleges receive points on a scale equal to 0.1 point for each 2% of completer wages compared to service area wages with precision rounded to 2 decimal places and a maximum of 5.00 points.

(b) Improvement Benchmarks.

1. Retention Rate Improvement Benchmark. The improvement benchmark for this measure compares a Florida College System institution’s Retention Rate in the most recent year to the average of its own previous two-years of retention rates. For the Retention Rate measure, the Improvement Benchmarks are determined by using data for each college’s most recent year rate of change from the mean of the college’s two (2) prior years. Colleges with a rate below 1.0% receive no points. Colleges receive points on a scale from low (1.0%) to high (5.0%) in five increments. Colleges above the high point of the scale receive the maximum points available.

2. Completion Rate Improvement Benchmark. The improvement benchmark for this measure compares a Florida College System institution’s Completion Rate in the most recent year to the average of its own previous two-years of completion rates. For the Completion Rate measure, the two (2) Improvement Benchmarks are determined by using data for each college’s most recent year available rate of change from the mean of the college’s two (2) prior years. Colleges with a rate below .50% receive no points. For each of the 150% and 200% thresholds colleges receive points on a scale from low (.50%) to high (5.0%) in ten (10) increments. Colleges above the high point of the scale receive the maximum points available.

3. Postgraduation Employment and Continuing Education Improvement Benchmark. The improvement benchmark for this

measure compares a Florida College System institution's Postgraduation Employment and Continuing Education rate in the most recent year to the average of its own previous two-years of Postgraduation Employment and Continuing Education rates. The improvement benchmark is determined by comparing each college's most recent year available rate of change from the mean to the two (2) prior years for that college alone. Colleges with a rate below .25% receive no points. Colleges receive points on a scale from low (.25%) to high (2.50%) in ten increments. Colleges above the high point of the scale receive the maximum points available.

4. Completer Entry-Level Wages Improvement Benchmark. The improvement benchmark for this measure compares a Florida College System institution's Completer Entry Level Wages in the most recent year to its rate for the previous year by calculating the most recent year rate of change from the prior year. Colleges with a rate below .50% receive no points. Colleges receive points on a scale from low (.50%) to high (5.0%) in ten (10) increments. Colleges above the high point of the scale receive the maximum points available.

(5) Final Score. A final score shall be calculated for each Florida College System institution based upon the higher of the Excellence Benchmark and the Improvement Benchmark for each measure as determined pursuant to subsection (4), and weighted as follows:

(a) The higher of the Retention Rate Excellence Benchmark and the Improvement Benchmark shall be multiplied by a factor of 2.0 resulting in a maximum final point total of ten (10) points. No college shall receive less than one (1) point.

(b) Completion Rate Measure.

1. The Completion Rate Excellence Benchmark is comprised of a maximum possible preliminary point total of 3.33 points for the 150% Completion Rate and 1.67 points for the 200% Completion Rate.

2. The Completion Rate Improvement Benchmark is comprised of a maximum possible preliminary point total of 3.33 points for the 150% Completion Rate and 1.67 points for the 200% Completion Rate.

3. The higher of the Completion Rate Excellence Benchmark and the Improvement Benchmark shall be multiplied by a factor of 2.0 resulting in a maximum final point total of ten (10) points. No college shall receive less than one (1) point.

(c) The higher of the Postgraduation Employment and Continuing Education Excellence Benchmark and the Improvement Benchmark shall be multiplied by a factor of 2.0 resulting in a maximum final point total of ten (10) points. No college shall receive less than one (1) point.

(d) The higher of the Completer Entry-Level Wage Excellence Benchmark and the Improvement Benchmark shall be multiplied by a factor of 2.0 resulting in a maximum final point total of ten (10) points. No college shall receive less than one (1) point.

(e) A college's final score is the sum of the weighted points calculated for each of the four (4) measures, with a maximum final score of 40.0 points.

(6) Minimum Performance Funding Eligibility Thresholds. There are three thresholds established resulting in the creation of four (4) categories into which a college will be placed based upon their final score: Purple, Bronze, Silver, and Gold. A college with a final score that does not meet the institutional investment threshold is in the Purple category. Colleges with a final score that exceeds or is equal to the institutional investment threshold will be eligible for a state investment as determined by whether their final score meets certain thresholds.

(a) Institutional Investment Threshold. Institutional investments are calculated by withholding a proportional amount from each college's base funding.

1. A college with a final score (point total) less than half of the total points available is in the Purple category and must submit a performance improvement plan. A college in the purple category will not have its institutional investment automatically restored.

2. A college's institutional investment is automatically restored when its final score is equal to or greater than half of the total points available.

(b) State Investment Threshold. State investments in the Florida College System institutions are additional funds over the base funding from the prior year.

1. A college with a final score lower than one (1) standard deviation below the mean score is in the Bronze category. A college in the Bronze category will not receive a state investment.

2. A college with a final score equal to or above one (1) standard deviation below, but lower than one (1) standard deviation above, the mean score is in the Silver category. A college in the Silver category will receive a proportional share of the state investment.

3. A college with a final score greater than or equal to one (1) standard deviation above the mean score is in the Gold category. A college in the Gold category will receive both a proportional share of the state's investment and a point-total indexed proportional

share of the state's investment that otherwise would have been available to colleges in the Bronze and Purple categories.

(c) Annually, the Chancellor of the Division shall notify each college regarding that college's category. The notice to colleges in the Purple category will include the date the performance improvement plan must be submitted to the State Board of Education.

(7) Performance Improvement Plan. A Florida College System institution in the Purple category must submit a performance improvement plan to the State Board of Education.

(a) The performance improvement plan must specify the activities and strategies for improving the college's performance, and must focus on specific activities where measureable and verifiable progress can be made within a single year. A performance improvement plan must:

1. Be Evidence Based: The strategy must have an evidence based foundation that the planned activities result in a measureable increase in related key performance indicators.

2. Be Clearly Communicated: The activities must be clearly defined and widely understood by parties involved in the change.

3. Have Demonstrable Outcomes: Outcomes of the activities must be measureable and verifiable using accessible data and existing tools and technologies yielding demonstrable progress that can be documented in the mid-year and end-of-year reports.

4. Be completed within one-year.

5. Be Sustainable: The structured interventions that contribute to positive change should continue forward into the foreseeable future.

(b) The State Board of Education will review the performance improvement plan and, if the plan is approved, will monitor the college's progress in implementing the activities and strategies specified in the performance improvement plan.

Rulemaking Authority 1001.02(1), (2)(n), (6), 1001.66(1), (2), (6) FS. Law Implemented 1001.66 FS. History--New 8-24-16, Amended 8-20-17.