HEAC: Performance Measures Workgroup

The Higher Education Opportunity Act of 2011 created the Higher Education Advisory Committee (HEAC) with the responsibility to develop and review at least every five years

- state goals and objectives each public institution of higher education should be expected to achieve, and

- objective criteria for measuring educational-related performance with regard to those goals and objectives, including incentive performance, and

- the benefits or consequences for meeting or not meeting those goals and objectives, including incentive performance benefits.

At its November 7, 2011 meeting, HEAC asked SCHEV staff to form a workgroup to address these items. To this end, SCHEV staff formed a workgroup to review the objectives. The workgroup is composed of the following members:

- Presidents
  - Keith Miller (Virginia State University)
  - Rick Hurley (University of Mary Washington)
- Chief Academic Officers
  - Sandy Huguenin (University of Virginia's College at Wise)
  - Susan Wood (Virginia Community College System)
- Chief Financial Officers
  - Bob Green (Virginia Military Institute)
  - Dwight Shelton (Virginia Tech)
- Directors of Institutional Research
  - Alona Smolova (Norfolk State University)
  - George Stovall (University of Virginia)
- Legislative Money Committee Staff
  - April Kees (Senate Finance Committee)
  - Tony Maggio (House Appropriation Committee)
- Planning and Budget Staff
  - Ruth Anderson
  - Scott Sandridge
- SCHEV Staff
  - Jim Alessio
  - Beverly Covington
  - Diane Vermaaten

The workgroup is in the process of developing revised state- and institution-level objectives, new Institutional Performance Standards (IPS) that will replace existing measures, and evaluation criteria/standards. The workgroup will make preliminary recommendations to HEAC at its July 17 meeting. HEAC, in turn, is responsible for

making recommendations to SCHEV. The timetable for review and recommendations is as follows:

- July 17 – SCHEV update/discussion
- July 17 – HEAC preliminary recommendations
- July 30 – IPAC update/discussion
- August 27 – HEAC final recommendations
- August 27 – GPAC update/discussion
- September 7 – HEAC final recommendations forwarded to SCHEV members
- September 12 – FAC update/discussion
- September 14 – IPAC update/discussion
- September 24 – SCHEV & GPAC review/discussion of HEAC recommendations
- September 25 – SCHEV review of HEAC recommendation
- October 12 – IPAC update/discussion
- October 22 – GPAC update/discussion
- October 24 – FAC update/discussion
- October 30 – SCHEV final recommendations to Governor and General Assembly

The workgroup surveyed the institutions in June to get their input regarding performance measures, certification, target setting, and fulfilling the requirements of the Higher Education Opportunity Act. The workgroup reviewed the survey results and presents the following preliminary recommendations to HEAC.

Preliminary Recommendations for Revision of Performance Measures Certification Process

1. Eliminate the certification process and permit each institution receive the financial benefits described under § 2.2-5005.

2. Incorporate performance measures into Six-Year Plan submissions and use these to provide funding for the "targeted economic and innovation incentives" under § 23-38.87:16.

3. Move to biennial review of performance, linking the process to the biennial budget and Six-Year Plan cycle.

4. The set of performance measures should focus on the elements highlighted in § 23-38.87:16: Access, Affordability, Production, and Efficiency. These should include state-wide measures that apply to all institutions and mission-specific measures, some of which may be unique to an institution. Institutions would have some latitude to adapt the mission-specific measures to their own missions and circumstances and report on their progress toward those measures in their Six-Year Plans.

   - Proposed state-wide measures:
     - Number of Virginia Associate and Bachelor degrees (STEM-H, underserved populations, and total)
     - In-state undergraduate enrollment (headcount and FTES)
     - In-state undergraduate graduation rate (six- and four-year rates for four-year institutions, two- and three-year rates for two-year institutions)
     - Number of two-year transfers into four-year institutions and number of two-year transfers from two-year institutions (under Guaranteed Admission Agreements, underserved populations, and total).
     - Indebtedness of in-state undergraduate degree recipients
     - Affordability (student costs, financial aid, income levels, etc.)
     - Revenues (state appropriations + T&F) per degree

   - Proposed mission-specific measures
     - Degree completion of Virginians who have partial credit
     - Veteran and current military enrollments
     - Technology enhanced instruction
     - Innovation and continuous improvement
     - Research and collaboration promoting outside investment in Virginia
     - Operational efficiencies
     - Optimal year-round utilization of resources
     - Number of dual enrolled students – two-year institutions

5. The emphasis should be placed on improving or maintaining – not on achieving specific numerical ‘targets’ - over a base year. Improvement or maintenance on a measure would be determined as part of the Six-Year Plan review process.

6. The Six-Year Plan review group (as defined in § 23-38.87:17: Secretary of Finance, Secretary of Education, Director of the Department of Planning and Budget, Executive Director of the Council, Staff Director of the House Committee on Appropriations, and Staff Director of the Senate Committee on Finance) would be responsible for review of institutional performance and recommend to their respective bodies incentive funding for each institution.

7. Institutions would be responsible to report their progress in improving or maintaining each performance measure. Past performance will be consider by the Six-Year Plan review group when reviewing each institution’s most recent Six-year Plan submission and in recommending biennial funding. An institution may be required to submit a plan for remediation as part of its Six-Year Plan if it fails to maintain or improve.