

# DISCUSSION AGENDA

## XI. Consideration of Discussion Agenda

### A. Academic Affairs

#### 1. Act on the Proposed Changes to Performance Agreements: Funding Guidelines

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### Summary

*Due to the COVID-19 pandemic, institutions are struggling to adjust to unprecedented circumstances. Many measures of institutional performance could be negatively affected for AY 2019-20 and AY 2020-21. At its April 15, 2020 meeting, SCOCAO recommended the Performance Agreement Working Group reconvene to discuss ways to mitigate the impact on performance reporting. The Working Group recommends changes to [Performance Agreements: Funding Guidelines](#) as outlined below. Board staff concurs with the Board Academic Affairs Standing Committee in recommending these changes for approval.*

### Background

Pursuant to K.S.A. 74-3202d, each public postsecondary educational institution's receipt of "new state funds" shall be contingent upon achieving compliance with its performance agreement, as determined by the Kansas Board of Regents. Each performance agreement consists of several performance indicators chosen by the institution by which their performance is measured. The performance agreements for AY 2020 – AY 2021 were approved by the Board on March 18, 2020.

Due to the extraordinary disruption caused by the COVID-19 pandemic, many measures of institutional performance could be negatively affected for Academic Year 2019-20 and Academic Year 2020-21. At its April 15, 2020 meeting, SCOCAO agreed to reconvene the Performance Agreement Working Group to discuss ways to mitigate the negative effects on performance reporting. The group met Friday, May 1, 2020, and recommended changes to the "Annual Evaluation of Compliance and Funding" section of [Performance Agreements: Funding Guidelines](#). At its June 17, 2020 meeting, BAASC voted to send the draft revised guidelines to the Board for approval. The revisions allow for additional flexibility for institutions during this unprecedented time while maintaining accountability and the current funding tiers.

### Annual Evaluation of Compliance and Funding

To be eligible for any new funding appropriated by the Legislature and approved by the Governor, each institution annually submits a performance report that updates the Board on an institution's progress toward meeting the indicators in the performance agreement. The performance report provides the Board a basis for awarding any new funding.

Institutions establish a baseline for each of six indicators in the performance agreement. Awarding of new funding is based on the following three outcomes for the indicators in the performance agreement:

- (1) maintaining the baseline; (2) improving on the baseline; or (3) declining from the baseline.

The Board annually awards new funds based on the following levels of compliance:

- 100% of New Funding Available - The institution maintained the baseline or improved from the baseline in four or more of the indicators.
- 90% of New Funding Available - The institution maintained the baseline or improved from the baseline in three of the indicators.

- 75% of New Funding Available - The institution maintained the baseline or improved from the baseline in two of the indicators.
- No New Funding Awarded - The institution maintained or improved from the baseline in only one indicator, or none of the indicators.

In cases where an institution qualifies for the 0%, 75%, or 90% funding tier, the institution may make a case to move to the next higher funding tier. In such cases, an institution chooses one indicator for which it did not maintain or improve from the established baseline and submits evidence to BAASC that the indicator meets one or more of the following alternative evaluation criteria:

- Sustained excellence;
- Improvement from the prior year;
- Ranking on the indicator based on a relevant peer group;
- Improved performance using a three-year rolling average of the most recent three years; and/or
- Any extenuating circumstances beyond the control of the institution.

### **Proposal**

To allow for some leeway for institutions hit hard by the COVID-19 pandemic, BAASC recommends removing the limitation of moving up only one funding tier for those institutions not qualifying for the 100% or 90% funding tier. The following change is recommended to the guidelines for Academic Years 2020 and 2021:

If more than one indicator was affected by an unforeseen emergency, such as the COVID-19 pandemic or a natural disaster, the institution may make a case for each indicator affected. Each case shall include a narrative with specific evidence to substantiate that the unforeseen emergency contributed to the institution's inability to meet the indicator. BAASC will review the evidence case and determine if an institution warrants recommended funding at the next a higher funding tier. If such a determination is made, the institution shall only be recommended for funding at the next higher funding tier and shall not qualify for funding tiers beyond that.