

2015 -- S 0603 SUBSTITUTE A

LC001942/SUB A/2

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

A N A C T

RELATING TO EDUCATION -- POSTSECONDARY EDUCATION PERFORMANCE  
FUNDING

Introduced By: Senators Paiva Weed, Gallo, DaPonte, McCaffrey, and Algieri

Date Introduced: March 04, 2015

Referred To: Senate Education

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 16 of the General Laws entitled "EDUCATION" is hereby amended  
2 by adding thereto the following chapter:

3 CHAPTER 105

4 THE PERFORMANCE FUNDING ACT OF 2015

5 **16-105-1. Short title.** -- This act shall be known and may be cited as "The Performance  
6 Funding Act of 2015."

7 **16-105-2. Public postsecondary performance-based funding.** -- The commissioner of  
8 postsecondary education is hereby directed to implement a performance-based funding formula  
9 that meets the requirements of this chapter, in consultation with the council on postsecondary  
10 education.

11 **16-105-3. Performance-based funding – Community College of Rhode Island.** – (a)  
12 Beginning in FY 2018, funding for the Community College of Rhode Island ("CCRI") shall  
13 include a performance-based component utilizing all additional allocations of otherwise  
14 unrestricted higher education general revenue greater than the base amount received pursuant to  
15 the FY 2016 budget as enacted of total unrestricted state higher education funding.

16 (b) Data on which to base performance-based measures as described in subsection (c) of  
17 this section shall be defined by the commissioner of postsecondary education, in consultation  
18 with the council on postsecondary education. Measures shall begin to be collected in FY 2016.

1 These measures may include and incorporate outcomes or goals from multiple previous years.  
2 The lack of information from previous years, however, will not affect the use of performance-  
3 based measures.

4 (c) The performance-based measures shall be consistent with the purposes, role, scope  
5 and mission of the community college, and shall include the following metrics:

6 (1) For first-time, full-time students, the number and percentage, including growth  
7 thereof in relation to enrollment and prior years, of associate's degrees awarded to students within  
8 two (2) years and three (3) years, including summer graduates; for part-time students,  
9 performance-based measures shall be based on incremental milestones made toward achieving  
10 degree or certificate completion;

11 (2) The number of one year industry recognized certificates earned by students within an  
12 expected amount of time, and weighted to increase high demand, high wage field certificates  
13 consistent with CCRI's purpose;

14 (3) One measure as agreed to by the commissioner of postsecondary education and the  
15 president of CCRI, who shall consider faculty, staff and student input; and

16 (4) Any other measures that are deemed appropriate by the council of postsecondary  
17 education.

18 (d) Weights may be assigned to any of the aforementioned metrics to reinforce the  
19 purposes, role, scope and mission of CCRI, the economic needs of the state and the socio-  
20 economic status of the students. The commissioner may consider the college's improvements in  
21 said metrics when determining whether the college has satisfied the annual measure despite not  
22 reaching the overall goal.

23 (e) The commissioner shall provide faculty and students an opportunity to provide input  
24 on the development of performance measures.

25 **16-105-4. Performance-based funding – Rhode Island College and University of**  
26 **Rhode Island.** – (a) Beginning in FY 2018, funding for Rhode Island College ("RIC") and the  
27 University of Rhode Island ("URI") shall include a performance-based component utilizing all  
28 additional allocations of otherwise unrestricted higher education general revenue greater than the  
29 base amount received pursuant to the FY 2016 budget as enacted, of total unrestricted state higher  
30 education funding.

31 (b) Data on which to base performance-based measures as described in subsection (c) of  
32 this section shall be defined by the commissioner of postsecondary education, in consultation  
33 with the council on postsecondary education. Measures shall begin to be collected in FY 2016.  
34 These measures may include and incorporate outcomes or goals from multiple previous years.

1 The lack of information from previous years, however, will not affect the use of performance-  
2 based measures.

3 (c) Rhode Island College and the University of Rhode Island shall each have unique  
4 measures consistent with each institution's purpose, role, scope and mission. The performance-  
5 based measures shall include the following metrics:

6 (1) The number and percentage, including growth in relation to enrollment and prior  
7 years of bachelor's degrees awarded to first-time, full-time students within four (4) years and six  
8 (6) years including summer graduates;

9 (2) The number of degrees awarded that are tied to Rhode Island's high demand, high  
10 wage employment opportunities consistent with the institution's mission;

11 (3) One measure that applies only to RIC as agreed to by the commissioner of  
12 postsecondary education and the president of RIC, who shall consider faculty, staff and student  
13 input; and one measure that applies only to URI as agreed to by the commissioner of  
14 postsecondary education and the president of URI, who shall consider faculty, staff and student  
15 input; and

16 (4) Any other measures that are deemed appropriate by the council of postsecondary  
17 education.

18 (d) Weights may be assigned to any of the aforementioned metrics to either or both of the  
19 institutions to reinforce the mission of RIC and URI, respectively, the economic needs of the state  
20 and the socio-economic status of the students. The commissioner may consider the institutions'  
21 improvements in said metrics when determining whether it has satisfied the annual measure  
22 despite not reaching the overall goal.

23 (e) The commissioner shall provide faculty and students an opportunity to provide input  
24 on the development of performance measures.

25 **16-105-5. Performance not achieved.** – If a public institution of higher education has  
26 failed to achieve one or more of the performance metrics set forth in accordance with this chapter,  
27 the funds associated with each unachieved metric, shall be distributed to the same institution for  
28 corrective action, with oversight by the office of the postsecondary commissioner.

29 **16-105-6. Accountability – Authority to revise and transparency.** – (a) The  
30 commissioner of postsecondary education shall monitor, publish and report to the council on  
31 postsecondary education the level of performance on all metrics identified in accordance with this  
32 chapter for the Community College of Rhode Island, Rhode Island College, and the University  
33 Rhode Island.

34 (b) The commissioner of postsecondary education, in consultation with the council of

1 postsecondary education, shall revise the metrics at a time when performance has reached a pre-  
2 defined level. Future metrics shall further goals identified by the board of education and the  
3 governor's workforce board, and the applicable purpose and mission of the institution of higher  
4 education to which they apply.

5 (c) Each public higher education institution shall publish its performance on all of its  
6 associated metrics prescribed in this chapter on its website.

7 **16-105-7. State postsecondary education funding formula.** – (a) Implementation of a  
8 state postsecondary education funding formula shall be contingent upon the approval of the  
9 general assembly. On or before April 1, 2016, the commissioner of postsecondary education shall  
10 present to the board of education and the general assembly, the following:

11 (1) A proposal for the further definition of the budget for "otherwise unrestricted higher  
12 education general revenue" in accordance with §§ 16-105-3(a) and 16-105-4(a); and

13 (2) With input from an advisory workgroup composed of representatives of the  
14 administration and faculty of CCRI, RIC, and URI, the commissioner shall develop a proposal for  
15 a funding formula for calculating budgetary needs of the public postsecondary institutions.

16 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO EDUCATION -- POSTSECONDARY EDUCATION PERFORMANCE  
FUNDING

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1           This act would establish "The Performance Funding Act of 2015" that would provide that  
2 new, unrestricted funding, for Rhode Island's postsecondary state schools be based upon certain  
3 performance measures.

4           This act would take effect upon passage.

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