



# University Performance Funding Formula

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# University Operations Funding

The Constitution does not specify how funding is to be distributed among universities.

The legislature annually appropriates funds for individual universities, a process that in recent years has included the use of a performance funding formula to allocate the total increase (or decrease) in state appropriations for university operations. The formula is specified in annual budget act language.

Each university's operations funding currently consists of a baseline amount, which is the total amount appropriated in the prior year, plus a performance funding adjustment.

Table 1: FY 2017-18 ENACTED APPROPRIATION DETAIL FOR UNIVERSITY OPERATIONS

	Proportional to FY 2010-11		Performance Funding Proportional to Share of Total				Performance Funding Scored vs. National Carnegie Peers										*Total Performance Funding Increase	Initial Enacted FY 2017-18 Appropriation	Percent Change
	50.0%		11.1%		5.6%		33.3%												
	Funding per unit: \$0.0099 per dollar		Funding per unit: \$184.29 per completion		Funding per unit: \$0.0012 per dollar		Funding per unit: \$6.34 per weighted point												
FY 2016-17 Year-to-Date Appropriation	FY 2010-11 Appropriation	FY 2010-11 Funding	Critical Skills Undergrad Completions	Critical Skills Undergrad Funding	Research & Development Expenditures	Research & Development Funding	6-year Grad Rate	Total Degrees	Instl. Support as % of Expend.	Students Receiving Pell Grant	% Total Points	Total FY 2016 Undergrad FYES	FYES-Weighted Points	Funding					
Michigan State	\$275,862,100	\$283,685,200	\$2,796,217	2,967	\$546,758	\$328,397,061	\$402,143	2	3	2	0	7	36,765	257,355	\$1,631,916	\$5,377,000	\$281,239,100	1.9%	
UM-Ann Arbor	308,639,000	\$316,254,500	3,117,245	3,033	558,932	\$701,964,000	859,599	3	3	2	0	8	27,880	223,041	1,414,327	\$5,950,100	314,589,100	1.9%	
Wayne State	196,064,500	\$214,171,400	2,111,036	958	176,544	\$146,978,189	179,984	2	2	0	3	7	14,366	100,565	637,692	3,105,300	199,169,800	1.6%	
Central	83,925,500	\$80,132,000	789,842	858	158,115	\$11,746,601	14,384	2	3	0	2	7	17,270	120,890	766,577	1,728,900	85,654,400	2.1%	
Michigan Tech	48,097,500	\$47,924,200	472,377	922	169,898	\$52,321,902	64,071	3	2	2	0	7	5,595	39,168	248,370	954,700	49,052,200	2.0%	
Western	107,440,900	\$109,615,100	1,080,450	1,102	202,988	\$16,982,080	20,796	0	2	2	2	6	16,603	99,616	631,677	1,935,900	109,376,800	1.8%	
Eastern	73,593,800	\$76,026,200	749,372	901	166,040	\$3,160,633	3,870	0	3	2	2	7	14,798	103,585	656,842	1,576,100	75,169,900	2.1%	
Oakland	49,920,700	\$50,761,300	500,342	1,214	223,628	\$8,744,299	10,708	2	2	2	0	6	15,258	91,548	580,516	1,315,200	51,235,900	2.6%	
Grand Valley	68,227,900	\$61,976,400	610,887	1,350	248,864			3	3	2	0	8	19,957	159,657	1,012,401	1,872,200	70,100,100	2.7%	
Saginaw Valley	29,114,000	\$27,720,700	273,236	465	85,692			2	2	2	0	6	7,706	46,233	293,171	652,100	29,766,100	2.2%	
UM-Dearborn	24,803,300	\$24,726,200	243,720	438	80,624			2	2	2	2	8	5,801	46,411	294,295	618,600	25,421,900	2.5%	
UM-Flint	22,549,300	\$20,898,000	205,987	581	107,069			0	2	2	2	6	5,241	31,446	199,405	512,500	23,061,800	2.3%	
Ferris	52,259,900	\$48,619,200	479,228	1,357	250,027			2	3	2	2	9	10,624	95,616	606,312	1,335,600	53,595,500	2.6%	
Northern	46,279,200	\$45,140,300	444,937	562	103,510			2	3	2	0	7	6,978	48,846	309,738	858,200	47,137,400	1.9%	
Lake Superior	13,567,400	\$12,694,200	125,124	176	32,422			2	2	0	0	4	1,975	7,900	50,095	207,600	13,775,000	1.5%	
<b>TOTAL:</b>	<b>\$1,400,345,000</b>	<b>\$1,420,344,900</b>	<b>\$14,000,000</b>	16,882	<b>\$3,111,111</b>	<b>\$1,270,294,765</b>	<b>\$1,555,556</b>	<b>27</b>	<b>37</b>	<b>24</b>	<b>15</b>	<b>103</b>	<b>206,818</b>	<b>1,471,877</b>	<b>\$9,333,333</b>	<b>\$28,000,000</b>	<b>\$1,428,345,000</b>	<b>2.0%</b>	

Data Notes			
Component	Source	Years	Notes
Critical skills undergrad completions	State HEIDI	FYs 2015-2016	STEM/health/etc.
Research & develop expends	Federal IPEDS	FY 2015	Carnegie research universities only
Six-year graduation rate	Federal IPEDS^	FYs 2011-2014	First-time, full-time degree seeking students
Total degree completions	Federal IPEDS^	FYs 2011-2014	Includes graduate degrees
Inst support as % of core expends	Federal IPEDS^	FYs 2011-2014	Measure of administrative costs
Pell grant students	Federal IPEDS^	FYs 2012-2014	Federal need-based aid for undergrads
Undergrad FYES	State HEIDI	FY 2016	Includes nonresident students

^ via Business Leaders for Michigan and Anderson Economic Group

Scoring Based on Carnegie Peers	
Top 20% nationally	3
Above national median	2
Improving over 3 years	2

- \*Requirements to receive funding increase:
1. Restrain FY 2017-18 resident undergraduate tuition/fee rate increase to 3.8% or \$475 (whichever is greater)
  2. Participate in at least three reverse transfer agreements with community colleges
  3. Maintain a dual enrollment credit policy that does not consider whether credits were used toward high school graduation
  4. Actively participate in and submit timely updates to the Michigan Transfer Network

# FY 2017-18 Performance Funding

Since FY 2012-13, funding increases have been based on a performance funding model that has undergone some modification each year. The formula specifies the percentage of total performance funding that is distributed under each of several metrics.

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Proportional to each university’s share of total operations funding in the baseline year of FY 2010-11	50.0%	\$14.0 million
Undergraduate degree completions in critical skills areas (generally STEM fields)	11.1%	\$3.1 million
Total R & D expenditures (applies to research universities only)	5.6%	\$1.6 million
Comparisons with Carnegie Classification peers or 3-year improvement, scored on four metrics:	33.3%	\$9.3 million
<ul style="list-style-type: none"> <li>• Six-year graduation rate</li> </ul>		
<ul style="list-style-type: none"> <li>• Total degree completions</li> </ul>		
<ul style="list-style-type: none"> <li>• Institutional support (i.e., administration) as a percentage of core expenditures</li> </ul>		
<ul style="list-style-type: none"> <li>• Percentage of students receiving federal Pell grants</li> </ul>		
<b>Total Performance Funding</b>	<b>100%</b>	<b>\$28.0 million</b>

# Proportional to FY 2010-11 Funding

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Proportional to each university's share of total operations funding in the baseline year of FY 2010-11	50.0%	\$14.0 million

	FY 2010-11 Funding	Percentage
Michigan State	\$283,685,200	20.0
UM-Ann Arbor	\$316,254,500	22.3
Wayne State	\$214,171,400	15.1
Central	\$80,132,000	5.6
Michigan Tech	\$47,924,200	3.4
Western	\$109,615,100	7.7
Eastern	\$76,026,200	5.4
Oakland	\$50,761,300	3.6
Grand Valley	\$61,976,400	4.4
Saginaw Valley	\$27,720,700	2.0
UM-Dearborn	\$24,726,200	1.7
UM-Flint	\$20,898,000	1.5
Ferris	\$48,619,200	3.4
Northern	\$45,140,300	3.2
Lake Superior	\$12,694,200	0.9
	<b>\$1,420,344,900</b>	100.0

- Has appeared in the FY 2014-15, FY 2016-17, and FY 2017-18 Performance Formulas

# Undergrad Degree Completions Critical Skills Areas

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Undergraduate degree completions in critical skills areas (generally STEM fields)	11.1%	\$3.1 million

- Based on number of undergraduate degrees and certificates in critical skills areas.
- Calculations based on two-year average (FY 2014-15 & FY 2015-16)
- Completions are weighted based on the following:
  - Bachelor’s Degree 1.000
  - Associate’s Degree 0.500
  - Certificates more than 1 but less than 2 years 0.375
  - Certificates less than 1 yr 0.125
- Metric has been used since FY 2012-13 Formula.

# Undergrad Degree Completions Critical Skills Areas

- Agriculture, Ag Operations, and Related Sciences
- Architecture
- Biological and Biomedical Sciences
- Communications Technologies/Technicians and Support Services
- Computer and Information Sciences and Support Services
- Construction Trades
- Engineering
- Engineering Technologies and Engineering-Related Fields
- Health Professions and Related Programs Sciences
- Mathematics and Statistics
- Mechanic and Repair Technologies/Technicians
- Military Technologies and Applied Sciences
- Natural Resources and Conservation
- Physical Sciences
- Precision Production
- Science Technologies/Technicians
- Transportation and Materials Moving

Table 2: FY 2017-18 ENACTED APPROPRIATION DETAIL FOR UNIVERSITY OPERATIONS

	Proportional to FY 2010-11		Performance Funding		Proportional to Share of Total		Performance Funding Scored vs. National Carnegie Peers											
	50.0%		11.1%		5.6%		33.3%											
% of formula:	\$0.0099 per dollar		\$184.29 per completion		\$0.0012 per dollar		\$6.34 per weighted point											
Funding per unit:																		
	FY 2016-17 Year-to-Date Appropriation	FY 2010-11 Appropriation	Funding	Critical Skills Undergrad Completions	Funding	Research & Development Expenditures	Funding	6-year Grad Rate	Total Degrees	Instl. Support as % of Expend.	Students Receiving Pell Grant	% Total Points	Total FY 2016 Undergrad FYES	FYES-Weighted Points	Funding	*Total Performance Funding Increase	Initial Enacted FY 2017-18 Appropriation	Percent Change
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# Research & Development Expenditures

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Total R & D expenditures (applies to research universities only)	5.6%	\$1.6 million

- Funding in this metric only applies to the 8 universities classified under the Carnegie Classification as “doctoral universities: moderate/higher/highest research activity.”
- Data taken from Federal IPEDS database based on most recent year available (FY 2014-15).
- Metric has been used since FY 2012-13 Formula.

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# Carnegie Peer Comparison-Based Metrics

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Comparisons with Carnegie Classification peers or 3-year improvement, scored on four metrics:	33.3%	\$9.3 million
<ul style="list-style-type: none"> <li>Six-year graduation rate</li> </ul>		
<ul style="list-style-type: none"> <li>Total degree completions</li> </ul>		
<ul style="list-style-type: none"> <li>Institutional support (i.e., administration) as a percentage of core expenditures</li> </ul>		
<ul style="list-style-type: none"> <li>Percentage of students receiving federal Pell grants</li> </ul>		

- Universities are compared to their national peers within each Carnegie classification, which divides institutions into categories based generally on numbers, levels, types of degrees granted (bachelor’s, master’s, doctoral), along with the amount of research activity.
- Schools are scored within each metric based on the following:
  - 3 points for top 20% nationally
  - 2 points for above national median
  - 2 points for improving over a 3 year period
- Scores are weighted according to each university’s undergraduate FYES (Fiscal Year Equated Student).

# Carnegie Peer Comparison-Based Metrics

- Peer comparison has been used since FY 2012-13 Formula, but weighting by FYES began with the FY 2013-14 Formula.
- Uses Federal IPEDS database, FY 2013-14 data is used, with 3-year improvement measured from FY 2010-11 to FY 2013-14.
- FYES data uses Michigan's Higher Education Institutional Database Inventory (HEIDI), FY 2015-16.
- All Carnegie-based component calculations have been provided by the Anderson Economic Group (AEG) in conjunction with the Business Leaders of Michigan (BLM) and the Michigan Association of State Universities (MASU).

# Carnegie Peer Comparison-Based Metrics

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	
1			At or Better than the Public Peer Average or Median			At or Better than the Public Peer Top 20%			Making Progress															
2			2014 Total Critical Skills Degrees / Certificates	2011-2014 3 yr growth-CAGR	2014 6-year Graduation Rate	2011-2014 3 yr change (percentage point)-total	2014 Total Degrees	2012-2014 Total Degrees 3yr Avg	2011-2014 3 yr growth CAGR	2014 Institutional Exp. / Core Exp.	2011-2014 3 yr change (percentage point)-total	2014 % Pell	2012-2014 2 yr change (percentage point)-total	2014 Number Pell	2012-2014 2 yr growth CAGR	2014 Research Exp.	2011-2014 3 yr growth CAGR							
3	R1	Michigan State	4,619	4.4%	79.1%	1.8%	11,484	11,219	1.6%	6.8%	0.6%	22.7%	-2.4%	8,623	-3.1%	\$ 313,801,572	0.3%							
4		UM Ann Arbor	6,203	4.4%	90.9%	1.4%	13,009	12,607	3.0%	6.3%	0.2%	15.7%	-0.6%	4,439	-0.4%	\$ 708,497,618	-2.8%							
5		Wayne State	2,038	2.2%	34.3%	8.0%	5,854	5,612	1.6%	8.9%	0.4%	47.9%	-2.4%	8,911	-5.6%	\$ 151,626,469	-4.4%							
6		Median or Average	2,736	6.3%	72.5%	2.8%	7,537	7,491	2.3%	7.1%	0.5%	28.9%	-1.0%	6,111	-2.9%	\$ 192,020,381	-1.9%							
7		Top 20%	4,595		82.6%		10,957	10,681		5.2%		36.5%		10,285		\$ 411,550,106								
9	R2	Central	1,310	5.9%	55.5%	1.3%	6,068	5,995	2.0%	9.3%	1.5%	36.3%	-0.2%	7,230	-4.0%	\$ 13,876,197	20.3%							
10		Michigan Tech	1,277	3.3%	64.3%	-1.2%	1,434	1,477	2.0%	9.2%	-1.9%	25.6%	-0.8%	1,437	-2.4%	\$ 51,692,260	-2.6%							
11		Western	1,558	5.3%	54.0%	-1.9%	5,262	5,350	0.0%	8.7%	0.3%	38.6%	-0.6%	7,413	-2.9%	\$ 19,109,124	-13.1%							
12		Median or Average	1,375	6.0%	54.7%	1.3%	3,407	3,450	2.2%	9.0%	0.5%	34.8%	-1.3%	4,000	0.6%	\$ 38,185,008	-4.1%							
13	Top 20%	1,893		61.1%		5,528	5,427		7.3%		43.2%		7,220		\$ 76,971,906									
15	R3	Eastern	1,060	2.7%	36.5%	-3.0%	4,558	4,325	2.3%	9.7%	-0.4%	43.9%	-1.9%	8,426	-0.6%	\$ 4,105,363	-14.5%							
16		Oakland	1,367	3.4%	45.6%	5.3%	3,684	3,679	1.0%	9.6%	-3.4%	32.1%	-0.3%	5,319	1.9%	\$ 9,134,493	-3.3%							
17		Median or Average	755	6.5%	45.6%	2.9%	2,778	2,663	5.4%	10.6%	0.3%	43.7%	-1.4%	4,488	-4.9%	\$ 8,327,955	1.8%							
18		Top 20%	1,111		53.1%		3,894	3,863		8.8%		50.6%		6,890		\$ 16,529,178								
20	M1	Grand Valley	1,489	4.5%	64.9%	1.6%	5,271	5,381	1.1%	9.6%	-0.1%	36.2%	-1.0%	7,691	-1.4%	\$ 7,931,016	1.6%							
21		Saginaw Valley	522	7.8%	40.2%	1.7%	1,710	1,707	0.1%	11.9%	-0.8%	38.2%	-2.5%	3,498	-4.2%	\$ 961,179	0.2%							
22		UM Dearborn	652	9.2%	50.1%	0.8%	1,792	1,758	2.6%	12.3%	-0.6%	43.0%	0.3%	3,069	0.0%	\$ 3,866,680	-3.4%							
23		UM Flint	743	17.5%	34.3%	-3.0%	1,666	1,557	8.3%	12.2%	-0.1%	41.9%	-4.8%	2,990	-4.1%	\$ 584,428	-3.0%							
24		Median or Average	509	7.4%	50.9%	1.8%	2,072	2,028	2.2%	11.4%	0.3%	38.7%	0.3%	3,104	1.0%	\$ 1,287,750	-8.4%							
25	Top 20%	835		59.2%		3,161	3,101		8.8%		47.9%		4,000		\$ 4,149,050									
27	M2	Ferris State	1,897	2.9%	47.8%	2.8%	3,461	3,458	1.5%	10.3%	-1.2%	41.2%	-0.7%	5,555	-0.4%	\$ 714,708	54.9%							
28		Northern	685	2.9%	49.4%	1.6%	1,678	1,665	2.3%	9.7%	-0.1%	38.8%	-0.7%	3,191	-3.7%	\$ 957,871	2.4%							
29		Median or Average	244	16.1%	44.5%	2.5%	1,000	1,004	4.5%	12.3%	0.0%	39.8%	-1.5%	1,890	-2.5%	\$ 279,383	-11.7%							
30		Top 20%	423		53.9%		1,384	1,389		7.7%		55.5%		2,833		\$ 1,235,778								
32	Bac Diverse	Lake Superior	222	-0.1%	42.9%	7.6%	623	587	3.1%	15.7%	1.1%	38.9%	-3.0%	944	-9.7%	\$ 748,487	24.2%							
33		Median or Average	134	8.3%	38.8%	1.0%	370	352	5.3%	13.0%	-0.4%	44.4%	-1.7%	951	-1.7%	\$ 107,081	-8.5%							
34		Top 20%	313		48.0%		716	673		9.0%		50.9%		2,145		\$ 345,163								

# 6-Year Graduation Rate

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Comparisons with Carnegie Classification peers or 3-year improvement, scored on four metrics:	33.3%	\$9.3 million
<ul style="list-style-type: none"> <li>• Six-year graduation rate</li> </ul>		

- Measures the percentage of 1<sup>st</sup> time, full-time, degree-seeking students at an institution that complete a degree within 6 years at the same institution.
- Rates are based on FY 2013-14, which looks at the FY 2007-08 cohort.
- Students who transfer to another institution and complete a degree does not count for the original institution, nor for the new institution.
- Part-time students are not included in the count.
- For FY 2017-18, 3 schools were in top 20%, 6 were above the national median, and 3 had improved over the 3-year period.
- Metric has been used since FY 2012-13 Formula.

# Total Degree Completions

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Comparisons with Carnegie Classification peers or 3-year improvement, scored on four metrics:	33.3%	\$9.3 million
<ul style="list-style-type: none"> <li>• Total degree completions</li> </ul>		

- Measures the total degree and certificate completions at each university, including undergraduate and graduate programs.
- Gross measure with no weighting or control for size, which does pose difficulties for smaller institutions.
- For FY 2017-18, 7 were in the top 20%, 3 were above the national median, and 5 had improved over the 3-year period.
- Metric has been used since FY 2012-13 Formula.

# Institutional Support as a % of Core Expenditures

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Comparisons with Carnegie Classification peers or 3-year improvement, scored on four metrics:	33.3%	\$9.3 million
<ul style="list-style-type: none"> <li>Institutional support (i.e., administration) as a percentage of core expenditures</li> </ul>		

- Measures administrative efficiency.
- Core expenditures: Total expenses for the essential educational activities of the institution
- Institutional support: Includes expenses for the day-to-day operational support of the institution. Includes general administrative services, central executive-level activities concerned with management and long-range planning, legal and fiscal operations, space management, employee personnel and records, logistical services, public relations, IT expenses.
- For FY 2017-18, no universities were in the top 20%, 8 were above the national median, and 4 had improved over the 3-year period.
- Metric has been used since FY 2012-13 Formula.

# Pell Grant Students

FY 2017-18 Formula Component	% of Performance Funding	FY 2017-18 Amount
Comparisons with Carnegie Classification peers or 3-year improvement, scored on four metrics:	33.3%	\$9.3 million
<ul style="list-style-type: none"> <li>Percentage of students receiving federal Pell grants</li> </ul>		

- Pell Grant is a Federal financial aid grant based on student financial need.
- Measures access for low-income students at an institution.
- Added to the FY 2014-15 Formula, refined in FY 2015-16 to percentage of students receiving Pell instead of overall number of Pell students to assist smaller institutions.
- For FY 2017-18, 1 school was in the top 20%, 6 were above the national median, and none had improved over the two year period.

Table 2: FY 2017-18 ENACTED APPROPRIATION DETAIL FOR UNIVERSITY OPERATIONS

	Proportional to FY 2010-11		Performance Funding Proportional to Share of Total				Performance Funding Scored vs. National Carnegie Peers										*Total Performance Funding Increase	Initial Enacted FY 2017-18 Appropriation	Percent Change
	50.0%		11.1%		5.6%		33.3%												
	\$0.0099 per dollar		\$184.29 per completion		\$0.0012 per dollar		\$6.34 per weighted point												
FY 2016-17 Year-to-Date Appropriation	FY 2010-11 Appropriation	Funding	Critical Skills Undergrad Completions	Funding	Research & Development Expenditures	Funding	6-year Grad Rate	Total Degrees	Instl. Support as % of Expend.	Students Receiving Pell Grant	% Total Points	Total FY 2016 Undergrad FYES	FYES-Weighted Points	Funding					
Michigan State	\$275,862,100	\$283,685,200	\$2,796,217	2,967	\$546,758	\$328,397,061	\$402,143	2	3	2	0	7	36,765	257,355	\$1,631,916	\$5,377,000	\$281,239,100	1.9%	
UM-Ann Arbor	308,639,000	\$316,254,500	3,117,245	3,033	558,932	\$701,964,000	859,599	3	3	2	0	8	27,880	223,041	1,414,327	\$5,950,100	314,589,100	1.9%	
Wayne State	196,064,500	\$214,171,400	2,111,036	958	176,544	\$146,978,189	179,984	2	2	0	3	7	14,366	100,565	637,692	3,105,300	199,169,800	1.6%	
Central	83,925,500	\$80,132,000	789,842	858	158,115	\$11,746,601	14,384	2	3	0	2	7	17,270	120,890	766,577	1,728,900	85,654,400	2.1%	
Michigan Tech	48,097,500	\$47,924,200	472,377	922	169,898	\$52,321,902	64,071	3	2	2	0	7	5,595	39,168	248,370	954,700	49,052,200	2.0%	
Western	107,440,900	\$109,615,100	1,080,450	1,102	202,988	\$16,982,080	20,796	0	2	2	2	6	16,603	99,616	631,677	1,935,900	109,376,800	1.8%	
Eastern	73,593,800	\$76,026,200	749,372	901	166,040	\$3,160,633	3,870	0	3	2	2	7	14,798	103,585	656,842	1,576,100	75,169,900	2.1%	
Oakland	49,920,700	\$50,761,300	500,342	1,214	223,628	\$8,744,299	10,708	2	2	2	0	6	15,258	91,548	580,516	1,315,200	51,235,900	2.6%	
Grand Valley	68,227,900	\$61,976,400	610,887	1,350	248,864			3	3	2	0	8	19,957	159,657	1,012,401	1,872,200	70,100,100	2.7%	
Saginaw Valley	29,114,000	\$27,720,700	273,236	465	85,692			2	2	2	0	6	7,706	46,233	293,171	652,100	29,766,100	2.2%	
UM-Dearborn	24,803,300	\$24,726,200	243,720	438	80,624			2	2	2	2	8	5,801	46,411	294,295	618,600	25,421,900	2.5%	
UM-Flint	22,549,300	\$20,898,000	205,987	581	107,069			0	2	2	2	6	5,241	31,446	199,405	512,500	23,061,800	2.3%	
Ferris	52,259,900	\$48,619,200	479,228	1,357	250,027			2	3	2	2	9	10,624	95,616	606,312	1,335,600	53,595,500	2.6%	
Northern	46,279,200	\$45,140,300	444,937	562	103,510			2	3	2	0	7	6,978	48,846	309,738	858,200	47,137,400	1.9%	
Lake Superior	13,567,400	\$12,694,200	125,124	176	32,422			2	2	0	0	4	1,975	7,900	50,095	207,600	13,775,000	1.5%	
<b>TOTAL:</b>	<b>\$1,400,345,000</b>	<b>\$1,420,344,900</b>	<b>\$14,000,000</b>	<b>16,882</b>	<b>\$3,111,111</b>	<b>\$1,270,294,765</b>	<b>\$1,555,556</b>	<b>27</b>	<b>37</b>	<b>24</b>	<b>15</b>	<b>103</b>	<b>206,818</b>	<b>1,471,877</b>	<b>\$9,333,333</b>	<b>\$28,000,000</b>	<b>\$1,428,345,000</b>	<b>2.0%</b>	

Component	Source	Years	Notes
Critical skills undergrad completions	State HEIDI	FYs 2015-2016	STEM/health/etc.
Research & develop expends	Federal IPEDS	FY 2015	Carnegie research universities only
Six-year graduation rate	Federal IPEDS^	FYs 2011-2014	First-time, full-time degree seeking students
Total degree completions	Federal IPEDS^	FYs 2011-2014	Includes graduate degrees
Inst support as % of core expends	Federal IPEDS^	FYs 2011-2014	Measure of administrative costs
Pell grant students	Federal IPEDS^	FYs 2012-2014	Federal need-based aid for undergrads
Undergrad FYES	State HEIDI	FY 2016	Includes nonresident students

^ via Business Leaders for Michigan and Anderson Economic Group

Scoring Based on Carnegie Peers	
Top 20% nationally	3
Above national median	2
Improving over 3 years	2

\*Requirements to receive funding increase:

1. Restrain FY 2017-18 resident undergraduate tuition/fee rate increase to 3.8% or \$475 (whichever is greater)
2. Participate in at least three reverse transfer agreements with community colleges
3. Maintain a dual enrollment credit policy that does not consider whether credits were used toward high school graduation
4. Actively participate in and submit timely updates to the Michigan Transfer Network

# Performance Funding Conditions

Receipt of performance funding is conditioned on compliance with all of the following:

- Restraining resident undergraduate tuition and mandatory fee increases to 3.8% or \$475 (whichever is greater) over the prior year.
- Certifying that the university participates in reverse transfer agreements with at least three Michigan community colleges.
- Certifying that the university's dual enrollment policy does not consider whether credits were used toward high school graduation.
- Actively participating in the Michigan Transfer Network.

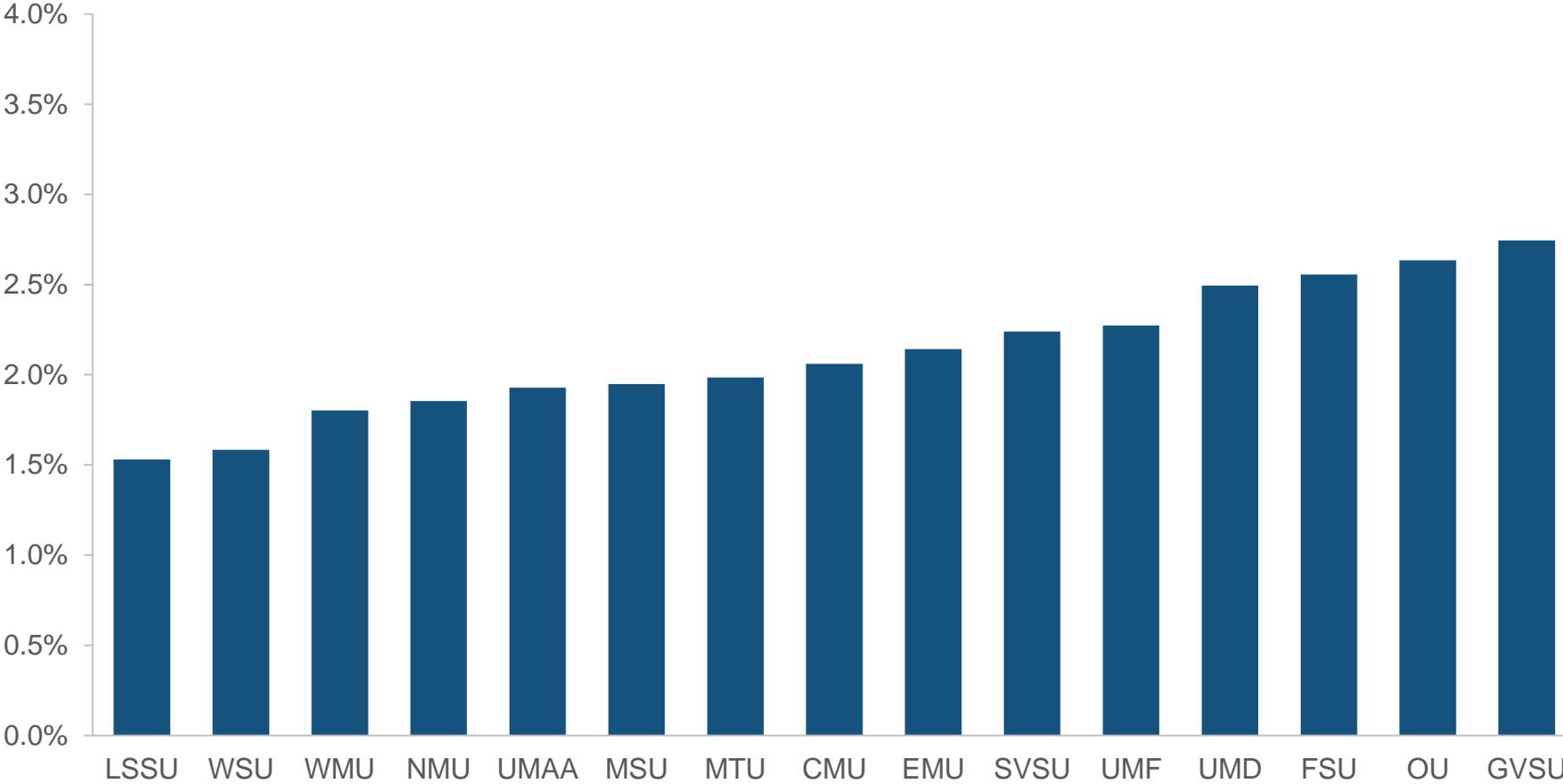
# Tuition Restraint Policies

Budget-based efforts to curb tuition increases have taken several forms since FY 2011-12. Under the budget act, performance funding forfeited by noncompliant universities is distributed to the other schools.

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Limit on resident undergraduate tuition/fee increases	4.0%	3.75%	3.2%	3.2%	4.2%	3.8% or \$475
Operations funding increase/(decrease) from prior year	3.0%	1.8%	5.9%	1.5%	2.9%	2.0%
Funding contingent on tuition restraint	\$9.1 million incentive funding	\$21.9 million performance funding	\$74.6 million performance funding	\$20.1 million performance funding	\$39.8 million performance funding; new state-funded capital outlay approvals for FYs 2017-18 and 2018-19	\$28.0 million performance funding; new state-funded capital outlay approvals for FYs 2018-19 and 2019-20
Average unweighted tuition/fee increase	3.4%	3.5%	2.8%	3.6%	3.9%	3.8%
Noncompliant universities	None	Wayne State	None	Eastern, Oakland	None	None

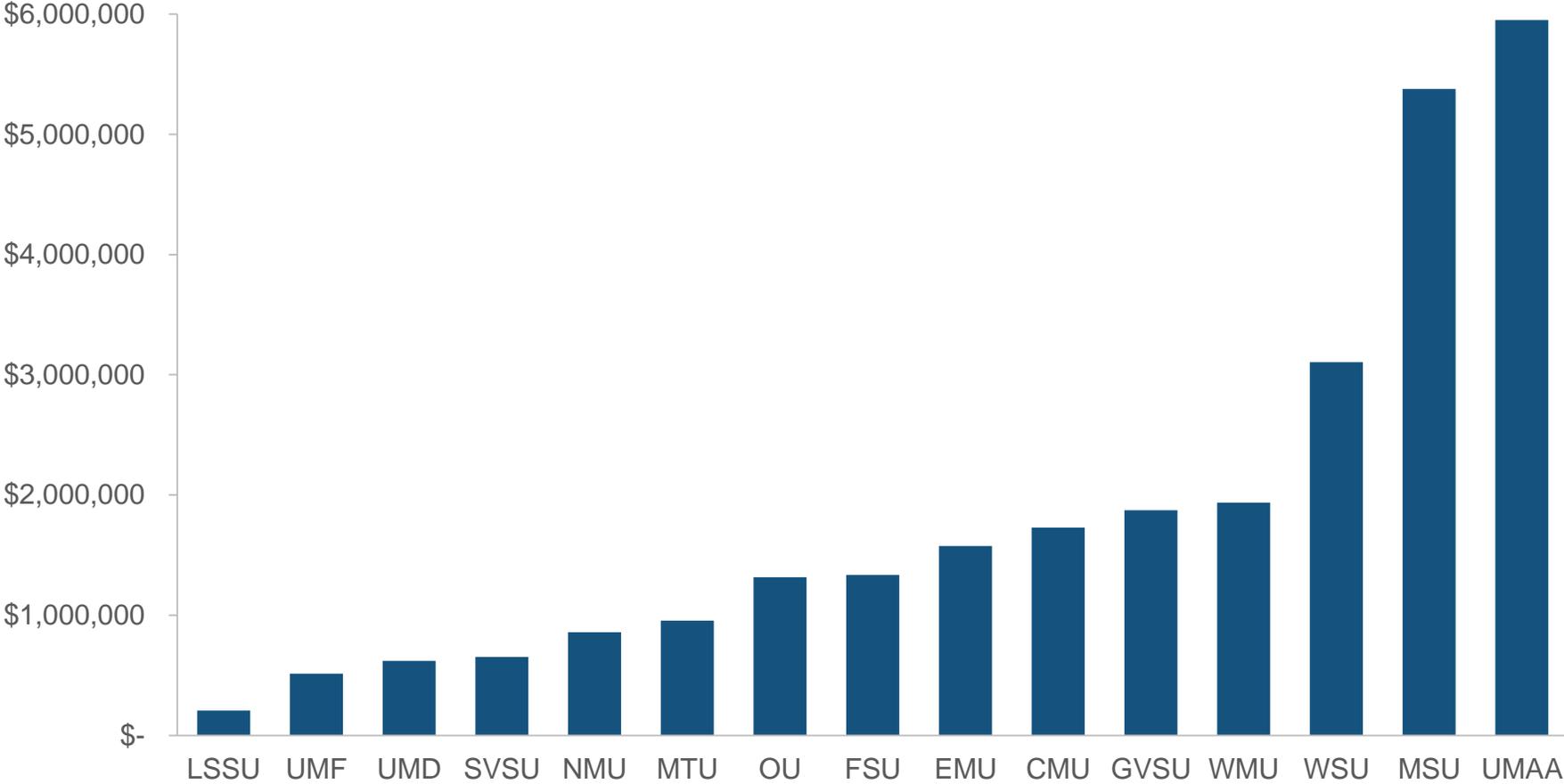
# FY 2017-18 Performance Funding Increases

Total performance funding increase is 2.0% (\$28.0 million). Allocation under the performance funding formula, resulted in individual increases ranging from 1.5% to 2.7%.



# FY 2017-18 Performance Funding Increases

Total performance funding increase is 2.0% (\$28.0 million). Allocation under the performance funding formula, resulted in individual increases ranging from \$200,000 to \$6.0 million.



# For more information about the Higher Education budget:

## HFA Resources

<http://www.house.mi.gov/hfa/HigherEducation.asp>

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