



NSHE Performance Pool 2013-2025

The purpose of this summary is to provide a history of the establishment of the Nevada System of Higher Education (NSHE) Performance Pool, including institutional performance related to the established metrics, the setting of performance targets biennially, and other general background. This information has been pulled from historical NSHE publications on the subject and updated to reflect recent performance data and outcomes.

Background and Context on the Establishment of the NSHE Performance Pool

In 2013, the Nevada State Legislature approved the adoption of a performance funding pool for the teaching institutions of the Nevada System of Higher Education (NSHE). The adoption of the NSHE Performance Pool resulted from a legislative study established in 2011 through the enactment of [Senate Bill 374 \(Chapter 375, Statutes of Nevada 2011\)](#). The Committee to Study the Funding of Higher Education was charged with considering methods for rewarding institutions for graduating students, which ultimately resulted in the NSHE Performance Pool.

At the time the Performance Pool was originally developed, demand across the country was growing for output/outcome measures in higher education, partially in response to fiscal challenges faced by states following the Great Recession. Numerous states had established outcome measures for some or all funding decisions with additional states moving in that direction.¹ The development of the NSHE Performance Pool was a collaborative process with broad representation from the Chancellor's Office, Regents, legislators, Presidents, private industry, and representatives from the Governor's Office. Representatives provided input on the metrics/outcomes to include and the prioritization of the metrics. The work was largely guided with support from the National Governors Association (NGA) as NSHE received a grant for technical assistance through an NGA's Policy Academy on Strengthening Postsecondary Accountability Systems.

Throughout the funding formula study, it was understood that there would be no additional state funding appropriated to NSHE institutions through the Performance Pool. It is important to understand that the funding formula study was conducted as the State was beginning to recover from the Great Recession, and therefore, new funding was not available to reward institutions for outstanding performance. As a result, the NSHE Performance Pool was based on a carve-out of state funds over an initial 4-year implementation period. The carve-out from base state funding was 5 percent in the first year of implementation (FY2015), 10 percent in the second year (FY 2016), 15 percent in the third year (FY2017), and 20 percent in the fourth year (FY2018) and going forward. The carve-out amount is set aside from the base funding and depending on the institutions' performance in a prior year they can "earn back" the set aside funds. Many of the subsequent decision points related to the development and implementation of the Performance Pool were driven by the limitation of performance funds as a carve-out of the base. Further, there have been numerous conversations with the Board of Regents and state legislature regarding the funding for the Performance Pool as institutions have called for "new funding" to reward performance in lieu of having to "earn back" set aside funds. However, despite these calls for new funding, the Performance Pool remains a mechanism that is funded through a base funding carve-out as originally designed.

¹ In 2012, the following states used or were in the process of implementing some form of performance-based funding: Arkansas, Colorado, Florida, Hawaii, Illinois, Indiana, Kansas, Louisiana, Maryland, Montana, New Mexico, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas and Washington. The following states were considering performance-based funding in 2012: Connecticut, Arizona, Georgia, Idaho, Kentucky, Massachusetts, Mississippi, New York, Nevada, North Dakota, Oregon, Michigan, Virginia, and West Virginia.

The original development of the Performance Pool was guided by three basic principles: accountability, performance, and collaboration. Accountability was critical to ensure that objective measurements were used for tracking institutional progress towards the achievement of goals supporting the State. Better performance meant establishing metrics focused on efficient instructional delivery, including awards per 100 full-time enrollment (FTE) and gateway course completions. Finally, collaboration was a fundamental principal to ensure that metrics recognized and signaled the importance of institutions working together to give students the option of transfer between NSHE institutions. Key to this was ensuring that the model reflected the state's priorities through the recognition of certificates, degrees and transfer of completed coursework; workforce needs through the alignment with economic development goals; access for at-risk students (low-income and minority); emphasis on research for the universities; and efficiency of degree productivity (measured by completions per 100 FTE).

Performance Pool Metrics as Originally Implemented

Institutions compete against themselves in separate institutional pools. Early versions of the Performance Pool that were considered, but never adopted, were based on three funding pools whereby institutions would compete against institutions in the same tier (e.g. university, state college, and community college pool). However, because of the disparity between institution size and capacity and a wide range in historical institution performance under certain metrics, it was ultimately decided that institutions would compete against themselves in individual pools. This means that the 20 percent funding carve-out is from each institution's base budget and earned back by the institution based on its own performance. There is no pooling of funds across institutions.

The metrics were selected to be consistent across institutional tiers. Each metric is defined in terms of what performance is measured and the data source. Following is an example of the metrics selected for a university, in this case University of Nevada, Las Vegas (UNLV), as originally developed:

UNLV (2% Target)	Weights	2011-12 Baseline (Actual)		2012-13 Target
		Points	Weighted Pts.	Weighted Pts.
Bachelor's Degrees	30%	3,670	1,101.0	
At-Risk Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	912	273.7	
Master's and Doctoral Degrees	10%	1,370	137.0	
At-Risk Master's and Doctoral Graduates (Minority + Pell-Eligible x .4)	"	185	18.5	
Sponsored/External Research Expenditures in \$100,000's	15%	426.4	64.0	
Transfer Students w/a transferable associate's degree	5%	1,628	81.4	
Efficiency - Awards per 100 FTE	20%	27.2	5.4	
Economic Development (STEM and Allied Health) Graduates	20%	879	175.8	
Economic Development (business and management) Graduates	"	1,504	300.8	
TOTAL WEIGHTED POINTS	100%	--	2,157.6	

Following is an example of the metrics originally adopted for a community college, in this case Western Nevada College (WNC):

WNC (2% Target)	Weights	2011-12 Baseline (Actual)		2012-13 Target
		Points	Weighted Pts.	Weighted Pts.
1 to 2 Year Certificate	10%	30	3.0	
At-Risk Certificate Recipients (Minority + Pell-Eligible x .4)	"	8	0.8	
Associate's and Bachelor's Degrees	30%	465	139.5	
At-Risk Associate's and Bachelor's Graduates (Minority + Pell-Eligible x .4)	"	114	34.1	
Transfer Students w/24 credits or associate's degree	10%	213	21.3	
Efficiency - Awards per 100 FTE	20%	21.0	4.2	
Gateway Course Completers	10%	1,549	154.9	
Economic Development (STEM and Allied Health) Graduates	20%	122	24.4	
Economic Development (construction trades) Graduates	"	9	1.8	
TOTAL WEIGHTED POINTS	100%	--	383.9	391.6

An institution's performance was originally based on seven metrics (two of which had sub-metrics for under-served populations). The majority of the metrics were based on the number of students graduating, including metrics for graduating students from defined populations (underserved populations, STEM, allied health, etc.). In addition, each institution was allowed to select one field that supported economic development. In the examples provided, UNLV selected Business and Management, while WNC selected construction trades.

In the original development of the Performance Pool, a weight (percent) was applied to each metric. The individual weights for the metrics were intended to signify importance or priority of the metrics. The weighting mechanism was based on a practice that was utilized in Tennessee under its outcomes-based formula and was further considered a best practice at the time. From the application of the weights, the Performance Pool sends a clear signal that the top priority is graduating students. In addition, increasing sponsored project activity, transfer and articulation, and general efficiency are encouraged.

A summary table is included in **Appendix A**, indicating the metrics and outcomes for the first two years of the Performance Pool, as well as the definitions for each metric as originally adopted. Following the initial two years of implementation, the Performance Pool was reviewed and revised.

Revised Metrics (Year 3 and beyond)

In 2014, following the initial two years of the Performance Pool implementation, a technical working group was established to review and recommend revisions. From that work, the metrics were revised. The original Performance Pool (years 1 and 2) included the data for certificates of *at least* 30 credits that are traditionally reported by the community colleges to the Integrated Postsecondary Education Data System (IPEDS) maintained by the National Center for Education Statistics (the primary data source for awards utilized by the Performance Pool). Following the original development of the Performance Pool, the Board of Regents established policies and procedures for recognizing certificates that are *less than* 30 credits (skills certificates) and provide training necessary for a state, national or industry certification or license. These types of programs are often developed in concert with local employers who approach community colleges to request assistance in developing an immediate training or credentialing for current and prospective employees and clearly aligned with the economic development efforts of the State and NSHE.

As such, the working group recommended, and the Board of Regents and state legislature ultimately agreed, to the inclusion of the skills certificates in the Performance Pool metrics for the community colleges. In an effort to maintain the original structure of the Performance Pool and not add additional metrics for the community colleges, the skills certificate metric was substituted for the institutionally selected economic development metric (utilized in years 1 and 2). Further, the skills certificates were also included in the counts for the existing STEM and Allied Health award measures. While other technical revisions to the metric definitions were made, the overall structure and metrics have been consistent since the third year of the Performance Pool and remain unchanged today.

A summary table is included in **Appendix B**, indicating the metrics and outcomes used since the third year of the Performance Pool implementation.

Point Targets as Originally Developed

For each institution an aggregate point target is established, a reflection that the institution is competing against itself and not against other institutions. Achieving the point target then provides that the institution will receive its base funding set-aside. In the previous example, the university must achieve weighted points of 2,200.8 (up from the baseline of 2,157.6 weighted points) to receive 100 percent of the funds carved out from its base funding (5 percent in FY2015).

Institutions earn the performance funds for any given fiscal year based on performance in a prior academic year. For all existing data outcomes the data for any given academic year (AY) is available in late November of the following year. The following table indicates the performance year of measure and the respective fiscal year when the earned performance pool funds are distributed.

Year of Measure (Performance Year)	Distribution Year (Funding Year)
2012-13 (AY2013)	FY2015 (Year 1)
2013-14 (AY2014)	FY2016 (Year 2)
...	
2022-23(AY2023)	FY2025 (Year 11)
2023-24(AY2024)	FY2026 (Year 12)

The performance year of measure is prior to the distribution year to ensure that institutions know in advance of the fiscal year the amount of performance funds that will be available for expenditure. Metrics and point targets are reviewed and approved by the Board of Regents at the end of every two-year performance cycle and by the state legislature during the legislative process. This mechanism of using the prior year’s performance ensures that the institution will know in advance of the fiscal year if any funds are unearned so the institution will have adequate time to adjust their budget accordingly.

Carry-Forward Performance and Distribution of Unearned Funds

During the development of the Performance Pool, there was considerable concern expressed about the impact of an institution not meeting its performance target, given the institution would then lose base funding dollars needed for general operation. As such, the Performance Pool provided that institutions that do not earn 100 percent of their performance funds in the first year of the performance cycle will be given the opportunity to earn back those funds in the second year of the cycle. For example, if an institution does not meet its point targets in any given year, the unearned performance funds carry forward to the next year, when the institution could earn those funds back if it over performs in following year. In other words, the institution would have to exceed its target for the next year to earn what it did not earn in the prior year. In the event that there are unearned performance funds at the end of the second year of the performance cycle, the unearned funds are distributed to all institutions for need-based financial aid.

There have only been four instances when institutions have not met performance targets in the defined performance year. In the early years of the Performance Pool when this occurred, the institutions exceeded their respective performance targets in the next year and received the unearned funds in the following year. As such, to date there has been no case in which unearned funds were distributed for financial aid. For AY2013, Truckee Meadows Community College (TMCC) achieved 99.2 percent of its point target and Great Basin College (GBC) achieved 97.6 percent of its point target. In both cases, the institutions exceeded point targets in the next year and earned the unearned funds from the prior year. This also occurred for UNLV in AY2014, when it achieved 97.8 percent of its point target, but also exceeded its point target in the next year earning back the unearned funds. More recently for AY2023, College of Southern Nevada (CSN) did not achieve its performance target for FY2025 funding. It achieved 98.8 percent of the point target established for AY2023. It will have the opportunity to earn the 1.2 percent of its base funding carve-out depending on its performance in AY2024.

The following table denotes the percent of the point targets achieved since the inception of the NSHE Performance Pool:

Points Achieved as a Percent of Established Performance Point Targets											
PP Year	1	2	3	4	5	6	7	8	9	10	11
Performance Year	AY13	AY14	AY15	AY16	AY17	AY18	AY19	AY20	AY21	AY22	AY23
Funding Year	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
UNLV	101.3%	97.8%	102.2%	100.9%	102.2%	104.1%	103.7%	105.2%	121.7%	116.2%	116.9%
UNR	106.5%	107.0%	112.6%	120.9%	123.0%	130.0%	131.8%	131.2%	117.6%	114.9%	109.0%
NSU	101.5%	116.9%	122.2%	129.2%	130.7%	177.2%	189.5%	215.4%	158.9%	168.4%	165.0%
CSN	108.9%	112.2%	109.7%	111.4%	112.3%	112.8%	115.6%	112.3%	108.9%	108.9%	98.8%
GBC	97.6%	107.7%	122.7%	130.9%	126.0%	127.9%	127.8%	127.1%	122.2%	113.0%	114.7%
TMCC	99.2%	107.0%	117.5%	122.4%	118.7%	119.6%	117.7%	120.2%	120.4%	111.3%	120.0%
WNC	108.5%	107.6%	110.2%	109.2%	106.1%	107.4%	109.3%	128.1%	119.4%	112.6%	114.6%

Outcomes Measured

The development of the NSHE Performance Pool marked a new era in higher education in Nevada whereby regents and legislators sent a clear message that achieving certain performance outcomes was expected as a condition of receiving state funding. Looking back over the eleven-year period that the Performance Pool has been in place, it is apparent that institutional performance has improved, particularly as it relates to graduating more students. The following tables provide a review of one performance metric that indicates growth in associate's and bachelor's degrees since the inception of the Performance Pool.

Bachelor's Degrees Conferred (4-Year Institutions)			
	AY 2011-12 (original baseline)	AY 2022-23 (Year 11 Performance Year)	Percent Change
UNLV	3,670	4,719	28.6%
UNR	2,603	3,623	39.2%
NSU	270	849	214.4%

Associate's and Bachelor's Degrees Conferred (2-Year Institutions)			
	AY 2011-12 (original baseline)	AY 2022-23 (Year 11 Performance Year)	Percent Change
CSN	2,112	3,293	55.9%
GBC	321	437	36.1%
TMCC	1,035	1,211	17.0%
WNC	465	528	13.5%

In addition to the desire of policy makers to send a clear message regarding the importance of graduating students in general, additional emphasis was placed on graduating at-risk students. The following tables note the growth in associate's and bachelor's degrees conferred to minority and low-income students (denoted by Pell eligibility) since the inception of the Performance Pool.

Bachelor's Degrees Conferred to Minority and Pell-Eligible Students (4-Year Institutions)			
	AY 2011-12 (original baseline)	AY 2022-23 (Year 11 Performance Year)	Percent Change
UNLV	933	3,899	317.9%
UNR	398	2,171	445.5%
NSU	73	695	852.1%

Associate's and Bachelor's Degrees Conferred to Minority and Pell-Eligible Students (2-Year Institutions)			
	AY 2011-12 (original baseline)	AY 2022-23 (Year 11 Performance Year)	Percent Change
CSN	492	2,594	427.2%
GBC	67	280	317.9%
TMCC	248	829	234.3%
WNC	114	312	173.7%

Some may believe that this growth should be attributed to the overall growth in the system at-large. While this is certainly a factor, the purpose of the Performance Pool is to signal to the institutions the importance of achieving certain basic metrics through the graduating of students and at-risk students, in particular. While growth in these areas may have occurred absent the Performance Pool, the emphasis of the public dialogue linking performance to state funding clearly supported these efforts.

In addition, research is another area of extreme growth since the inception of the Performance Pool. The following table notes the growth in sponsored research expenditures, which is a measure of research activity at the institution.

Sponsored/External Research Expenditures (in \$100,000's)			
	AY 2011-12 (original baseline)	AY 2022-23 (Year 11 Performance Year)	Percent Change
UNLV	\$426.4	\$914.3	114.2%
UNR	\$888.3	\$1,662.2	87.1%

During this period, both UNLV and UNR achieved the status of the "very high research activity" threshold determined through the Carnegie Classification of higher education institutions. This is a matter of great significance to both universities allowing them the distinction of being considered nationally as research institutions at the highest activity level.

There are any number of ways that the performance pool metrics can be reviewed, but in most cases it is clear that during the period since the inception of the NSHE Performance Pool, the system and its institutions have been focused on achieving the desired outcomes of graduating more students, increasing research activities, seamless transfer, and efficiency – all measured in the Performance Pool outcomes.

Conclusion

The NSHE Performance Pool was developed adhering to the guiding principles of accountability, performance, and collaboration. From the onset, the Performance Pool aimed to establish performance measures signaling the importance of achieving outcomes in key areas contributing to the goals of the Board and the needs of the State. The primary focus was on increasing the number of students graduating with degrees and certificates. In addition, the Performance Pool established as a clear priority the graduation of students from underserved and at-risk populations, among other metrics measuring efficiency, research expenditures, and transfers between two- and four-year institutions.

The funding from a carve-out of state funds continues to be a point of debate. Many of the decisions made during the development and implementation of the Performance Pool were driven by the limitations of a carve-out in an effort to ensure that institutions would not be in the difficult situation of losing up to 20 percent of their base funding. It is reasonable to assume that had the Performance Pool been funded with new money, the performance targets would have been different. Despite this, a review of the Performance Pool metrics indicates a strong upward trend in the graduating of students, particularly those students from underserved and at-risk populations, and substantial increases in research and sponsored program activity. The Performance Pool alone is not accountable for these outcomes, but it has, since its inception, successfully sent the message to NSHE institutions that performance matters.

APPENDIX

NSHE PERFORMANCE POOL - YEAR 1 AND YEAR 2 OUTCOMES

Performance Year Funding Year	Weights	2011-12 Baseline		Year 1 2012-13 Actual/Target FY2015 (5% carveout)		Year 2 2013-14 Actual/Target FY2016 (10% carveout)	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
UNLV (2% Target)							
Bachelor's Degrees	30%	3,670	1,101.0	3,859	1,157.1	3,777	1,133.1
At-Risk Bachelor's Graduates (Minority x .4)	"	622	186.5	647	194.0	646	193.7
At-Risk Bachelor's Graduates (Pell-Eligible x .4)		311	93.2	323	96.9	314	94.1
Master's and Doctoral Degrees	10%	1,370	137.0	1,166	116.6	1,052	105.2
At-Risk Master's and Doctoral Graduates (Minority x .4)	"	135	13.5	140	14.0	118	11.8
At-Risk Master's and Doctoral Graduates (Pell-Eligible x .4)		98	9.8	95	9.5	91	9.1
Sponsored/External Research Expenditures in \$100,000's	15%	426.4	64.0	437.3	65.6	474.9	71.2
Transfer Students w/a transferable associate's degree	5%	1,628	81.4	1,727	86.4	1,915	95.8
Efficiency - Awards per 100 FTE	20%	27.2	5.4	27.2	5.4	25.0	5.0
Economic Development (STEM and Allied Health) Graduates	20%	879	175.8	852	170.4	947	189.4
Economic Development (business and management) Graduates	"	1,504	300.8	1,587	317.4	1,491	298.2
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	2,168.4	--	2,233.2	--	2,206.6
TOTAL WEIGHTED POINTS - TARGET		--	--	--	2,205.4	--	2,256.0
Percent of Target Achieved					101.3%		97.8%

UNLV's adjusted 2014-15 target is 2,324.3. It must over perform by 49.4 weighted points in 2014-15 in order to earn back the 2.2 percent of funding not earned in 2013-14.

UNR (2% Target)	Weights	Points		Points		Points	
		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
Bachelor's Degrees*	30%	2,603	780.9	2,759	827.7	2,743	822.9
At-Risk Bachelor's Graduates (Minority x .4)	"	248	74.5	256	76.8	308	92.5
At-Risk Bachelor's Graduates (Pell-Eligible x .4)		150	45.0	257	77.0	313	94.0
Master's and Doctoral Degrees*	10%	774	77.4	790	79.0	730	73.0
At-Risk Master's and Doctoral Graduates (Minority x .4)	"	45	4.5	50	5.0	54	5.4
At-Risk Master's and Doctoral Graduates (Pell-Eligible x .4)		48	4.8	69	6.9	48	4.8
Sponsored/External Research Expenditures in \$100,000's	15%	888.3	133.2	1,017.3	152.6	911.9	136.8
Transfer Students w/a transferable associate's degree	5%	1,260	63.0	1,234	61.7	1,483	74.2
Efficiency - Awards per 100 FTE*	20%	24.9	5.0	25.9	5.2	24.0	4.8
Economic Development (STEM and Allied Health) Graduates	20%	1,133	226.6	1,217	243.4	1,315	263.0
Economic Development (psychology) Graduates	"	165	33	189.0	37.8	205	41
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	1,447.9	--	1,573.2	--	1,612.3
TOTAL WEIGHTED POINTS - TARGET		--	--	--	1,476.9	--	1,506.4
Percent of Target Achieved					106.5%		107.0%

NSHE PERFORMANCE POOL - YEAR 1 AND YEAR 2 OUTCOMES

Performance Year		2011-12 Baseline		Year 1		Year 2	
Funding Year				2012-13 Actual/Target		2013-14 Actual/Target	
				FY2015 (5% carveout)		FY2016 (10% carveout)	
	Weights	Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
NSC (4% Target)							
Bachelor's Degrees	50%	270	135.0	303	151.5	361	180.5
At-Risk Bachelor's Graduates (Minority x .4)	"	46	22.8	47	23.4	65	32.6
At-Risk Bachelor's Graduates (Pell-Eligible x .4)		27	13.4	22	11.2	31	15.6
Gateway Course Completers	5%	802	40.1	709	35.5	764	38.2
Transfer Students w/a transferable associate's degree	5%	331	16.6	336	16.8	403	20.2
Efficiency - Awards per 100 FTE	20%	13.1	2.6	14.4	2.9	16.6	3.3
Economic Development (STEM and Allied Health) Graduates	20%	119	23.8	134	26.8	159	31.8
Economic Development (business and management) Graduates	"	31	6.2	35	7.0	36	7.2
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	260.5	--	275.0	--	329.4
TOTAL WEIGHTED POINTS - TARGET		--	--	--	270.9	--	281.7
Percent of Target Achieved					101.5%	116.9%	
CSN (2% Target)							
1 to 2 Year Certificate	10%	236	23.6	235	23.5	238	23.8
At-Risk Certificate Recipients (Minority x .4)	"	43	4.3	44	4.4	47	4.7
At-Risk Certificate Recipients (Pell-Eligible x .4)		12	1.2	24	2.4	18	1.8
Associate's and Bachelor's Degrees	30%	2,112	633.6	2,506	751.8	2,645	793.5
At-Risk Associate's and Bachelor's Graduates (Minority x .4)	"	382	114.7	468	140.4	499	149.6
At-Risk Associate's and Bachelor's Graduates (Pell-Eligible x .4)		110	32.9	250	75.0	261	78.2
Transfer Students w/24 credits or associate's degree	10%	2,876	287.6	3,254	325.4	3,376	337.6
Efficiency - Awards per 100 FTE	20%	11.7	2.3	14.3	2.9	15.5	3.1
Gateway Course Completers	10%	12,236	1,223.6	12,604	1,260.4	13,254	1,325.4
Economic Development (STEM and Allied Health) Graduates	20%	736	147.2	780	156.0	878	175.6
Economic Development (business and management) Graduates	"	454	90.8	520	104.0	486	97.2
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	2,561.9	--	2,846.2	--	2,990.5
TOTAL WEIGHTED POINTS - TARGET		--	--	--	2,613.1	--	2,665.4
Percent of Target Achieved					108.9%	112.2%	

NSHE PERFORMANCE POOL - YEAR 1 AND YEAR 2 OUTCOMES

Performance Year		2011-12 Baseline		Year 1		Year 2	
Funding Year		Points	Weighted Pts.	2012-13 Actual/Target	Weighted Pts.	2013-14 Actual/Target	Weighted Pts.
				FY2015 (5% carveout)		FY2016 (10% carveout)	
GBC (2% Target)	Weights						
1 to 2 Year Certificate	10%	107	10.7	135	13.5	200	20.0
At-Risk Certificate Recipients (Minority x .4)	"	13	1.3	14	1.4	23	2.3
At-Risk Certificate Recipients (Pell-Eligible x .4)	"	10	1.0	11	1.1	23	2.3
Associate's and Bachelor's Degrees	30%	321	96.3	285	85.5	328	98.4
At-Risk Associate's and Bachelor's Graduates (Minority x .4)	"	24	7.2	21	6.4	28	8.5
At-Risk Associate's and Bachelor's Graduates (Pell-Eligible x .4)	"	43	12.8	33	9.8	45	13.6
Transfer Students w/24 credits or associate's degree	10%	48	4.8	63	6.3	70	7.0
Efficiency - Awards per 100 FTE	20%	24.6	4.9	25.3	5.1	30.7	6.1
Gateway Course Completers	10%	1,065	106.5	1,215	121.5	1,156	115.6
Economic Development (STEM and Allied Health) Graduates	20%	174	34.8	138	27.6	194	38.8
Economic Development (mechanic and repair technologies) Graduates	"	39	7.8	44	8.8	52	10.4
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	288.2	--	287.0	--	323.0
TOTAL WEIGHTED POINTS - TARGET		--	--	--	293.9	--	299.8
Percent of Target Achieved					97.6%	107.7%	

GBC's adjusted Year 2 target is 306.7. It over performed in 2013-14 exceeding the 6.9 weighted points necessary to earn back the 2.4 percent of funding not earned in 2012-13.

TMCC (2% Target)		Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
1 to 2 Year Certificate*	10%	51	5.1	70	7.0	93	9.3
At-Risk Certificate Recipients (Minority x .4)*	"	6	0.6	8	0.8	11	1.1
At-Risk Certificate Recipients (Pell-Eligible x .4)*	"	15	1.5	10	1.0	29	2.9
Associate's Degrees	30%	1,035	310.5	950	285.0	1,191	357.3
At-Risk Associate's Graduates (Minority x .4)	"	118	35.5	106	31.8	153	45.8
At-Risk Associate's Graduates (Pell-Eligible x .4)	"	130	39.1	132	39.7	182	54.5
Transfer Students w/24 credits or associate's degree	10%	989	98.9	1,281	128.1	1,067	106.7
Efficiency - Awards per 100 FTE*	20%	17.1	3.4	16.1	3.2	23.0	4.6
Gateway Course Completers	10%	4,230	423.0	4,350	435.0	4,207	420.7
Economic Development (STEM and Allied Health) Graduates	20%	273	54.6	248	49.6	394	78.8
Economic Development (precision production) Graduates	"	5	1.0	18	3.6	9	1.8
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	973.3	--	984.8	--	1,083.5
TOTAL WEIGHTED POINTS - TARGET		--	--	--	992.7	--	1,012.6
Percent of Target Achieved					99.2%	107.0%	

*revised 10/11/13 - certificate of general studies removed from base - targets adjusted accordingly

TMCC's adjusted Year 2 target is 1,020.5. It over performed in 2013-14 exceeding the 7.9 weighted points necessary to earn back the 1 percent of funding not earned in 2012-13.

NSHE PERFORMANCE POOL - YEAR 1 AND YEAR 2 OUTCOMES

Performance Year Funding Year	2011-12 Baseline	Year 1		Year 2			
		2012-13 Actual/Target FY2015 (5% carveout)	2013-14 Actual/Target FY2016 (10% carveout)	2013-14 Actual/Target FY2016 (10% carveout)	2013-14 Actual/Target FY2016 (10% carveout)		
WNC (2% Target)	Weights	Points	Weighted Pts.	Points	Weighted Pts.	Points	Weighted Pts.
1 to 2 Year Certificate	10%	30	3.0	20	2.0	33	3.3
At-Risk Certificate Recipients (Minority x .4)	"	3	0.3	2	0.2	4	0.4
At-Risk Certificate Recipients (Pell-Eligible x .4)	"	4	0.4	2	0.2	8	0.8
Associate's and Bachelor's Degrees	30%	465	139.5	502	150.6	531	159.3
At-Risk Associate's and Bachelor's Graduates (Minority x .4)	"	39	11.6	41	12.4	44	13.3
At-Risk Associate's and Bachelor's Graduates (Pell-Eligible x .4)	"	75	22.4	73	21.8	98	29.5
Transfer Students w/24 credits or associate's degree	10%	213	21.3	354	35.4	263	26.3
Efficiency - Awards per 100 FTE	20%	21.0	4.2	23.3	4.7	26.2	5.2
Gateway Course Completers	10%	1,549	154.9	1,684	168.4	1,632	163.2
Economic Development (STEM and Allied Health) Graduates	20%	122	24.4	138	27.6	127	25.4
Economic Development (construction trades) Graduates	"	9	1.8	9	1.8	16	3.2
TOTAL WEIGHTED POINTS - ACTUAL	100%	--	383.9	--	425.1	--	429.9
TOTAL WEIGHTED POINTS - TARGET		--	--	--	391.6	--	399.5
Percent of Target Achieved					108.5%		107.6%

APPENDIX A

Metric/Outcome	Performance Pool Data Definitions (Year 1 and Year 2)
1 to 2 year Certificate	The total number of certificates requiring 30 or more credit hours granted during an academic year. Students earning multiple certificates in an academic year will have each earned certificate count as a separate outcome. An additional weight of .4 per certificate awarded to a minority or Pell eligible student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Associate's Degrees	The total number of associate's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per associate's degree awarded to a minority or Pell eligible student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Bachelor's Degrees	The total number of bachelor's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per bachelor's degree awarded to a minority or Pell eligible student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Master's Degrees	The total number of master's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per master's degree awarded to a minority student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Doctoral Degrees	The total number of doctoral degrees conferred during an academic year. First-professional degrees (medical, dental, law) are not included. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. An additional weight of .4 per doctoral degree awarded to a minority student is applied. (Source: IPEDS and institutional data to identify low income graduates)
Transfer Students w/a Transferable Associate's Degree	Total number of students transferred to a 4-year institution with a transferable associate's degree from an NSHE community college. (Source: NSHE Data Warehouse)
Transfer Students w/24 credits or Associate's Degree	The total number of students who enrolled at a four -year institution during the fall or spring semester of a given reporting year who had earned at least 24 credits or a transferable associate's degree at a community college prior to the reporting year. Students are excluded if they are co-enrolled at a 4-year institution and a 2-year institution during the term in which they otherwise would have been included as a transfer student. (Excludes courses from the 24 credit count if the grades are AU, AD, NR, ND, X, I, F, U, W.) (Source: NSHE Data Warehouse)
Efficiency - Awards per 100 FTE	The number of bachelor's, master's and doctoral awards per 100 FTE at 4-year institutions and the number of certificates, associate's and bachelor's (where applicable) per 100 FTE at the 2-year institutions. (Source: IPEDS and Official FTE)
Sponsored/External Research Expenditures	The total amount expended on sponsored programs/projects of research and other scholarly activities for the fiscal year. This amount includes federal, federal pass-through, State of Nevada, other state and local government, private for-profit, private non-profit. Other scholarly activity includes the instructional, public service, student services, and "other" functional grant categories, including workforce development. The figures exclude the scholarship/fellowship category. (Source: Sponsored Projects)
Gateway Course Completers	The total number of students (unduplicated) who successfully completed a college-level English or mathematics course (grad C- and above) in the reporting year. (Source: NSHE Data Warehouse)
Economic Development - STEM and Allied Health Graduates	Total number of certificates, associate's, bachelor's, master's, or doctoral degrees awarded (first professional awards are excluded) in an academic year based on CIP codes for STEM and health professionals as identified by NCHEMS for the NGA metrics. (CIPs: 4 - architecture and related services; 11 - computer and information sciences and support services; 14 - engineering; 15 - engineering technologies/technicians; 26 - biological and biomedical sciences; 27 - mathematics and statistics; 40 - physical sciences; 41 - science technologies/technicians; and 51 - health professions and related clinical sciences) (Source: IPEDS)
Economic Development - Institution Selected Discipline	Total number of certificates, associate's, bachelor's, master's, or doctoral degrees awarded (first professional awards are excluded) in an academic year based on CIP code selected by the institution which aligns with the state's economic development plan. (UNLV- 52 Business, Management, and Related Support Services; UNR- 42 Psychology; NSC- 52 Business, Management, and Related Support Services; CSN- 52 Business, Management, and Related Support Services; GBC - 47 Mechanic and Repair Technologies/Technician; TMCC- 48 Precision Production; WNC- 46 Construction Trades.) (Source: IPEDS)

		YEAR 3 AND 4 TARGETS						YEAR 5 AND 6 TARGETS				YEAR 7 AND 8 TARGETS				YEAR 9 AND 10 TARGETS				YEAR 11 AND 12 TARGETS			
Funding Year		2016-17		2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		2023-24		2024-25		2025-26			
Measure Year		2012-13 Baseline		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target			
UNLV		Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.		
Bachelor's Degrees		0.30	3,857	1,157.1	3,832	1,149.6	3,892	1,167.6	4,053	1,215.9	4,163	1,248.9	4,270	1,281.0	4,353	1,305.9	4,823	1,446.9	4,690	1,407.0	4,719	1,415.7	
Minority Bachelor's Graduates (IPEDS) (Outcomes*.4)		0.30	1,616.0	193.9	1,914	229.7	1,909	229.1	2,191	262.9	2,404	288.5	2,509	301.1	2,716	325.9	3,054	366.5	2,995	359.4	3,274	392.9	
Pell-Eligible (non-Minority) Bachelor's Graduates (Outcomes*.4)		0.30	801.0	96.1	992	119.0	952	114.2	861	103.3	699	83.9	681	81.7	641	76.9	698	83.8	743	89.2	625	75.0	
Master's & Doctoral Degrees		0.10	1,166	116.6	1,195	119.5	1,205	120.5	1,223	122.3	1,216	121.6	1,238	123.8	1,317	131.7	1,310	131.0	1,222	122.2	1,477	147.7	
Minority Master's and Doctoral Graduates (IPEDS) (Outcomes*.4)		0.10	350	14.0	367	14.7	418	16.7	451	18.0	461	18.4	490	19.6	543	21.7	593	23.7	577	23.1	740	29.6	
Pell-Eligible (non-Minority) Master's and Doctoral Graduates (Outcomes*.4)		0.10	182	7.3	217	8.7	240	9.6	191	7.6	185	7.4	201	8.0	399	16.0	352	14.1	388	15.5	96	3.8	
Sponsored/External Research Expenditures in \$100,000's		0.15	437.3	65.6	486.8	73.0	483.0	72.5	521.8	78.3	636.3	95.4	555.2	83.3	578.6	86.8	912.0	136.8	814.1	122.1	914.3	137.1	
Transfer Students w/a transferable associate's degree		0.05	1,727	86.4	2,290	114.5	2,325	116.3	2,485	124.3	2,703	135.2	2,795	139.8	2,850	142.5	2,824	141.2	3,031	151.6	3,079	154.0	
Efficiency - Awards per 100 FTE		0.20	27.5	5.5	25.1	5.0	24.2	4.8	24.4	4.9	24.2	4.8	24.9	5.0	25.1	5.0	26.8	5.4	26.3	5.3	27.8	5.6	
Economic Development (STEM and Allied Health) Graduates		0.20	852	170.4	958	191.6	1,096	219.2	1,089	217.8	1,246	249.2	1,182	236.4	1,338	267.6	1,511	302.2	1,552	310.4	1,606	321.2	
Economic Development (business and management) Graduates		0.20	1,587	317.4	1,496	299.2	1,356	271.2	1,315	263.0	1,304	260.8	1,373	274.6	1,313	262.6	1,432	286.4	1,278	255.6	1,270	254.0	
TOTAL WEIGHTED POINTS - ACTUAL		--	--	2,230.3	--	2,324.5	--	2,341.7	--	2,418.3	--	2,514.1	--	2,554.2	--	2,642.6	--	2,937.9	--	2,861.3	--	2,936.6	--
TOTAL WEIGHTED POINTS - TARGET		--	--	--	--	2,274.9	--	2,320.4	--	2,366.8	--	2,414.1	--	2,462.4	--	2,511.6	--	2,414.1	--	2,462.4	--	2,511.6	2,561.9
						102.2%		100.9%		104.2%		104.1%		103.7%		105.2%		121.7%		116.2%			
UNR		Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.		
Bachelor's Degrees		0.30	2,744	823.2	3,178	953.4	3,372	1,011.6	3,587	1,076.1	3,758	1,127.4	3,936	1,180.8	3,908	1,172.4	3,960	1,188.0	3,804	1,141.2	3,623	1,086.9	
Minority Bachelor's Graduates (IPEDS) (Outcomes*.4)		0.30	640	76.8	963	115.6	1,142	137.0	1,225	147.0	1,412	169.4	1,495	179.4	1,556	187.7	1,668	200.2	1,577	189.2	1,541	184.9	
Pell-Eligible (non-Minority) Bachelor's Graduates (Outcomes*.4)		0.30	642	77.0	764	91.7	882	105.8	832	99.8	770	92.4	819	98.3	713	85.6	646	77.5	731	87.7	630	75.6	
Master's & Doctoral Degrees		0.10	732	73.2	731	73.1	791	79.1	749	74.9	898	89.8	849	84.9	1,002	100.2	1,030	103.0	1,129	112.9	1,275	127.5	
Minority Master's and Doctoral Graduates (IPEDS) (Outcomes*.4)		0.10	126.0	5.0	155	6.2	157	6.3	152	6.1	206	8.2	203	8.1	276	11.0	316	12.6	356	14.2	442	17.7	
Pell-Eligible (non-Minority) Master's and Doctoral Graduates (Outcomes*.4)		0.10	173.0	6.9	117	4.7	103	4.1	115	4.6	161	6.4	161	6.4	145	5.8	174	7.0	206	8.2	147	5.9	
Sponsored/External Research Expenditures in \$100,000's		0.15	1,017.3	152.6	839.4	125.9	895.1	134.3	940.3	141.0	997.9	149.7	1,053.5	158.0	1,201.1	180.2	1,478.5	221.8	1,734.3	260.1	1,662.2	249.3	
Transfer Students w/a transferable associate's degree		0.05	1,234	61.7	1,619	81.0	1,742	87.1	1,801	90.1	1,779	89.0	1,732	86.6	1,816	90.8	1,925	96.3	1,940	97.0	1,817	90.9	
Efficiency - Awards per 100 FTE		0.20	27.2	5.4	25.7	5.1	24.9	5.0	26.1	5.2	27.1	5.4	28.1	5.6	29.3	5.9	31.2	6.2	31.1	6.2	31.3	6.3	
Economic Development (STEM and Allied Health) Graduates		0.20	1,176	235.2	1,396	279.2	1,674	334.8	1,716	343.2	2,015	403.0	2,028	405.6	2,016	403.2	2,145	429.0	2,089	417.8	2,079	415.8	
Economic Development (psychology) Graduates		0.20	189	37.8	251	50.2	257	51.4	205	41.0	238.0	47.6	244	48.8	282	56.4	260	52.0	249	49.8	239	47.8	
TOTAL WEIGHTED POINTS - ACTUAL		--	--	1,554.9	--	1,786.0	--	1,956.5	--	2,029.0	--	2,188.4	--	2,262.6	--	2,298.1	--	2,393.5	--	2,384.5	--	2,308.5	--
TOTAL WEIGHTED POINTS - TARGET		--	--	--	--	1,586.0	--	1,617.8	--	1,650.1	--	1,718.1	--	1,751.1	--	1,805.2	--	1,875.9	--	1,975.9	--	2,117.4	2,159.8
						112.6%		120.9%		123.0%		130.0%		131.8%		131.2%		117.6%		114.9%			
NSC		Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.		
Bachelor's Degrees		0.50	303	151.5	375	187.5	410	205.0	408	204.0	567	283.5	597	298.5	686	343.0	761	380.5	845	422.5	849	424.5	
Minority Bachelor's Graduates (IPEDS) (Outcomes*.4)		0.50	117	23.4	168	33.6	167	33.4	187	37.4	283	56.6	324	64.8	388	77.6	458	91.6	502	100.4	545	109.0	
Pell-Eligible (non-Minority) Bachelor's Graduates (Outcomes*.4)		0.50	56	11.2	101	20.2	126	25.2	119	23.8	157	31.4	152	30.4	142	28.4	153	30.6	175	35.0	150	30.0	
Gateway Course Completers		0.05	709	35.5	801	40.1	985	49.3	1,161	58.1	1,565	78.3	1,832	91.6	2,263	113.2	3,313	165.7	3,114	155.7	3,183	159.2	
Transfer Students w/a transferable associate's degree		0.05	336	16.8	421	21.1	464	23.2	507	25.4	572	28.6	661	33.1	747	37.4	828	41.4	853	42.7	827	41.4	
Efficiency - Awards per 100 FTE		0.20	15.4	3.1	17.5	3.5	19.1	3.8	18.0	3.6	21.9	4.4	21.3	4.3	23.3	4.7	25.4	5.1	29.1	5.8	31.3	6.3	
Economic Development (STEM and Allied Health) Graduates		0.20	134	26.8	175	35.0	164	32.8	178	35.6	275	55.0	320	64.0	386	77.2	413	82.6	514	102.8	480	96.0	
Economic Development (business and management) Graduates		0.20	35	7.0	45	9.0	59	11.8	45	9.0	55	11.0	60	12.0	63	12.6	68	13.6	58	11.6	50	10.0	
TOTAL WEIGHTED POINTS - ACTUAL		--	--	275.2	--	349.9	--	384.5	--	396.8	--	548.7	--	598.6	--	694.0	--	811.0	--	876.5	--	876.3	--
TOTAL WEIGHTED POINTS - TARGET		--	--	--	--	286.2	--	297.7	--	303.6	--	309.7	--	315.9	--	322.2	--	510.3	--	520.5	--	530.9	541.6
						122.2%		129.2%		130.7%		177.2%		189.5%		215.4%		158.9%		168.4%			
CSN		Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.		
1 to 2 Year Certificate		0.10	235	23.5	231	23.1	220	22.0	202	20.2	193	19.3	155	15.5	141	14.1	161	16.1	145	14.5	161	16.1	
Minority Certificate Recipients (IPEDS) (Outcomes*.4)		0.10	111.0	4.4	107	4.3	104	4.2	104	4.2	114	4.6	84	3.4	75	3.0	100	4.0	89	3.6	117	4.7	
Pell-Eligible (non-Minority) Certificate Recipients (Outcomes*.4)		0.10	61	2.4	51	2.0	54	2.2	22	0.9	26	1.0	23	0.9	22	0.9	28	1.1	27	1.1	17	0.7	
Associate and Bachelor's Degrees		0.30	2,506	751.8	2,865	859.5	3,025	907.5	3,559	1,067.7	3,377	1,013.1	3,539	1,061.7	3,410	1,023.0	3,448	1,034.4	3,965	1,189.5	3,293	987.9	
Minority Associate and Bachelor's Graduates (IPEDS) (Outcomes*.4)		0.30	1,170	140.4	1,420	170.4	1,603	192.4	1,995	239.4	1,902	228.2	2,045	245.4	2,001	240.1	2,104	252.5	2,527	303.2	2,106	252.7	
Pell-Eligible (non-Minority) Associate and Bachelor's Graduates (Outcomes*.4)		0.30	625	75.0	646	77.5	695	83.4	551	66.1	728	87.4	753	90.4	658	79.0	619	74.3	629	75.5	488	58.6	
Transfer Students		0.10	3,254	325.4	3,417	341.7	4,189	418.9	3,731	373.1	4,250	425.0	3,978	397.8	4,199	419.9	4,046	404.6	4,221	422.1	3,999	399.9	
Efficiency - Awards per 100 FTE		0.20	24.4	4.9	27.0	5.4	29.2	5.8	30.9	6.2	30.4	6.1	31.2	6.2	29.5	5.9	29.7	5.9	34.8	7.0	30.4	6.1	

		YEAR 3 AND 4 TARGETS						YEAR 5 AND 6 TARGETS				YEAR 7 AND 8 TARGETS				YEAR 9 AND 10 TARGETS				YEAR 11 AND 12 TARGETS			
Funding Year		2016-17		2017-18		2018-19		2019-20		2020-21		2021-22		2022-23		2023-24		2024-25		2025-26			
Measure Year		2012-13 Baseline		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target & Actual		Target			
GBC		Factors	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	
1 to 2 Year Certificate		0.10	135	13.5	182	18.2	202	20.2	200	20.0	164	16.4	174	17.4	187	18.7	173	17.3	192	19.2	170	17.0	
Minority Certificate Recipients (IPEDS) (Outcomes*.4)		0.10	36	1.4	52	2.1	49	2.0	80	3.2	61	2.4	67	2.7	69	2.8	75	3.0	77	3.1	63	2.5	
Pell-Eligible (non-Minority) Certificate Recipients (Outcomes*.4)		0.10	27	1.1	47	1.9	57	2.3	38	1.5	38	1.5	36	1.4	23	0.9	32	1.3	34	1.4	33	1.3	
Associate and Bachelor's Degrees		0.30	285	85.5	348	104.4	384	115.2	371	111.3	369	110.7	390	117.0	432	129.6	447	134.1	439	131.7	437	131.1	
Minority Associate and Bachelor's Graduates (IPEDS) (Outcomes*.4)		0.30	53	6.4	77	9.2	96	11.5	106	12.7	116	13.9	119	14.3	137	16.4	164	19.7	141	16.9	150	18.0	
Pell-Eligible (non-Minority) Associate and Bachelor's Graduates (Outcomes*.4)		0.30	82	9.8	128	15.4	130	15.6	116	13.9	103	12.4	132	15.8	112	13.4	134	16.1	144	17.3	130	15.6	
Transfer Students		0.10	63	6.3	82	8.2	79	7.9	84	8.4	85	8.5	96	9.6	83	8.3	95	9.5	92	9.2	103	10.3	
Efficiency - Awards per 100 FTE		0.20	39.6	7.9	52.4	10.5	62.1	12.4	56.7	11.3	58.7	11.7	54.1	10.8	53.0	10.6	43.1	8.6	44.0	8.8	59.7	11.9	
Gateway Course Completers		0.10	1,215	121.5	1,403	140.3	1,345	134.5	1,373	137.3	1,442	144.2	1,611	161.1	1,599	159.9	2,090	209.0	1,847	184.7	1,681	168.1	
Economic Development (STEM and Allied Health) Graduates		0.20	400	80.0	511	102.2	629	125.8	589	117.8	617	123.4	586	117.2	585	117.0	581	116.2	557	111.4	642	128.4	
Economic Development: Skills Certificates		0.20	171	34.2	238	47.6	266	53.2	270	54.0	319	63.8	257	51.4	242	48.4	218	43.6	210	42.0	304	60.8	
TOTAL WEIGHTED POINTS - ACTUAL		--	--	367.6	--	459.9	--	500.6	--	491.5	--	509.0	--	518.8	--	526.1	--	578.4	--	545.6	--	565.1	--
TOTAL WEIGHTED POINTS - TARGET		--	--	--	--	375.0	--	382.5	--	390.1	--	397.9	--	405.9	--	414.0	--	473.4	--	482.8	--	492.5	502.3
						122.7%		130.9%		126.0%		127.9%		127.8%		127.1%		122.2%		113.0%		114.7%	
TMCC		Factors	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	
1 to 2 Year Certificate		0.10	70	7.0	116	11.6	120	12.0	146	14.6	139	13.9	121	12.1	106	10.6	103	10.3	175	17.5	154	15.4	
Minority Certificate Recipients (IPEDS) (Outcomes*.4)		0.10	20	0.8	39	1.6	36	1.4	56	2.2	56	2.2	43	1.7	44	1.8	44	1.8	71	2.8	91	3.6	
Pell-Eligible (non-Minority) Certificate Recipients (Outcomes*.4)		0.10	25	1.0	53	2.1	45	1.8	49	2.0	44	1.8	28	1.1	24	1.0	23	0.9	36	1.4	24	1.0	
Associate and Bachelor's Degrees ¹		0.30	950	285.0	1,174	352.2	1,333	399.9	1,265	379.5	1,386	415.8	1,352	405.6	1,501	450.3	1,530	459.0	1,435	430.5	1,211	363.3	
Minority Associate and Bachelor's Graduates (IPEDS) (Outcomes*.4)		0.30	265	31.8	404	48.5	482	57.8	465	55.8	521	62.5	522	62.6	629	75.5	680	81.6	650	78.0	586	70.3	
Pell-Eligible (non-Minority) Associate and Bachelor's Graduates (Outcomes*.4)		0.30	331	39.7	422	50.6	447	53.6	425	51.0	435	52.2	385	46.2	398	47.8	384	46.1	316	37.9	243	29.2	
Transfer Students		0.10	1,281	128.1	1,256	125.6	1,264	126.4	1,250	125.0	1,174	117.4	1,201	120.1	1,149	114.9	1,232	123.2	1,185	118.5	1,079	107.9	
Efficiency - Awards per 100 FTE*		0.20	27.7	5.5	43.0	8.6	46.5	9.3	49.8	10.0	53.7	10.7	54.6	10.9	55.9	11.2	64.9	13.0	67.9	13.6	76.4	15.3	
Gateway Course Completers		0.10	4,350	435.0	3,993	399.3	4,102	410.2	3,908	390.8	3,915	391.5	3,966	396.6	4,320	432.0	4,991	499.1	4,068	406.8	4,204	420.4	
Economic Development (STEM and Allied Health) Graduates		0.20	871	174.2	1,376	275.2	1,477	295.4	1,530	306.0	1,599	319.8	1,643	328.6	1,634	326.8	1,661	332.2	1,734	346.8	2,315	463.0	
Economic Development: Skills Certificates		0.20	534	106.8	904	180.8	899	179.8	965	193.0	923	184.6	964	192.8	864	172.8	969	193.8	1,033	206.6	1,685	337.0	
TOTAL WEIGHTED POINTS - ACTUAL		--	--	1,215.0	--	1,456.1	--	1,547.7	--	1,529.9	--	1,572.5	--	1,578.4	--	1,644.5	--	1,760.9	--	1,660.5	--	1,826.4	--
TOTAL WEIGHTED POINTS - TARGET		--	--	--	--	1,239.3	--	1,264.0	--	1,289.3	--	1,315.1	--	1,341.4	--	1,368.2	--	1,462.4	--	1,491.6	--	1,521.5	1,551.9
						117.5%		122.4%		118.7%		119.6%		117.7%		120.2%		120.4%		111.3%		120.0%	
WNC		Factors	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	Outcomes/ Points	Weighted Pts.	
1 to 2 Year Certificate		0.10	20	2.0	36	3.6	30	3.0	32	3.2	24	2.4	17	1.7	33	3.3	16	1.6	30	3.0	16	1.6	
Minority Certificate Recipients (IPEDS) (Outcomes*.4)		0.10	4	0.2	9	0.4	3	0.1	6	0.2	6	0.2	5	0.2	12	0.5	6	0.2	16	0.6	6	0.2	
Pell-Eligible (non-Minority) Certificate Recipients (Outcomes*.4)		0.10	6	0.2	19	0.8	18	0.7	14	0.6	8	0.3	6	0.2	13	0.5	6	0.2	9	0.4	2	0.1	
Associate and Bachelor's Degrees		0.30	502	150.6	520	156.0	542	162.6	546	163.8	527	158.1	612	183.6	646	193.8	636	190.8	574	172.2	528	158.4	
Minority Associate and Bachelor's Graduates (IPEDS) (Outcomes*.4)		0.30	103	12.4	125	15.0	144	17.3	148	17.8	169	20.3	225	27.0	226	27.1	230	27.6	214	25.7	191	22.9	
Pell-Eligible (non-Minority) Associate and Bachelor's Graduates (Outcomes*.4)		0.30	182	21.8	238	28.6	224	26.9	208	25.0	172	20.6	170	20.4	190	22.8	155	18.6	146	17.5	121	14.5	
Transfer Students		0.10	354	35.4	347	34.7	364	36.4	367	36.7	381	38.1	388	38.8	395	39.5	414	41.4	413	41.3	355	35.5	
Efficiency - Awards per 100 FTE		0.20	38.7	7.7	46.0	9.2	47.6	9.5	50.4	10.1	49.4	9.9	63.4	12.7	71.8	14.4	63.6	12.7	62.4	12.5	62.3	12.5	
Gateway Course Completers		0.10	1,684	168.4	1,944	194.4	1,750	175.0	1,847	184.7	1,884	188.4	1,550	155.0	1,847	184.7	1,942	194.2	1,832	183.2	1,988	198.8	
Economic Development (STEM and Allied Health) Graduates		0.20	404	80.8	472	94.4	510	102.0	472	94.4	542	108.4	607	121.4	813	162.6	611	122.2	617	123.4	722	144.4	
Economic Development: Skills Certificates		0.20	293	58.6	340	68.0	388	77.6	348	69.6	394	78.8	443	88.6	636	127.2	429	85.8	445	89.0	529	105.8	
TOTAL WEIGHTED POINTS - ACTUAL		--	--	538.1	--	605.0	--	611.1	--	606.0	--	625.6	--	649.6	--	776.4	--	695.4	--	668.8	--	694.7	--
TOTAL WEIGHTED POINTS - TARGET		--	--	--	--	548.9	--	559.9	--	571.1	--	582.5	--	594.2	--	606.0	--	582.5	--	594.2	--	606.0	618.2
						110.2%		109.2%		106.1%		107.4%		109.3%		128.1%		119.4%		112.6%		114.6%	

*A two percent increase has been applied to the prior year target for all institutions.

¹Bachelor's Degrees included in TMCC outcomes beginning with Year 9.

Outcome	Performance Pool Data Definitions (Year 3 through Year 11)
1 to 2 year Certificate	The total number of certificates requiring 30 or more credit hours granted during an academic year. Students earning multiple certificates in an academic year will have each earned certificate count as a separate outcome. General Studies certificates are excluded for TMCC and General Education certificates are excluded for GBC. (Source: preliminary IPEDS reporting)
Associate's Degrees	The total number of associate degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. (Source: preliminary IPEDS reporting)
Bachelor's Degrees	The total number of bachelor's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. (Source: preliminary IPEDS reporting)
Master's Degrees	The total number of master's degrees conferred during an academic year. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. (Source: preliminary IPEDS reporting)
Doctoral Degrees	The total number of doctoral degrees conferred during an academic year. First-professional degrees (medical, dental, law) are not included. Students earning multiple degrees in an academic year will have each earned degree count as a separate outcome. (Source: preliminary IPEDS reporting)
Awards to Minority Students	An additional weight of .4 is applied for each degree or certificate awarded to a minority student. Minority categories include all categories EXCEPT white, unknown, and non-resident alien. General Studies certificates excluded. (Source: preliminary IPEDS reporting)
Awards to Pell-Eligible Students	An additional weight of .4 is applied for each degree or certificate awarded to non-minority Pell eligible student (minority and Pell-eligible awards are mutually exclusive and awards to minority students are captured in the minority awards so are excluded from the Pell-eligible awards). General Studies certificates excluded. (Source: Data submitted by institutions identifying students who were included in the awards reported to IPEDS [preliminary reports] and were Pell-eligible at any point during their academic career)
Transfer Students w/a Transferable Associate's Degree	Total number of students transferred to a 4-year institution with a transferable associate's degree from an NSHE community college. (Source: NSHE Data Warehouse)
Transfer Students w/24 credits or Associate's Degree	The total number of students who enrolled at a four -year institution during the fall or spring semester of a given reporting year who had earned at least 24 credits or a transferable associate's degree at a community college prior to the reporting year. Students are excluded if they are co-enrolled at a 4-year institution and a 2-year institution during the term in which they otherwise would have been included as a transfer student. (Excludes courses from the 24 credit count if the grades are AU, AD, NR, ND, X, I, F, U, W.) (Source: NSHE Data Warehouse)
Efficiency - Awards per 100 FTE	The number of bachelor's, master's and doctoral awards per 100 FTE (for degree-seeking students only) at 4-year institutions and the number of certificates (including skills certificates), associate's and bachelor's (where applicable) per 100 FTE (for degree-seeking students only) at the 2-year institutions. (Source: preliminary IPEDS reporting and Official FTE [less non-degree seeking students])
Sponsored/External Research Expenditures	The total amount expended on sponsored programs/projects of research and other scholarly activities for the fiscal year. This amount includes federal, federal pass-through, State of Nevada, other state and local government, private for-profit, private non-profit. Other scholarly activity includes the instructional, public service, student services, and "other" functional grant categories, including workforce development. The figures exclude the scholarship/fellowship category. (Source: NSHE Sponsored Programs Office)
Gateway Course Completers	The total number of students (unduplicated) who successfully completed a college-level English or mathematics course (grade C- and above) in the reporting year (fall and spring only). (Source: NSHE Data Warehouse)
Economic Development - STEM and Allied Health Graduates	Total number of certificates (including skills certificates), associate's, bachelor's, master's, or doctoral degrees awarded (first professional awards are excluded) in an academic year based on CIP codes for STEM and health professionals as identified by NCHEMS for the NGA metrics. (CIPs: 4 - architecture and related services; 11 - computer and information sciences and support services; 14 - engineering; 15 - engineering technologies/technicians; 26 - biological and biomedical sciences; 27 - mathematics and statistics; 40 - physical sciences; 41 - science technologies/technicians; 51 - health professions and related clinical sciences; 46 - construction trades; 47 - mechanic repair technologies/technicians; 48 - precision production; and 49 - transportation and materials moving) (Source: preliminary IPEDS reporting)

Outcome	Performance Pool Data Definitions (Year 3 through Year 11)
Economic Development - Institution Selected Discipline (4-Year Institutions only)	Total number of bachelor's, master's, or doctoral degrees awarded (first professional awards are excluded) in an academic year based on CIP code selected by the institution which aligns with the state's economic development plan. (UNLV- 52 Business, Management, and Related Support Services; UNR- 42 Psychology; NSC- 52 Business, Management, and Related Support Services) (Source: preliminary IPEDS reporting)
Economic Development - Skills Certificates (Community Colleges only)	Certificates identified in APIS that provide preparation necessary to take state, national and/or industry recognized certification or licensing examinations. (Source: preliminary IPEDS reporting)



NSHE Funding Formula 2013-2025

The funding formula methodology used by the Nevada State Legislature to determine and distribute state General Fund appropriations to Nevada System of Higher Education's (NSHE) seven teaching institutions was adopted by the 2013 Legislature. The funding formula was established in budget policy, not in statute, and based on recommendations developed as a result of the interim legislative study established in 2011 through the enactment of [Senate Bill 374 \(Chapter 375, Statutes of Nevada 2011\)](#). The funding formula, including the funding distribution methodology and performance funding, continues to be established in budget policy and reviewed and updated, as necessary, during each legislative session.

The information summarized in this document originated in source documents found on the Nevada Legislature's website, including but not limited to the biennial Appropriations Reports (2013-2023 Legislative Sessions), as well as minutes, exhibits, and audio recordings of various money committee meetings.

The NSHE funding formula includes four components:

1. Weighted Student Credit Hours (WSCH) are the basis for distributing General Fund appropriations;
2. Small Institution Funding assists Great Basin College (GBC) and Western Nevada College (WNC) with fixed administrative costs;
3. Research Space Operations and Maintenance (O&M) Funding for the University of Nevada, Las Vegas (UNLV) and the University of Nevada, Reno (UNR); and
4. Performance funding set-asides for each teaching institution.

The methodology includes biennial funding adjustments for caseload changes (increases or decreases in WSCH) and institution specific adjustments (small institution funding and research operations and maintenance funding). Additionally, the funding formula includes the methodology used to distribute General Fund appropriations (less institution-specific allocations) to each of NSHE's teaching institutions based on the uniform WSCH value for each fiscal year (FY). The WSCH methodology was developed to equitably distribute General Fund appropriations across all teaching institutions. The WSCH value is an output of the funding formula; it does not determine changes to the amount of General Fund appropriations approved by the Legislature.

Available General Fund Appropriations

As a general process, before funding is allocated to the teaching institutions, funding is requested by NSHE, recommended by the Governor, and approved by the Legislature.

Consistent with all State agencies, General Fund appropriations for NSHE's teaching institutions are based on the traditional base, maintenance and enhancement budget methodology:

- **Base**: The amount of General Fund appropriation approved during the current biennium serves as the baseline for the next biennium.
- **Maintenance**: The base amount is adjusted to reflect increases or decreases in anticipated expenditures during the next biennium. Maintenance decision units also accommodate for inflationary adjustments and fringe benefit adjustments, which are consistent for all State agencies. Additionally, NSHE maintenance decision units include

caseload adjustments, small institution funding, and research operating and maintenance funding.

- **Enhancements:** These requests seek additional funding for new projects intended to be implemented during the upcoming biennium and may be institution specific.

Beginning with the implementation of the current NSHE funding formula methodology in FY 2014, the Legislature’s policy has been that projected non-General Fund revenues do not offset the amount of General Fund appropriations appropriated for the teaching institutions. (In the previous funding formula, General Fund appropriations were offset by projected non-General Fund revenues.)

Weighted Student Credit Hours

Weighted Student Credit Hours are based on the course taxonomy initially approved by the 2013 Legislature. The assigned weights reflect general cost-informed differences in the delivery of instruction (e.g. the cost of delivering a science course is greater than a liberal arts course, generally). Credit hours earned by students who are Nevada residents are weighted by discipline cluster and academic level developed by the National Center for Higher Education Management Systems (NCHEMS) and modified by the 2011-2012 Committee to Study the Funding of Higher Education. The taxonomy has been approved by each subsequent Legislature – with one modification. The 2017 Legislature approved an increase to the weighting for Career and Technical Education credit hours at the community colleges, effective in the Fall semester of 2017. Otherwise, the weights assigned to the discipline clusters have been unchanged since the formula’s initial implementation in FY 2014.

Weighted Student Credit Hours for non-resident students are excluded from the funding formula methodology, because non-resident tuition is collected from non-resident students. The combination of non-resident tuition and per course registration fees are intended to fund 100 percent of the cost of instruction by an institution.

The 2013 Legislature determined that all WSCH, including “F” grades, would be used for the distribution of funding during the 2013-2015 biennium. However, beginning with the 2015-2017 biennium, WSCH would exclude all “F” grades for non-attendance/effort.

The table below displays the number of WSCH earned by institution. The WSCH for FY 2012 and FY 2016 demonstrate the number of credit hours earned prior to and following the revisions to the WSCH taxonomy approved by the Legislature.

	FY 2012 WSCH Including All "F Grades" (Leg. Approved)	FY 2012 WSCH Excluding "F Grades" for Non- Attendance/Effort	FY 2014 WSCH*	FY 2016 WSCH*	FY 2016 WSCH* Including CTE Adjustment	FY 2018 WSCH**	FY 2020 WSCH**	FY 2022 WSCH**
UNLV	886,813	872,181	915,704	1,009,083	1,009,083	1,078,174	1,115,625	1,149,097
UNR	619,941	612,130	655,013	721,836	721,836	763,270	783,516	763,960
CSN	626,677	586,695	578,716	580,102	618,582	627,075	663,630	564,061
GBC	60,769	59,134	62,209	69,321	83,883	76,324	87,716	81,614
TMCC	214,603	201,083	198,251	204,816	220,784	218,966	227,510	204,001
WNC	74,414	69,964	72,151	75,616	83,842	86,284	87,071	89,534
NSC	92,826	89,326	94,470	101,857	101,857	126,472	157,417	176,879
TOTAL WSCH	2,576,043	2,490,513	2,576,514	2,762,631	2,839,867	2,976,565	3,122,485	3,029,146

*WSCH exclude F Grades for Non-attendance/effort

**WSCH exclude F Grades for Non-attendance/effort and the Increased CTE adjustment

WSCH Caseload Adjustments

Each biennial budget includes adjustments to the General Fund appropriation for the seven teaching institutions based on changes in the number of WSCH earned by Nevada resident

students, excluding “F” grades for non-attendance/effort. First, the change in the WSCH earned during the two preceding even numbered fiscal years is calculated. Then, the result is multiplied by the WSCH value approved during the current (odd numbered) fiscal year. For example, the caseload adjustment for the 2023-2025 biennium (FY 2024 and FY 2025) is based on the difference in total WSCH earned in FY 2020 and FY 2022 multiplied by the WSCH value for FY 2021.

The table below demonstrates the increase in General Fund appropriation based on the increase in WSCH for the 2021-2023 biennium.

Increase in WSCH Caseload Adjustment Legislatively Approved WSCH Caseload Adjustment for 2021-2023 Biennium					
	FY 2018 WSCH	FY 2020 WSCH	WSCH Growth ¹	FY 2021 WSCH Value	FY 2022 & FY 2023 Caseload Adjustment
Total	2,976,565	3,122,485	145,918	\$164.61	\$24,019,562

¹ Amount included in the 2021 Appropriations Report, which notes totals may not sum due to rounding

Conversely, the table below demonstrates the decrease in General Fund appropriation based on a decrease in WSCH for the 2023-2025 biennium. This is the first biennium in which NSHE experienced a reduction in total WSCH and, therefore, a reduction in funding for the caseload adjustment.

Decrease in WSCH Caseload Adjustment Legislatively Approved WSCH Caseload Adjustment for 2023-2025 Biennium					
	FY 2020 WSCH	FY 2022 WSCH	WSCH Growth	FY 2023 WSCH Value	FY 2024 & FY 2025 Caseload Adjustment
Total	3,122,485	3,029,145	(93,340)	\$166.90	(\$15,578,063)

This process was initially established with the policy adopted by the 2015 Legislature and has been continued by subsequent legislatures.

Pre-Formula Appropriations: Small Institution Funding

All institutions have certain fixed administrative costs, and these fixed costs are generally a greater percentage of variable (enrollment-based) revenues at smaller institutions than at larger institutions due to economies of scale. The NSHE funding formula recognizes this funding gap by providing additional General Fund appropriations to small institutions, specifically, GBC and WNC.

This allocation is intended to decrease over time, from a maximum of \$1.5 million per fiscal year per institution to \$0.0, as the number of WSCH increases to 100,000 (for each institution). The 100,000 WSCH threshold was anticipated to be the point at which the institutions would generate sufficient enrollment-based revenues to support their fixed administrative costs.

Small Institution Funding is determined by the actual number of WSCH greater than 50,000 but less than 100,000. Then, the \$30 WSCH value is applied to the difference between the actual WSCH earned and 100,000 WSCH, with a maximum \$1.5 million available per institution per fiscal year. As the WSCH for an institution approaches 100,000, the level of Small Institution Funding decreases. The \$30 WSCH value for Small Institution Funding has not been adjusted since the implementation of the NSHE funding formula in FY 2014. The Small Institution Funding amount is the same in each year of a biennium.

The table below demonstrates the process for calculating the Small Institution Funding for GBC and WNC for the 2023-2025 biennium.

Small Institution Funding: 2023-2025 Biennium based on \$30 WSCH value				
	FY 2022 WSCH	Number of WSCH less than 100,000	WSCH Value \$30	FY 2024 and FY 2025
GBC	81,614	18,386	\$30	\$ 551,580
WNC	89,534	10,466	\$30	\$ 313,980

The table below summarizes the investment made at GBC and WNC as a result of the Small Institution Funding allocation. With very few exceptions, the amount of funding for each institution has decreased since FY 2014. This decrease is the result of increases in the WSCH totals.

Small Institution Funding Allocation of General Fund Appropriations						
	FY 2014 and FY 2015	FY 2016 and FY 2017	FY 2018 and FY 2019	FY 2020 and FY 2021	FY 2022 and FY 2023	FY 2024 and FY 2025
GBC	\$ 1,176,930	\$ 1,133,730	\$ 920,370	\$ 710,280	\$ 368,520	\$ 551,580
WNC	\$ 767,580	\$ 835,470	\$ 734,520	\$ 411,480	\$ 387,885	\$ 313,980
TOTAL	\$ 1,944,510	\$ 1,969,200	\$ 1,654,890	\$ 1,121,760	\$ 756,405	\$ 865,560

The total amount of the Small Institution Funding appropriation is the same for each year of the biennium.

Pre-Formula Appropriations: Research Space Operations and Maintenance Funding

Similar to the Small Institution Funding for GBC and WNC, research space O&M funding addresses the cost for research space at UNLV and UNR that is not associated with WSCH. Research O&M funding is determined by identifying the square footage of dedicated research space at each university and the associated research expenditures.

At the time the current funding formula was adopted (2013), UNLV and UNR utilized their own, institution specific methodologies for determining the research O&M costs. However, in response to direction from the 2021 Legislature, the universities developed a uniform methodology for the identification of research space to ensure a consistent application of calculated funding needed for these designated areas.

The table below summarizes the General Fund appropriation for research O&M for each fiscal year, since the formula was implemented. While research O&M funding is generally the same amount in each year of the biennium, separate amounts were appropriated to UNR in each year of the 2019-2021 biennium due to a new building coming on line in FY 2021.

University Research Space Operation and Maintenance (O&M) Allocation of General Fund Appropriations							
	FY 2014 and FY 2015 ¹	FY 2016 and FY 2017 ²	FY 2018 and FY 2019 ³	FY 2020 ⁴	FY 2021 ⁴	FY 2022 and FY 2023	FY 2024 and FY 2025 ⁵
UNLV	\$ 4,944,173	\$5,008,199	\$5,621,935	\$4,151,084	\$4,151,084	\$ 4,563,433	\$ 4,493,978
UNR	\$ 3,582,891	\$4,102,076	\$3,831,987	\$5,147,775	\$5,404,243	\$ 5,696,206	\$ 5,575,112
TOTAL	\$ 8,527,064	\$9,110,275	\$9,453,922	\$9,298,859	\$9,555,327	\$10,259,639	\$10,069,090

¹ 2013 Legislature approved an additional \$1.73 million for UNLV in each fiscal year of the biennium as a post-formula adjustment by redistributing formula funding from CSN (\$1.2 million) and NSC (\$566,616); funding is outside of the square footage calculation and approved for the purpose of growing research at the university

² 2015 Legislature approved UNLV continuing to receive \$1.7 million in each fiscal year by redistributing formula funding from CSN and NSC

³ 2017 Legislature approved three adjustments that impacted Research O&M funding: Governor's recommended budget for UNR's Research O&M, which omitted a portion of the rate per square foot calculation after NSHE confirmed that UNR was prepared to absorb the shortfall in the 2017-2019 biennium; UNLV's total research space decreased when duplicate reporting of space was corrected; continuation of funding for UNLV totaling \$1.7 million in each fiscal year by redistributing formula funding from CSN and NSC

⁴ 2019 Legislature approved a \$1.7 million reduction in funding at UNLV in each year of the biennium, eliminating the redistribution of formula funding from CSN and NSC; the Legislature approved increased funding for UNR to correct an error in the rate per square foot from the 2017-2019 biennium and an increase in square footage in FY 2021 due to the addition of the Pennington Engineering Building

⁵ Decrease in funding at UNLV is the result of decreases in dedicated research space in FY 2022 and the per square foot cost of O&M

Other Pre-Formula Appropriations

Pre-Formula appropriations are allocated to a specific teaching institution for a specific purpose; the funding is not distributed based on the WSCH value for that fiscal year.

The 2013 Legislature approved General Fund appropriations totaling \$5.7 million for GBC and \$4.6 million for WNC over the 2013-2015 biennium to mitigate the effect of the funding formula implementation on each institution; this was a one-time appropriation.

The 2015 Legislature approved General Fund appropriations totaling \$3.0 million for GBC and \$2.0 million for WNC over the 2015-2017 biennium to mitigate the effect of the funding formula; this was a one-time appropriation.

The 2017 Legislature approved an increase to the weighting for Career and Technical Education credit hours at the community colleges totaling \$9.2 million in FY 2018 and \$12.2 million in FY 2019. The increased funding supported faculty costs, curriculum development, expansion of course offerings, and equipment to support CTE programs. The increased General Fund appropriations were a pre-formula allocation during the 2017-2019 biennium. In subsequent biennia, this increased weighting was incorporated in the course taxonomy used to determine WSCH.

The 2017 Legislature also approved General Fund appropriations totaling \$9.7 million in FY 2019 to build capacity within the teaching institutions and support workforce growth and development, based on a four-year plan provided by each institution. This one-time funding was excluded from the calculation of the WSCH value.

The 2019 Legislature approved General Fund appropriations totaling \$18.25 million for the 2019-2021 biennium to build capacity at the community colleges and NSC to support workforce growth and development. Additionally, the 2021 Legislature approved General Fund appropriations totaling \$20.2 million for the 2021-2023 biennium to continue the capacity building at the community colleges and NSC to support workforce growth and development.

This was authorized as one-time funding, on the basis that the funding approved for program development would result in the generation of new WSCH once the programs were implemented and the new WSCH would add ongoing funding through the caseload adjustment process.

The 2023 Legislature approved General Fund appropriations totaling \$20 million for the 2023-2025 biennium to increase the number of Graduate Assistant positions and the Graduate Assistant stipend amounts for UNR and UNLV. Increasing the number of Graduate Assistants allows the universities to enhance their research mission, maintain their Carnegie R1 status, and be competitive in attracting the best students nationally. Increasing the stipend amount represented a cost of living adjustment.

Additionally, the 2023 Legislature approved General Fund appropriations totaling approximately \$1.0 million in each year of the 2023-2025 biennium for summer school teacher education courses to improve the teacher pipeline. Based on traditional budget policy, summer school courses, other than Nursing programs and science-based prerequisites for Nursing, have not been supported with General Fund appropriations. This decision by the 2023 Legislature establishes a policy to continue support for Nursing programs and expand state support for summer school to include teacher preparation courses.

The 2023 Legislature approved funding for a two-grade salary increase for specific University Police positions, this increased the base funding for UNLV, UNR, CSN, and WNC.

Additional Appropriations: Distributed through the NSHE Funding Formula

The 2017 Legislature approved two budget amendments that added General Fund revenue to the base budgets, resulting in the funds being distributed through the funding formula. The NSC budget was increased by \$584,319 in FY 2018 and \$584,320 in FY 2019 for debt service payments for the lease purchase agreement approved to finance construction of the Nursing Sciences and Education Building and the Student Activities and Administration Building. Additionally, the UNLV budget was increased by \$500,000 in FY 2018 and FY 2019 for graduate assistants.

Distribution Methodology: Weighted Student Credit Hours

General Fund appropriations for NSHE's seven teaching institutions are distributed to each institution using the WSCH value calculated for that biennium. The WSCH value is calculated by subtracting pre-formula adjustments (including funding for small institutions, research space O&M, and institution-specific enhancements) from the total General Fund appropriations, then dividing that amount by the total number of WSCH completed in the applicable fiscal year. The WSCH value is the output of a calculation used to uniformly distribute available funds to each institution; the WSCH value is not based on a predetermined amount or to generate funding increases from year to year.

The following is an example of the WSCH value calculation and distribution based on FY 2020 General Fund appropriations:

FY 2020 Legislatively Approved (formula) General Fund Appropriation	\$498,707,401
Less: Small Institution Funding	(\$1,121,760)
Less: Research O&M	(\$9,298,859)
Subtotal	\$488,286,791
Divided by FY 2018 WSCH	2,976,565
FY 2020 Legislatively Approved WSCH Value	\$164.04
Allocation by Institution	
UNLV: 1,078,174 WSCH x \$164.04	\$176,867,672
UNR: 763,270 WSCH x \$164.04	\$125,209,649
CSN: 627,075 WSCH x \$164.04	\$102,867,415
GBC: 76,324 WSCH x \$164.04	\$12,520,473
TMCC: 218,966 WSCH x \$164.04	\$35,919,997
WNC: 86,284 WSCH x \$164.04	\$14,154,348
NSC:126,472 WSCH x \$164.04	\$20,746,937
Subtotal:	\$488,286,791

The WSCH value has increased from \$137.69 in FY 2014 to \$166.90 in FY 2023. With one exception (in FY 2019), the WSCH value has increased each fiscal year since this funding formula methodology was implemented in FY 2014.

WSCH Value by Fiscal Year (based on the General Fund appropriation less pre-formula adjustments)									
FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
\$137.69	\$141.50	\$152.61	\$153.55	\$156.01	\$153.18	\$164.04	\$164.61	\$166.24	\$166.90

A WSCH value was not calculated for the 2023-2025 biennium, because the 2023 Legislature approved the suspension of the distribution component of the NSHE funding formula and allocated General Fund appropriations to each of the instructional institutions using the traditional base, maintenance, and enhancement decision unit model. According to the 2023 Appropriations Report, suspending the distribution component of the funding formula methodology resulted in no net change to the General Fund appropriation to each teaching institution.

Performance Funding Pool Set-Aside

The NSHE funding formula methodology includes a system of performance funding, funded by setting aside a percentage of the General Fund revenue appropriated to NSHE's seven teaching institutions. The percentage of the set-aside began at 5 percent in FY 2015 and increased 5 percent per fiscal year until the percentage reached 20 percent, beginning in FY 2018.

Each institution can earn back its set-aside by achieving performance criteria approved by the Board of Regents and the state legislature. Performance criteria are based on performance metrics and point targets (refer to summary paper on the NSHE Performance Pool). NSHE teaching institutions participated in the selection and modification of performance metrics and targets, the majority of which are based on the number of certificates and degrees granted. The focus on certificate and degree completion is intended to signal the primary importance of graduating students; this focus is reinforced by the addition to other metrics related to research and transfers.

The performance funding earned by an institution for a fiscal year is based on its actual performance during the academic year two years prior to the fiscal year in which the funds are appropriated. For example, FY 2025 performance pool funding for each institution is earned based on the performance of the institution in academic year (AY) 2023. This process allows

the performance funding to be made available to institutions at the beginning of the fiscal year in which the funds will be expended.

The table below demonstrates the correlation between the academic year, for which metrics are measured, and the fiscal year, in which funding are earned.

Distribution Year (Funding Year)	Year of Measure (Performance Year)
FY 2015	2012-13 (AY 2013)
FY 2016	2013-14 (AY 2014)
...	
FY 2025	2022-23 (AY 2023)
FY 2026	2023-24 (AY 2024)

Institutions do not “compete” against each other for performance pool funding. Rather, each institution’s performance is based on a year-over-year comparison of its attainment of the metrics. Additionally, teaching institutions have a two-year period to earn the performance pool set-aside for a specific fiscal year. If an institution does not earn 100 percent of its set-aside amount in the current fiscal year, it can earn the remaining amount in the next fiscal year by exceeding its performance metrics in the second year.

To date, each institution has earned its performance pool set aside within the two-year period. While it has not occurred to date, the current funding formula policy is that any unearned performance funds remaining at the end of a two-year period will be reallocated to support statewide, need-based financial aid at all seven teaching institutions.

Summary of Modifications to the Distribution Methodology

The Legislature established the NSHE funding formula and distribution methodology in policy, not in statute. This allows each Legislature to review the policy biennially and to either reaffirm its commitment to the existing policy or include modifications.

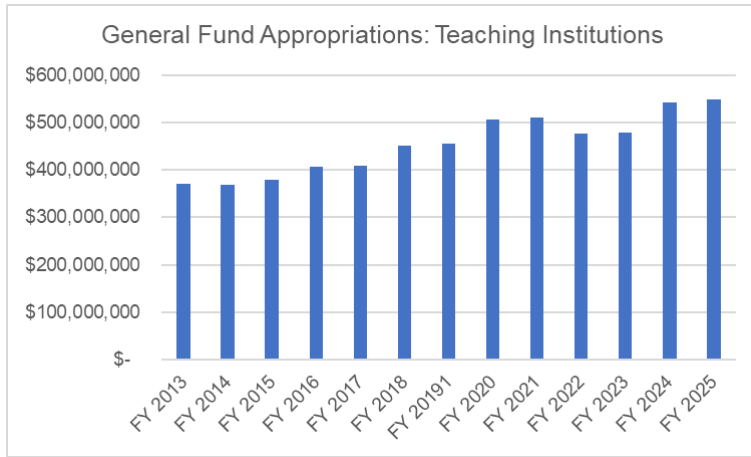
Since being approved by the 2013 Legislature, the policy guiding the NSHE funding formula methodology experienced the following modifications:

The 2017 Legislature approved an increase to the weighting for Career and Technical Education credit hours at the community colleges of 1.5 points in FY 2018 and 2.0 points in FY 2019; the increased weighting was effective with the academic year beginning September 2017 and included in the FY 2018 WSCH.

The 2023 Legislature approved the suspension of the funding distribution component of the NSHE funding formula and the utilization of the traditional base, maintenance, and enhancement decision unit model for the allocation of General Fund appropriations to each instructional institution. This resulted in no net change to the total General Fund appropriations to the seven teaching institutions.

General Fund Appropriations for NSHE Instructional (Formula) Budgets: FY 2014 – FY 2025

Since the inception of the funding formula, General Fund appropriations have generally increase.

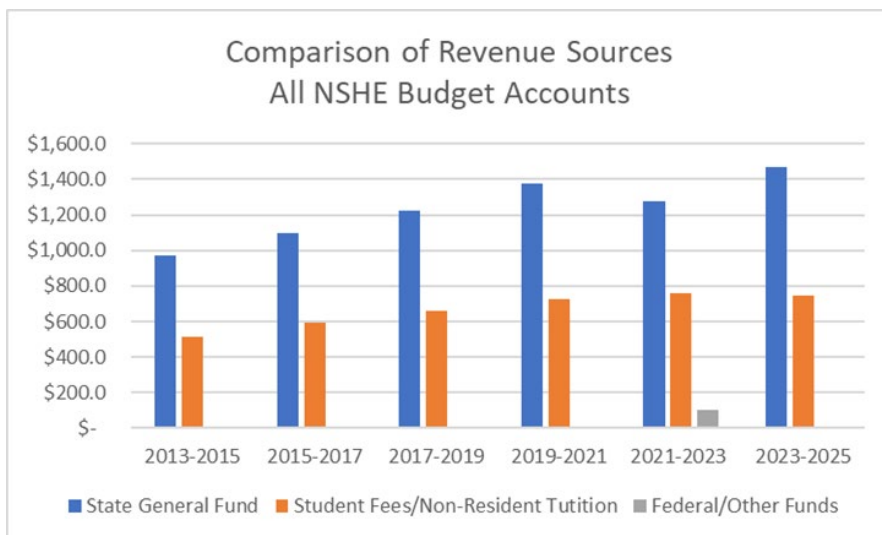


The table and chart below compare General Fund appropriations for all NSHE budget accounts (teaching institutions, professional schools, and non-formula accounts) with the legislatively authorized revenues for student fees, non-resident tuition, as well as federal and other funds.

Funding Source	2013-2015 Legislature Approved (Millions)	% of Funding by Source	2015-2017 Legislature Approved (Millions)	% of Funding by Source	2017-2019 Legislature Approved (Millions)	% of Funding by Source	2019-2021 Legislature Approved (Millions)	% of Funding by Source	2021-2023 Legislature Approved (Millions)*	% of Funding by Source	2023-2025 Legislature Approved (Millions)	% of Funding by Source
State General Fund ^{1, 2}	\$ 971.3	64.9%	\$ 1,094.7	64.3%	\$ 1,224.3	64.5%	\$ 1,379.6	65.2%	\$ 1,279.2	59.6%	\$ 1,467.7	65.9%
Student Fees/Non-Resident Tuition	\$ 514.1	34.4%	\$ 595.9	35.0%	\$ 661.9	34.9%	\$ 726.1	34.3%	\$ 761.2	35.5%	\$ 747.9	33.6%
Federal/Other Funds	\$ 10.8	0.7%	\$ 10.9	0.6%	\$ 11.2	0.6%	\$ 10.5	0.5%	\$ 104.5	4.9%	\$ 12.9	0.6%
Total	\$ 1,496.2	100.0%	\$ 1,701.5	100%	\$ 1,897.4	100%	\$ 2,116.2	100.0%	\$ 2,144.9	100.0%	\$ 2,228.5	100.0%
GF increase from Previous Biennium	\$ 26.5	2.8%	\$ 123.4	12.7%	\$ 129.6	11.8%	\$ 155.3	12.7%	\$ (100.4)	-7.3%	\$ 188.6	14.7%

¹ Includes General Fund operating appropriations

² Does not include General Fund appropriations allocated to the Board of Examiners for Cost of Living Raises, when approved by the Legislature



Conclusions

The current NSHE funding formula, initially approved by the 2013 Legislature, calculates and distributes the General Fund appropriations to NSHE's seven teaching institutions. With the approval of the current funding formula,

- the basis for funding became the number of weighted student hours (excluding F grades for non-attendance) earned by students who are Nevada residents;
- additional funding, known as Small Institution Funding, was added for GBC and WNC to assist with fixed, administrative costs until such time as each institution reached 100,000 WSCH;

- additional Research Space O&M funding was added for UNLV and UNR for the operational and maintenance costs for research space that is not otherwise supported by the attainment of WSCH; and
- performance metrics were established, focused on output and outcome measures, such as certificate and degree completion, and tied to the retention of performance pool funding.

Additionally, the 2013 Legislature determined that projected non-General Fund revenues (generated primarily through student fees) would not be used to offset the General Fund appropriations to the teaching institutions. This policy has been reaffirmed by each subsequent Legislature.

The funding formula allows for additional General Fund appropriations to be made to teaching institutions outside the distribution methodology for institution-specific programs or activities. Examples of this targeted investment include the first biennium of capacity building projects related to workforce development and summer school funding for teacher education programs.

The funding formula was established in budget policy, not in statute. This allows for biennial review and, if needed revision, of the funding formula and distribution methodologies. Since the implementation of the funding formula in FY 2014, the Legislature has made very few modifications to the policy that prescribes the funding formula. Most notably, the 2017 Legislature approved an increase to the weighting for Career and Technical Education credit hours at the community colleges.

Overall, General Fund appropriations for NSHE's teaching institutions have increased by approximately \$180 million during the implementation of the current funding formula. Funding increases can be attributed to increases in total WSCH, inflationary adjustments for salaries and benefits, and expansion of research space O&M. With the exception of the current biennium, Small Institution funding has decreased, as intended, each biennium because WSCH have increased. And, each of the teaching institutions has earned its performance pool funding by meeting or exceeding its metrics either during the year of performance or in the next year.

The 2023 Legislature appropriated \$2.0 to NSHE to complete an interim study of the funding formula. This will allow NSHE, through the ad hoc Committee on Higher Education Funding formed by the Chancellor, to determine if the current funding formula continues to meet the needs of NSHE's teaching institutions, communities and students. Additionally, the 2023 Legislature approved the suspension of the funding distribution component of the NSHE funding formula for the 2023-2025 biennium and utilized the traditional base, maintenance, and enhancement decision unit model for the allocation of General Fund appropriations to each instructional institution. According to the 2023 Appropriations Report, this resulted in no net change to the total General Fund appropriations to the seven teaching institutions.

The suspension of the formula by the 2023 Legislature is in alignment with the policy decision made by the 2011 Legislature, when it approved the most recent interim study of the NSHE funding formula.

The ad hoc Committee on Higher Education Funding will finalize its recommendations regarding the funding formula for NSHE's teaching institutions, as well as recommendations regarding the uses and reporting of revenues and expenditures in the non-State (or Self-Supporting) accounts, by August 2024. The Chancellor will then transmit the Committee's recommendations to the Board of Regents, the Governor, and the Legislative Counsel Bureau.