

SOUTH DAKOTA BOARD OF REGENTS

Full Board

AGENDA ITEM: 15 – C

DATE: December 12-13, 2012

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**SUBJECT: Performance Funding Project Allocations**

During his budget address to the Legislature in December 2011, Governor Daugaard requested that \$5.9 million dollars of one-time funds be awarded to the Regental system in FY13. During the Legislative process, the Board of Regents identified four projects that would be targeted using these funds including 1) *Student Success Initiatives*; 2) *Performance Improvement Funds*; 3) a *Performance Funding Pilot*; and 4) *NSU Advanced Placement*. Updates related to the Performance Funding Pilot can be found below.

The largest portion of the one-time funds (\$3,000,000) was allocated to each Regental institution based on their overall production of graduates over a three year period. A portion of institutions' current base budgets were "recaptured" by the system, and then combined with funds from the one-time appropriation. Procedurally, implementation of the model involves two main components. First, institutional base budgets were appropriated/projected using existing methods. Once calculated, three fund types (general funds, tuition revenue, and salary competitiveness revenue) were placed at risk during the recapture phase. At the March 2012 Board of Regents meeting, the Board approved a [Performance Funding Pilot](#) that split the six Regental institutions into two groups, including a *Master's/Comprehensive* group (BHSU, DSU, NSU) and a *Doctoral/Research* group (SDSM&T, SDSU, USD). The intent of this approach was to acknowledge the unique missions and institutional contexts of the Regental campuses.

[Link](#)

Graduates were classified according to one of four possible degree levels: *associate's*, *bachelor's*, *master's/specialist's*, and *doctorate/first professional*, and according to one of two possible field types: *regular* or *premium*. Premium fields represent key workforce development priorities for the State of South Dakota. For example, a graduate from a premium field – such as engineering – will be valued at an amount 3.00 times higher than an analogous graduate from a regular field (such as general studies). Any given institution will receive a share of performance funds on the basis of its in-group proportion of graduate "points" generated over the preceding three fiscal years. Points are simply weight-adjusted graduate counts. One *point* served as the computational equivalent to one regular associate's degree completer; completers from higher degree levels and/or premium fields are weighted by a fixed coefficient in order to express differential value in the model. Using this approach, the following funds (see Table 1) were  
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**RECOMMENDED ACTION OF THE EXECUTIVE DIRECTOR**

Information only.

allocated to the campuses, and each institution was asked to invest these funds into initiatives that would further improve student success. Campuses have been asked to report upon their expenditures; additional narrative and background for each institution can be found in Attachment I.

**Table 1**  
*Allocation of Points and One-Time Appropriations to Each Regental Institution Based on Three Year Graduate Production*

	<i>Points</i>	<i>% Points</i>	<i>\$ Recaptured</i>	<i>\$ Reallocation</i>	<i>One-Time Funds</i>
<b>BHSU</b>	3,043	38.2736%	\$300,613.85	\$590,927.15	\$290,313.30
<b>DSU</b>	3,007	37.8208%	\$227,995.44	\$583,935.66	\$355,940.22
<b>NSU</b>	1,901	23.9057%	\$243,368.50	\$369,092.78	\$125,724.28
<b>M/C</b>	7,950	100.0000%	\$771,977.79	\$1,543,955.59	\$771,977.80
<b>SDSM&amp;T</b>	4,285	11.2066%	\$269,728.92	\$499,369.47	\$229,640.55
<b>SDSU</b>	19,896	52.0303%	\$1,057,829.99	\$2,318,494.87	\$1,260,664.88
<b>USD</b>	14,058	36.7631%	\$900,463.30	\$1,638,180.08	\$737,716.78
<b>Doct</b>	38,239	100.0000%	\$2,228,022.21	\$4,456,044.41	\$2,228,022.20
<b>System</b>	<b>46,189</b>	<b>-</b>	<b>\$3,000,000.00</b>	<b>\$6,000,000.00</b>	<b>\$3,000,000.00</b>

## **Institutional Narratives for Expenditures of Performance Fund Allocation**

### ***Black Hills State University***

Black Hills State University received \$290,313 of performance funding for FY13, which was targeted toward a set of projects and activities focused on student recruitment and retention. In order to be strategic and effective, these projects were based on targets and implementation activities outlined in BHSU's Enrollment Management Plan (EMP). The EMP was developed jointly by Academic Affairs and Student Life over the past two years and is structured into three major sections including Recruitment, Retention, and Graduation.

Specific to planning for the use of the Performance Funding dollars, a committee comprised of key individuals from Academic Affairs, Student Life, and Admissions was charged with conducting a comprehensive review of the EMP to identify specific targets and implementation activities that require funding and have significant potential for impact. This process generated a number of ideas which was then refined into a prioritized set of activities. Key criteria included (a) a balance between recruitment and retention activities, (b) potential for significant impact, and (c) appropriate stewardship of resources.

*Retention Activities.* Three major activities were selected to impact student retention. These included funding for a peer-based tutoring program; implementation support for mandatory advisement and Starfish training; and student focused retention events (e.g., campus resource fairs and speakers). The peer tutoring program was developed and is currently being pilot tested university-wide using a Supplemental Instruction (SI) model in beginning level courses (with an emphasis on STEM and other high impact areas). The SI approach involves students who have demonstrated previous success in the course. These students attend the class sessions along with the regularly enrolled students, interact with the instructor and then host individual- and group-based tutoring sessions. Four faculty members have been involved in this pilot project, including its conceptualization, implementation, data collection and analysis. The goal is to develop a model that can be replicated and disseminated across the university as well as to others nationally in professional meetings and publications. Approximately 1/3 of the available funds were designated to these projects.

*Recruitment Activities.* Recruitment activities include mechanisms for increasing the overall visibility and profile of BHSU as well as those designed to identify and attract prospective students. The activities designed to increase BHSU's statewide profile (approximately \$35,000), include the strategic placement of billboards along the I-90 corridor (including 1 in East River) and high profile advertising in the Rapid City and Sioux Falls malls throughout the high traffic holiday season. Funds are also being used to increase the University's presence at a variety of athletic and academic events across the state and region.

Individual student recruitment activities include the use of social media-based tools for identifying and engaging students within targeted markets. These include Zinch, Facebook, Inigral, and Pinterest. Collectively, these tools have substantially increased the numbers of prospects in selected regions and have engaged them at levels exceeding our previous capabilities.

To extend our reach beyond the local area, we have hired and placed a recruiter in East River (living in Sioux Falls, SD). This individual is part of BHSU's admissions staff with specific

responsibility for recruitment across the eastern part of the state. Funding is also being designated to support admissions staff travel to surrounding states including Wyoming and Nebraska and extending into California and Colorado as well.

In sum, the Performance Funding dollars at BHSU are being used to leverage the effectiveness of our Enrollment Management Plan. This has enabled us to direct the funding toward an established and prioritized framework.

### ***Dakota State University***

The South Dakota Board of Regents approved a Performance Funding Pilot for the FY13 Budget year. This pilot reallocated a portion of existing institutional resources and a pool of one-time funds based on performance criteria. The net impact of this pilot for DSU in FY13 was +\$335,822. Dakota State University conducts an annual budgeting process in the spring to prepare for the upcoming fiscal year. This process involves the entire campus. Various colleges and departments present their needs to the President and Vice Presidents with these hearings open to the campus community. Those presenting are asked to link requests to the DSU strategic plan. Special emphasis was made for FY13 to link requests to supporting the goal of increasing the number of graduates from DSU programs.

DSU factored this additional \$335,822 into its revenue for FY13, but considered it a one-time funding source. This additional performance funding, plus other revenue sources, were then balanced against the requests and projected operating expenses for FY13 to come up with a balanced budget for the University. Several initiatives or projects were funded in FY13 based on the emphasis for more graduates and the additional one-time funds provided as a result of the Performance Funding Pilot. The following is a list of several of these initiatives that directly or indirectly support the growth of graduates from the DSU campus.

In FY13, DSU fully implemented a Math Emporium model for the delivery of developmental level mathematics courses. An additional 0.5 faculty FTE was added to implement this new math delivery model beginning fall 2012.

Additional funding was provided to allow for expanded hours of the Library for quiet study space. Students have expressed a growing need for space with limited distractions.

Online resources for students such as Lynda.com have been added to the online database resources available to students. Lynda.com provides online tutorials for students in a variety of subjects or software packages.

DSU has focused on eliminating barriers to learning for students for several years. Additional funds in FY13 were allocated to continue and expand that initiative. Some specific items for FY13 include purchasing the most current devices and researching new innovative ways to embrace the technologies available to enable and promote accessibility.

Funding for a Peer mentoring program within DSU Diversity Services was provided in FY13. This program was previously funded under a Challenge Access Grant, which concluded funding in FY12. The goal of this program is to increase retention and subsequently increase the graduation rates of DSU students.

Expansion of Student Activities budget was provided in FY13. The additional funds provided would enhance programs and events that meet the developmental objectives set for students

attending DSU. This would include training opportunities, speakers, lectures, and various weekend activities to engage and retain more students on the DSU campus.

An additional support staff position was added to Student Affairs beginning in FY13 to enhance the student success initiatives managed by the office.

In FY13, DSU initiated an enhanced marketing effort. A marketing committee developed a new marketing plan and initiatives from that plan were started during the summer of 2012. The marketing plan contains efforts to improve recruiting efforts and DSU has also focused on expanding recruitment in areas such as Wisconsin and California. The plan also focuses on enhancing the DSU brand and image.

DSU has embraced the Continuous Quality Improvement (CQI) culture on campus and in FY13 approved funding for a part-time coordinator of CQI. In previous years DSU has provided training to faculty, staff, and students on CQI and the PIED Process (Plan, Implement, Evaluate, Decide). This coordinator will continue the implementation of a CQI environment on the DSU campus which impacts all functions, departments, and colleges.

DSU budgeted funds in FY13 for student inquiry pool development. This is a comprehensive program to targeted audiences which includes market-specific search models, direct mail, tele-search, e-search, text, as well as program evaluation. The enhanced student inquiry pool development will enhance both student recruiting efforts and student retention.

Partnership development has been a focus of DSU for FY13 with funds allocated to develop business partnerships that create opportunities for students. This also allows DSU to enhance its curriculum and ensure the knowledge, skills and abilities that students graduate with from DSU are those in demand in the marketplace.

### *Northern State University*

Northern State University received Performance Funding of \$125,724. The funds are being used to improve retention and increase graduation rates through the addition of two staff members who will have daily contact with students. The Student Success Office was established and a Coordinator of Retention Services has been hired to direct the activities of the office. Faculty and staff notify the Coordinator when they have identified a student who they feel may be at risk. The Coordinator then works with the student providing support and putting them in contact with the services the student needs in order to help them be successful. In addition, the Coordinator played a key role in the Early Alert process this fall and will continue those efforts during the implementation and subsequent use of Starfish.

A portion of the Performance Funds has also been used to hire a half-time academic advisor in the College of Arts and Sciences. The School of Business has had a similar position for several years and based on student feedback, it was determined that students in the College of Arts and Sciences would benefit by having access to a person who was dedicated to and available for academic advising.

The balance of the Performance Funds will be used for operating expenses necessary to support the activities of the Student Success Office and the over-all campus efforts to improve retention and increase the number of graduates. NSU will use funds to support continued work with consultants from New Campus Dynamics. Our work with the consultants will focus on

improvements in student services, customer service, marketing and recruiting which we believe will lead to better retention and increased graduation rates.

### ***South Dakota School of Mines & Technology***

Initiatives supported by performance funding at SDSM&T were primarily focused on enhancing student success. The net allocation to Mines for fiscal year 2013 was \$234,832 and funded parts or all of the following items.

Academic Advising and Student Success Center - Remodeling is in process for this new Center, with expected completion in March 2013. When complete, this location will house a full time Director, with office spaces for rotating faculty academic advisors, and work/study space for peer advisors and tutors. The Center will focus on first year student academic advising, with continued academic advising for students in academic need or who are considering a change of major or career path. SDSM&T's Director of Retention and Testing will serve as an integral part of the Center in providing support to students of all years experiencing academic difficulties. The Center will play a key role in improving retention, persistence, and graduation rates for SDSM&T students.

New faculty positions in Math/Computer Science and Mechanical Engineering – Enrollment increases have caused faculty shortages in lower level mathematics courses and especially in Mechanical Engineering, our largest department with over 500 majors. We added and are searching for additional faculty positions in these two areas.

Admissions Transfer Coordinator - SDSM&T created the position of Transfer Coordinator to increase the number of transfer students and develop mutually beneficial articulation agreements for the university. This position has already paid dividends as our population of transfer students appropriate for our curriculum experienced significant gains in the fall of 2012.

### ***South Dakota State University***

South Dakota State University applied the one-time funding allocation of \$1,260,665 to enhance teaching and research programs across all Colleges.

The Agricultural and Biological Science College and the Education and Human Sciences College are both benefiting from funding used to equip the former Olson Biochemistry Laboratory space which is being renovated. The ten laboratories are used for research and graduate STEM training in the departments of Animal Science, Health and Nutrition Science, Veterinary and Biomedical Sciences, and Biology and Microbiology. The equipment purchased for this repurposed space utilized \$265,329 of the funding allocation.

A Laser Scanning Confocal Microscope, which has reached the end of its life span, was replaced with an updated model. \$150,000 of the allocation was applied towards the replacement. The Laser Scanning Confocal Microscope is a key piece of equipment within the Functional Genomics Core Facility at SDSU. This lab facilitates interdisciplinary gene function research by users in 10 departments, 4 colleges and 4 research centers.

Six recently renovated Biology teaching laboratories were in need of equipment to support introductory and mid-level Biology, Microbiology and Botany courses. \$50,000 of the allocation was applied towards laboratory teaching equipment.

\$75,000 was applied towards the replacement of a 25 year old Nuclear Magnetic Resonance instrument. This equipment is used by Chemistry and Biochemistry students to characterize the structure and properties on molecules. An additional \$30,000 was used to provide a Digital Imaging Microscope System to enhance teaching in the Medical Laboratory Science Program.

A speech lab will be equipped with technology equipment using \$10,000 of the allocation. This lab will provide students enrolled in Fundamentals of Speech and other communication courses tutoring and feedback on presentations as well as assistance with Communication Apprehension. The Basic Writing Lab was updated with 13 new computers and monitors and a printer with \$18,900 of the allocated funds. An Additional \$25,000 was utilized to develop plans for a major upgrade to the Geography lab. Each of these labs supports university general education courses.

The Journalism department used \$19,400 for a Grass Valley K2 Media Server which is used to transfer video files from the current student editing bays to the Yeager Media Center and control room.

The department of Modern Languages & Global studies received \$75,000 to update lab space used for individual practice and to administer official oral exams on the languages taught in the department. This update includes tables, chairs, computers, and software. The Music department replaced outdated instruments and equipment in the Keyboard and Music Theory Lab with \$37,000 from the allocation.

The Psychology department is in the process of transitioning to a significantly increased faculty and undergraduate research focus. \$17,500 of the allocation was used to provide the department with physiological measurement and recording hardware and software for use in research. The Physics department was allocated \$9,000 for course development.

The Visual Arts department designated \$46,500 to replace a non-functional printing press and upgrade the animation and graphic design studio. An additional \$50,000 was allocated to replace or acquire ceramics and metal sculpture tools needed to achieve accreditation and provide students with the required art and design experience. Fifteen drawing tablets were also acquired to provide the new technologies needed to teach digital illustration, drawing and painting.

The Counseling and Human Development department invested \$19,700 in a Dartfish Technology Program. This is a video analysis software product that allows supervisors to view videos of counseling practicum students and interns and provide digital feedback on the recording. Students and faculty can use the system to label specific parts of counseling sessions for review, distance supervision can be enhanced and there are numerous applications for research.

The Honors College will use \$10,000 to equip a new classroom located within a new Honors Residence Hall. The classroom will be furnished with SMART technology, white boards, wireless internet access and flexible classroom furnishings that facilitate Honors pedagogical approaches.

The Library has designated \$10,000 for an E-book purchasing agreement deposit account. Through this system the Library only releases funds for a title if someone downloads it. An additional \$22,000 has been used to acquire a KIC Bookeye 4 high resolution scanner to enhance the ability to digitize materials. \$15,000 has been designated to fund a two-year subscription to the Communication and Mass Media Complete (CMMC) Index. Access to this Index will be significant in helping students with their research efforts. \$35,000 has also been designated towards membership in the Inter University Consortium for Political and Social Research

(ICPSR). This membership will provide access to datasets important for research in the Social Sciences. The Library will also use \$99,906 to add books and periodicals to their collection which will benefit multiple departments across campus.

Engineering Technology Management will use \$20,000 for electronic equipment, computer hardware, and software. Mechanical Engineering will use \$40,000 for an engine dynamometer test stand and the Electrical Engineering and Computer Science department will use \$40,000 for computers in teaching labs.

The Nursing department obtained a defibrillator with attachments for \$10,430. This defibrillator is for use on the campus lab in Sioux Falls and will be used to teach undergraduate students skills to bring patients back safely from heart attacks.

The Pharmacy department acquired a SimMan 3G Patient Simulator for \$45,000. This is a mannequin that allows students to practice in a simulated patient care environment. The clinical effect of medications can be demonstrated in real time during simulated patient cases.

The University College has used \$5,000 toward the implementation of an Early Alert Suite where graduate assistants and interns will be able to interact with students and improve student success. An additional \$5,000 was spent to replace an outdated log-in station for students participating in a tutoring or Supplemental Instruction (SI) program. Portable card readers were also obtained for \$5,000 to improve the log-in process for tutoring and SI programs. This will be a more efficient process and will provide more accurate accounting of student attendance and participation.

#### *University of South Dakota*

USD's Performance Funding expenditures focused on several different enhancements to increase the retention of students and the production of graduates, particularly in the designated STEM, health science, and accounting areas. The accompanying spreadsheet and narrative below provides a brief description of each investment, rationale, and expected result.

Transfer Equivalency Registration Officer: USD can better serve nontraditional and transfer students if we can readily evaluate transfer equivalents and provide degree completion plans to students considering registration. The Registrar's Office has improved our transfer equivalency process by adding a time during which course equivalents are valid (formerly they were either indefinite or one-time only). This investment should increase the frequency of transfer to USD and the completion of degrees at USD. This position will complement the Academic Coordinator in Continuing and Distance Education described below.

The Academic Coordinator in Continuing and Distance Education complements the Equivalency Officer in easing the transition of nontraditional students to degree completion at USD. This position is one that was discussed during the Non-traditional No More grant as important for student success, but not able to be funded at that time.

USD's Honors program has reached record enrollment, overtaking program support and coordination. Honors students are largely STEM graduates, and among the most highly qualified graduates that USD produces. The introduction of the Medical Biology major by USD, in particular, has attracted high enrolment from South Dakota and regional students. Improved coordination in the Honors program should enhance the experience that Honors students have at USD and allow us to attract and serve even more excellent students in this area.

The Accounting Department Premium Program investments are to enhance student success in the early accounting courses, which are the primary barriers to successful completion of the Accounting program. Higher pass rates in Accounting and retention within Accounting and other business curricula will be the primary measures of success.

USD implemented the Math Emporium model of remedial and basic math instruction. A fulltime director has enhanced coordination, tutor training, and the program overall. Higher pass rates in Math 095 and Math 102 and student retention are the expected outcomes. The Math Emporium PC purchase, furniture/renovation costs, and video production costs were one-time expenditures facilitating the expansion of our Emporium program.

The Writing Director/English 101 Professor directs our introductory English courses, which are critical to student success. This position has been filled in various ways in the past, but performance funding has allowed us to make this a fulltime position. Enhanced student success and retention are the expected outcomes.

Student Athletes are one of the most diverse populations at USD, and the graduation of these students has been much lower than optimal. Performance Funds allowed the creation of a new Academic and Career Planning Center position who can focus on this important issue.

Our orientation and A&S101 First Year Experience courses are now directed by a professional advisor. Expected outcome is greater student retention of students opting for First Year Experience than for those who do not. We are considering making such an experience mandatory for all students. The Academic and Career Planning Center Advisors meet similar needs for an expanded freshman class.

Starfish is a major retention initiative of the System in which USD enthusiastically participates. The Implementation Director works closely with the Advising Center Director and with a University implementation committee, as well as with those involved throughout the system to make this initiative a success.

USD has used PLATO software for tutoring and remediation in several areas, including for CAAP test preparation.

Turnitin is an important component of our writing program.

Digital Measures allows USD to track faculty performance more effectively, including instructional performance and therefore to tie faculty evaluation to instructional performance.

The Advisor Trac software is used to track advising visits, which we believe are important to enhancing student retention, more effectively.

USD has matched Performance Funding with investments in critical freshman courses including ENGL101, SPCM101, Honors, Math as well as investments in advising, including specific investment in advising for our Native American students. These investments will yield enhanced retention and graduation rates.



