

INSTITUTIONAL CLASSES

- South Carolina’s public colleges and universities would be eligible to receive funding through this model.
- The Medical University of South Carolina would receive a separate appropriation for its undergraduates (instead of participating in ABF), due to the uniqueness of its mission and the low number of undergraduates.
- Eligible institutions would be organized according to the *Carnegie Classification of Institutions of Higher Education*; a respected model that has been used nationally for decades.

Research Very High	Research High	Doctoral Research	Masters Large	Masters Medium	Masters Small	Bac / Diverse	Bac / A&S	Assoc / Pub2in4
USC – Columbia	Clemson	SC State	The Citadel Winthrop	College of Charleston	Francis Marion	Lander USC – Aiken, Beaufort, Upstate	Coastal Carolina	USC – Lancaster, Salkehatchie, Sumter, Union

EVALUATION CATEGORIES AND CRITERIA

- Institutions would be annually evaluated according to criteria organized into four categories.
- Individual categories would consist of two or three specific evaluation criteria.
- Institutions would be measured against class-specific benchmarks for “Completion”, “Affordability & Access”, and “Educational Quality”.
- Individualized performance measures and benchmarks for “Economic Development & Institutional Mission” would be negotiated by CHE and the institutions.

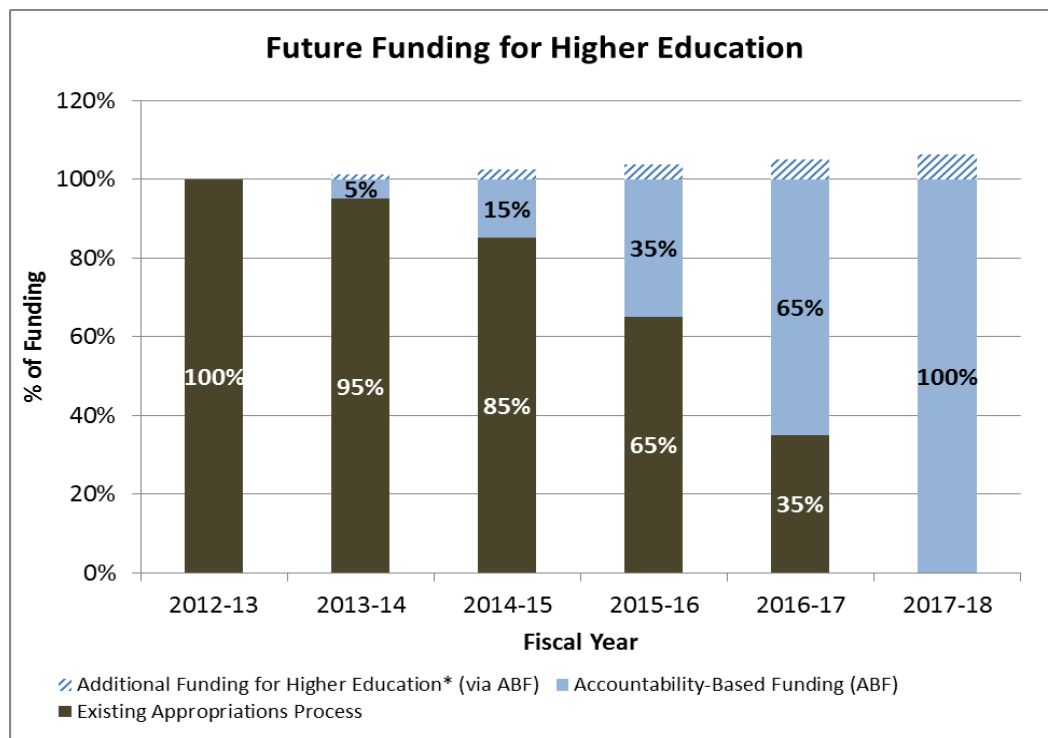
ALLOCATION OF FUNDS

- Funds appropriated for ABF would be allocated to institutions based upon their share of in-state undergraduate FTEs, adjusted for the institution’s performance score and Carnegie classification.
- Individual institutions would be scored based upon their performance, generally expressed as a percentage of the designated benchmark that applies for that institutional class.
- Performance exceeding the benchmark would be overweighted vs. results falling short of the benchmark (this is the “Outperform Multiplier” at the top of the model spreadsheet).

ABF Performance Categories and Indicators		
Performance Category	Performance Indicator	Weight
Completion (30%)	6-Year graduation rate	20%
	Retention rate for first-time freshmen (3-year rolling average)	10%
Affordability & Access (30%)	In-state undergraduate tuition and required fees	20%
	Average graduate debt load	10%
Educational Quality (25%)	Faculty with terminal degrees (%)	10%
	Full-time undergraduate student/faculty ratio	10%
	<i>(3rd factor tied to facilities or endowment size)</i>	5%
Economic Development & Institutional Mission (15%)	Progress towards institution-specific objectives, to be approved by CHE	15%

TRANSITION TO ACCOUNTABILITY-BASED FUNDING

- South Carolina's public institutions of higher education would transition to accountability-based funding for higher education over a six-year period.
- No funds would be driven through the ABF model during the 2012-13 transition year.
- An increasing share of higher education funds and any additional appropriations above the FY 2012-13 baseline would be driven through the ABF model.



* Future additional funding subject to the availability of appropriated funds.