

NEEDS DETERMINATION STUDY FOR HIGHER EDUCATION



Progress Report
May 4, 2000

MGT
of America

Study Overview

- Peer Selection
- Analysis of the MRR
- Review of Data Reporting to National Data Surveys
- Other Issues (Including Waivers and Sales Tax Payments)

Peer Selection

Develop Consensus on Guiding Principles for Selection of Peer Institutions

Primary Criterion: Mission of the Institution

Group of Public Institutions Identified with Similar Missions

Factor Analysis Completed on Institutions, with Factor Scores and Distance Scores

Each Research, Teaching and Two-Year USC Campus Selected Regional and National Peers; Technical Colleges Selected Regional and National Peers by Grouping within Technical College Sector

MRR Analysis

Develop Consensus on Desired Characteristics of a Funding Model

Review Other States' Funding Models

Evaluate the MRR Against the Desired Characteristics

Survey Peer Institutions

Analyze Peer Institution Data and Develop Comparisons

Evaluate the MRR Against the Peer Data

Make Recommendations for Any Needed Revisions



Review Data Reporting for National Reports:

**Identify and Reconcile Support Documents from National
and Regional Reports**

**Identify Any Needed Changes in Current Financial Data
Reporting**

Other Issues:

Sales Tax Payments

Waivers Available to Peer Institutions

Exhibit 1
Peer Lists for the Research Sector

Institution	Clemson	MUSC	USC
National:			
U of Arizona	1		
U Cal - Irvine			1
U Cal - San Francisco		1	
U of Col HSC		1	
Colorado State	1		
U Illinois Chicago			1
U Illinois Urbana	1		
Indiana Bloomington			1
Purdue	1		
U Iowa			1
Iowa State	1		
Kansas State	1		
U Mass Amherst	1		
Michigan State	1		
U Missouri - Columbia			1
U Nebraska Lincoln	1		
U Nebraska Omaha		1	
U New Mexico			1
SUNY - Buffalo			1
SUNY HSC Stony Brook		1	
U of Cincinnati (OH)			1
Oregon HSU		1	
U Pittsburg (PA)			1
U Utah			1
U Washington			1
Washington State	1		
Regional:			
Auburn	1		
U Ark for Medical Sciences		1	
Florida State			1
U Florida	1		1
U Georgia			1
Georgia Tech	1		
Medical College of GA		1	
U Kentucky	1		1
LSU HSC		1	
U MD - Baltimore City		1	
Mississippi State	1		
U Miss. Medical Center		1	
North Carolina State	1		
U North Carolina Chapel Hill			1
U OK			1
U OK HSC		1	
Oklahoma State	1		
U Tennessee Main			1
U Tennessee- Memphis		1	
U Texas Galveston		1	
Texas A & M	1		
Virginia Commonwealth			1
U of Virginia			1
VPI	1		
West Virginia U	1		

Peers	Citadel	Coastal	C of C	Lander	Francis Marion	SC State	USC - Aiken	USC - Spartanburg	Winthrop
Regional:									
Auburn - Montgomery (AL)							1	1	
Alabama State				1		1			
U of Montevallo (AL)	1		1	1					
U of North Alabama		1	1						
Arkansas Tech	1								
Henderson State (Ark)							1		
Florida A & M						1			
U of North Florida			1					1	
U of West Florida	1								
Albany State (GA)					1				
Augusta State U (GA)		1	1		1		1		
Armstrong-Atlantic (GA)							1		
Columbus State								1	
GA College and State U		1					1		
GA Southern			1						1
GA Southwestern State					1				
Fort Valley State (GA)	1				1				
Valdosta State (GA)			1						
Kentucky State				1	1	1			
Murray State (KY)				1					1
Western Kentucky									1
LSU - Shreveport							1		
McNeese State (LA)	1								
Nicholls State (LA)	1								
Southern University						1			
Coppin State (MD)					1				
Frostburg State (MD)		1							
Morgan State (MD)	1					1			
Salisbury State (MD)		1			1				
Towson State (MD)			1					1	1
U Md Eastern Shore					1	1			
Mississippi U for Women							1		
Appalachian State (NC)			1						1
NC A & T						1			
NC Central				1					
UNC Asheville			1				1		
UNC Charlotte								1	1
UNC Pembroke				1			1		
U NC - Wilmington		1	1		1				
Western Carolina (NC)				1	1	1			1
Austin Peay State U (TN)	1							1	
Tennessee Tech U	1								
U Tennessee - Chattanooga								1	
U Tennessee - Martin			1					1	
Midwestern State U (TX)								1	
Prairie View A&M (TX)						1		1	
Stephen F. Austin (TX)			1						
Sul Ross State (TX)				1					
Texas A&M - Corpus Christi	1	1							
Texas A&M International				1					
Texas A & M Kingsville						1			
U Houston - Clear Lake (TX)		1							
U Texas - Brownsville				1	1				
James Madison (VA)		1	1						1
Mary Washington (VA)			1				1		
Norfolk State (VA)			1						
Radford (VA)									1
Longwood College (VA)		1			1		1		
Marshall (WV)			1						1
	20	20	22	20	23	20	21	20	20

Exhibit 3
Two-Year Campuses of the University of South Carolina

Peers	Beaufort	Lancaster	Salkehatchie	Sumter	Union
National Peers:					
Eastern New Mexico - Roswell				1	
New Mexico State - Alamogordo	1				
New Mexico State - Carlsbad	1	1	1	1	1
New Mexico State - Grants					1
Unew Mexico - Gallop Branch				1	
U New Mexico - Taos			1		
Bowling Grren (OH) - Firelands	1	1		1	
Kent (OH) Astabula	1	1	1		1
Kent (OH) East Liverpool			1		1
Kent (OH) - Geauga					1
Kent (OH) Salem		1	1		1
Kent (OH) - Trumbull Campus				1	
Miami (OH) Middletown				1	
Ohio U- Chillicothe				1	
Ohio U - Eastern	1	1	1		1
Ohio U- Lancaster				1	
Ohio U - Zanesville	1	1	1		
Ohio State - Mansfield				1	
Ohio State - Marion	1	1	1	1	1
Penn State - Beaver	1	1	1		1
Penn State - Berks				1	
Penn State - Dubois				1	
Penn State - Fayette	1				
Penn State - Lehigh Valley					1
Penn State - McKeesport	1	1	1		1
Penn State New Kensington					1
Penn State - Shenango		1			
Penn State - Schuylkill	1				
Penn State - Wilkes-Barre	1	1	1		1
U of Pittsburg - Bradford	1	1	1		
U of Pittsburg - Titusville					1
Regional:					
U South Alabama - Baldwin Cty.	1	1	1	1	1
Arkansas State - Beebe					1
U Arkansas - Monticello					1
U Arkansas - Pine Bluff					1
New College of U South Florida		1		1	
Bainbridge College (GA)	1	1	1		1
East Georgia College	1	1	1		1
Atlanta Metropolitan (GA)	1				
South Georgia State	1	1	1		1
Waycross College (GA)		1	1		1
LSU at Alexandria				1	
LSU at Eunice				1	
Southern U (LA) Shreveport	1	1	1	1	1
Mississippi State - Meridian				1	1
Southwest Missouri - West Plains		1	1		
U North Carolina Pembroke					1
U VA College at Wise	1	1	1	1	
Total Number of Peers	20	21	20	23	21

**Exhibit 4
Technical Colleges**

State	Peers	Williamsburg, Denmark	TLC and Chester- field-Marlboro	Greenville Midlands Trident	All Others
Regional:					
AL	Bessemer				1
AL	D. MacArthur	1			
AL	Gadsden State CC			1	
AL	Lawson (Birmingham)	1	1		
DE	Delaware Tech				1
FL	Pensacola Jr. College			1	
GA	Floyd College				1
MD	Cecil CC		1		
MD	Allegany				1
MD	Chesapeake CC	1			
MD	Dundalk CC	1	1		1
MD	Prince Georges CC			1	
MS	Copiah Lincoln	1	1		
MS	Mississippi Gulf Coast CC			1	
NC	Beaufort	1			
NC	Brunswick	1			
NC	Central Piedmont			1	
NC	Davidson				1
NC	Fayetteville Technical CC			1	
NC	Gaston				1
NC	Mayland	1			
NC	Pamlico	1			
NC	Randolph		1		
NC	Rockingham		1		
NC	Sampson	1			
NC	Sandhills		1		1
NC	Wilson		1		
NC	Vance Granville		1		1
OK	Northeastern OK A&M				1
OK	Rose State College			1	
TN	Chattanooga State Tech CC			1	
TX	Alvin				1
TX	Amarillo			1	
TX	Texas State Harlingen		1		1
VA	J Sargeant Reynolds CC			1	

State	Peers	Williamsburg, Denmark	TLC and Chester- field-Marlboro	Greenville Midlands Trident	All Others
National:					
ID	North Idaho College				1
IA	Iowa Lakes CC				1
IA	Iowa Valley CC				1
IA	North Iowa CC				1
IA	Des Moines CC			1	
KS	Johnson County				1
MA	Berkshire				1
MA	Greenfield		1		1
MA	Massasoit CC			1	
MA	Mt. Wachusett	1			1
MA	Northern Essex CC			1	
MA	Roxbury	1			
MI	Gogebic			1	
MI	Henry Ford CC				1
MI	West Shore	1			
NE	Southeast CC Area				1
NE	Western Nebraska			1	
NJ	Hudson	1			
NJ	Salem	1			
NJ	Warren	1			
NM	San Juan - Farmington			1	
NY	Genessee	1			
NY	Herkimer			1	
NY	Hudson Valley CC				1
NY	Sullivan	1		1	
NY	SUNY - Canton			1	
NY	SUNY - Delhi			1	
NY	Tompkins-Cortland	1			1
OH	Cuyahoga CC District				1
OH	Lima Technical College				1
OH	Washington State	1			
OR	Lane CC				1
OR	Treasure Valley			1	
RI	CC of Rhode Island				1
UT	Snow College				1
WA	Spokane CC				1
WI	Fox Valley TC				1
WY	Western Wyoming			1	
	Total Number of Peers	20	20	20	25

EXHIBIT 5
DESIRED CHARACTERISTICS OF A FUNDING MODEL

Characteristic	Summary Description
A. Equitable	The funding model should provide both horizontal equity (equal treatment of equals) and vertical equity (unequal treatment of unequals) based on size, mission and growth characteristics of the institutions.
B. Adequacy-Driven	The funding model should determine the funding level needed by each institution to fulfill its approved mission.
C. Goal-Based	The funding model should incorporate and reinforce the broad goals of the state for its system of colleges and universities as expressed through approved missions, quality expectations and performance standards.
D. Mission-Sensitive	The funding model should be based on the recognition that different institutional missions (including differences in degree levels, program offerings, student readiness for college success and geographic location) require different rates of funding.
E. Size-Sensitive	The funding model should reflect the impact that relative levels of student enrollment have on funding requirements, including economies of scale.
F. Responsive	The funding model should reflect changes in institutional workloads and missions as well as changing external conditions in measuring the need for resources.
G. Adaptable to Economic Conditions	The funding model should have the capacity to apply under a variety of economic situations, such as when the state appropriations for higher education are increasing, stable or decreasing.
H. Concerned with Stability	The funding model should not permit shifts in funding levels to occur more quickly than institutional managers can reasonably be expected to respond.
I. Simple to Understand	The funding model should effectively communicate to key participants in the state budget process how changes in institutional characteristics and performance and modifications in budget policies will affect funding levels.
J. Adaptable to Special Situations	The funding model should include provisions for supplemental state funding for unique activities that represent significant financial commitments and that are not common across the institutions.
K. Reliant on Valid & Reliable Data	The funding model should rely on data that are appropriate for measuring differences in funding requirements and that can be verified by third parties when necessary.
L. Flexible	The funding model should be used to estimate funding requirements in broad categories; it is not intended for use in creating budget control categories.
M. Allocation Plan	The funding model should be used as a plan to allocate state general funds to a campus and not represent an expenditure plan for the institution.
N. Incentive-Based	The funding model should provide incentives for institutional effectiveness and efficiency and should not provide any inappropriate incentives for institutional behavior.
O. Balanced	The funding model should achieve a reasonable balance among the sometimes competing requirements of each of the criteria listed above.