

Revenue Allocation Model: (from Zielke presentation to National Consortium for Continuous Improvement in Higher Educations, February 12, 2005)

Guidelines

- Delineate and prioritize existing unit programs and services (operational component)
- Identify and prioritize new unit initiatives, as applicable (strategic component)
- Link funding to the unit's operational and strategic priorities (budget component)
- Incorporate an appraisal or evaluation of program efficiency and quality (assessment component)

Proposed Off the Top Funding Set-asides

- Instructional and institutional library support
- Instructional and capital research equipment
- Facilities M&R and Capital Improvements for both academic and support facilities
- Special incentives for Academic Excellence and Institutional Excellence
- Central Emergency/Contingency Reserve
- Enrollment Management Initiatives
- Technology Improvements

Model for Tuition Allocation Enrollment Incentive

Net Tuition= tuition less scholarships

Percent of tuition revenue goes to general campus support and the rest to colleges.

Tuition Allocation Criteria for Academic Unit Providing Courses to Its Own Majors: 100% of net tuition to academic unit course provider (for undergraduate, graduate, and professional)

Tuition Allocation Criteria for Unit Courses Provided to Majors OUTSIDE of Schools/Colleges: 80% of net tuition to academic unit providing course instruction and 20% of net tuition provided by Other Schools for its Majors (for undergraduate, graduate, and professional)

Allocation of Existing State Appropriation

90% to Academic and Administrative Units: Block Allocations and Performance-Based Incentives

10% to Designated Campus Priorities

Preliminary testing of new model revealed that most academic units would be receiving less revenue than they currently do. Thus, this "funding gap" would be made up in part by block allocations from state appropriations (i.e., from the 90%).

Block Allocation to Academic Units: would begin by making up 90% of funding gap, with this percentage decreasing over time (reviewed regularly)

Block Allocation to Administrative Units: would receive block allocation equal to a pre-determined percentage of its 2005 general revenue allocation; block allocation will be based on 90% of the units' current general revenue allocation; as admin. units cannot generate fee revenue from student enrollments, this percentage will remain constant each year.

Performance-Based Incentives: Units submit program-based budget requests for funds that demonstrate alignment with the university's core mission and strategic goals.

Academic Unit Performance Incentive Criteria

Student engagement, learning & success:	40%
Student engagement and learning	
Student degree success	
Community partner/leadership success	
Academic teaching	
Research, creative activity, & scholarship:	20%
National recognition	
Organizational Effectiveness:	40%
Workplace	
Program efficiency	

Administrative Unit Performance Incentive Criteria

Service Quality:	50%
Success of units in developing & delivering quality services to constituents	
Organizational Effectiveness:	50%
Workplace	
Program efficiency	

Examples of Types of Performance Incentive Criteria for State Appropriation Allocation:

- Contributions of Units to Vision & Values and MKC Goals
- Quality and Quantity of Unit's research, instruction, & service
- Private fund raising efforts
- Efforts to promote faculty & staff professional development
- Program efficiencies: partnerships & collaboration in delivery of programs/services; streamlined business processing
- Fulfillment of Community Needs
- Enrollment Management
 - SCH (new and retention)
 - Academic Unit's success in meeting enrollment goals
 - Student Performance
 - Faculty & Staff Performance
 - Test Scores

- Number of Graduates
 - Job Placements
- Comparison of peer institutions and benchmarking
 - Student to faculty teaching ratios
 - Relative cost of instruction, research, and service in the Academic Units