

Louisiana's Outcomes-Based Funding Formula Overview

SHEEO's Communities of Practice
April 11, 2023





Alignment: Formula + Master Plan

The Master Plan goal is 60% of all working-age adults (ages 25-64) in Louisiana to hold a degree or high-value credential by 2030.

The challenge is to:

- 1) Expand access and success in completing Postsecondary education;
- 2) Eliminate persistent and damaging equity gaps;
- 3) Significantly increase the education level for adults.

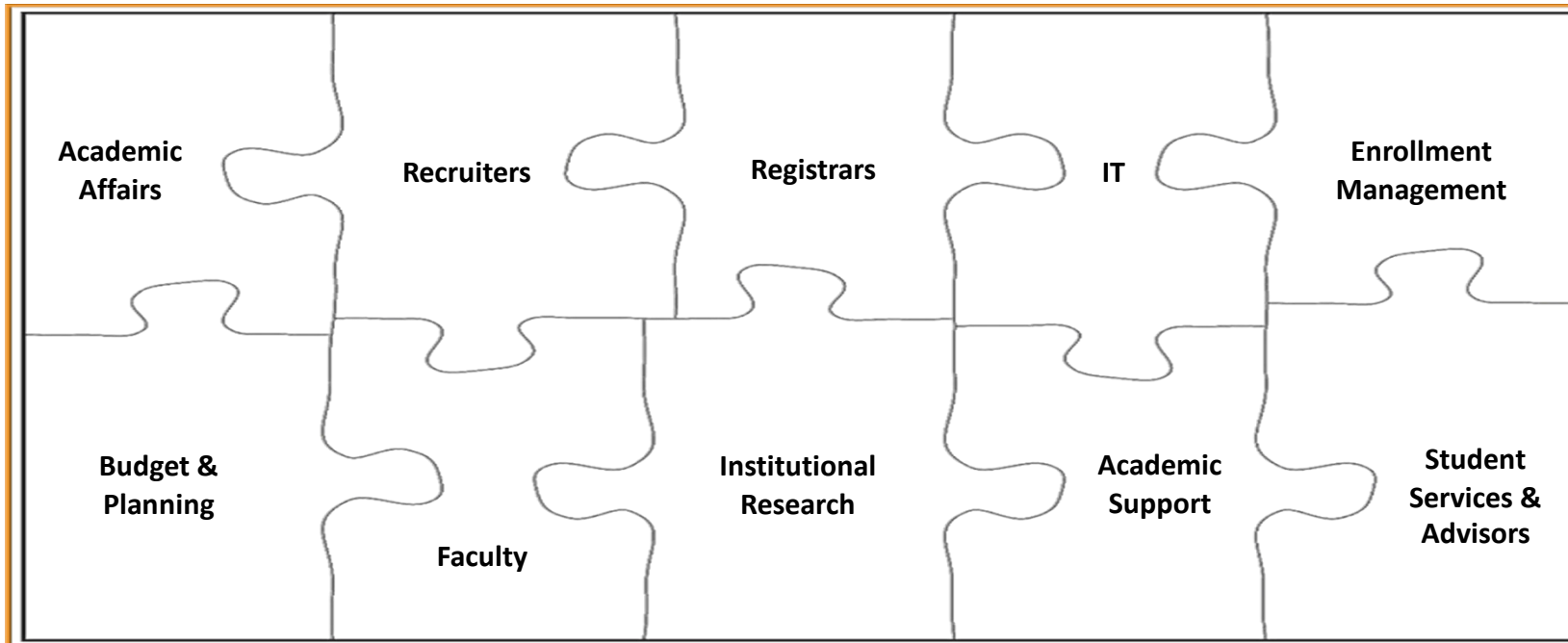
These challenges are the incentives for institutions to be rewarded in the model as the state works towards the attainment goal.

Institutional Success

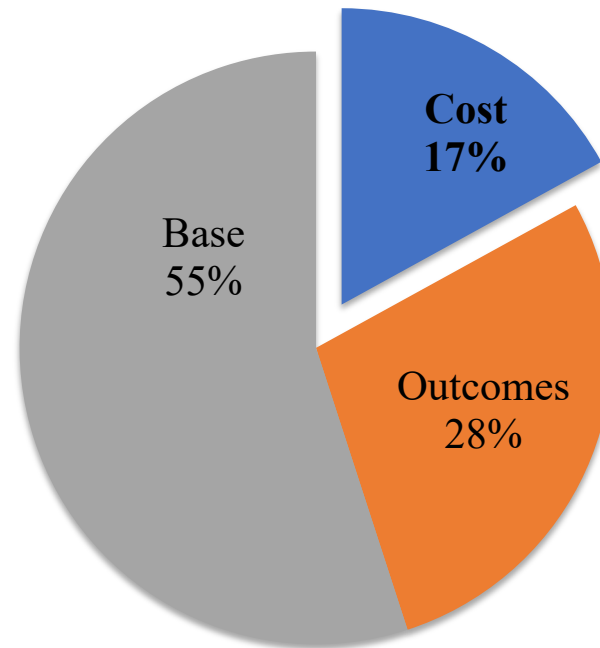
The funding approach considers, engages, and enables the entirety of the institution.

Understanding the model by all units helps achieve formula success.

OUTCOMES DEMANDS...

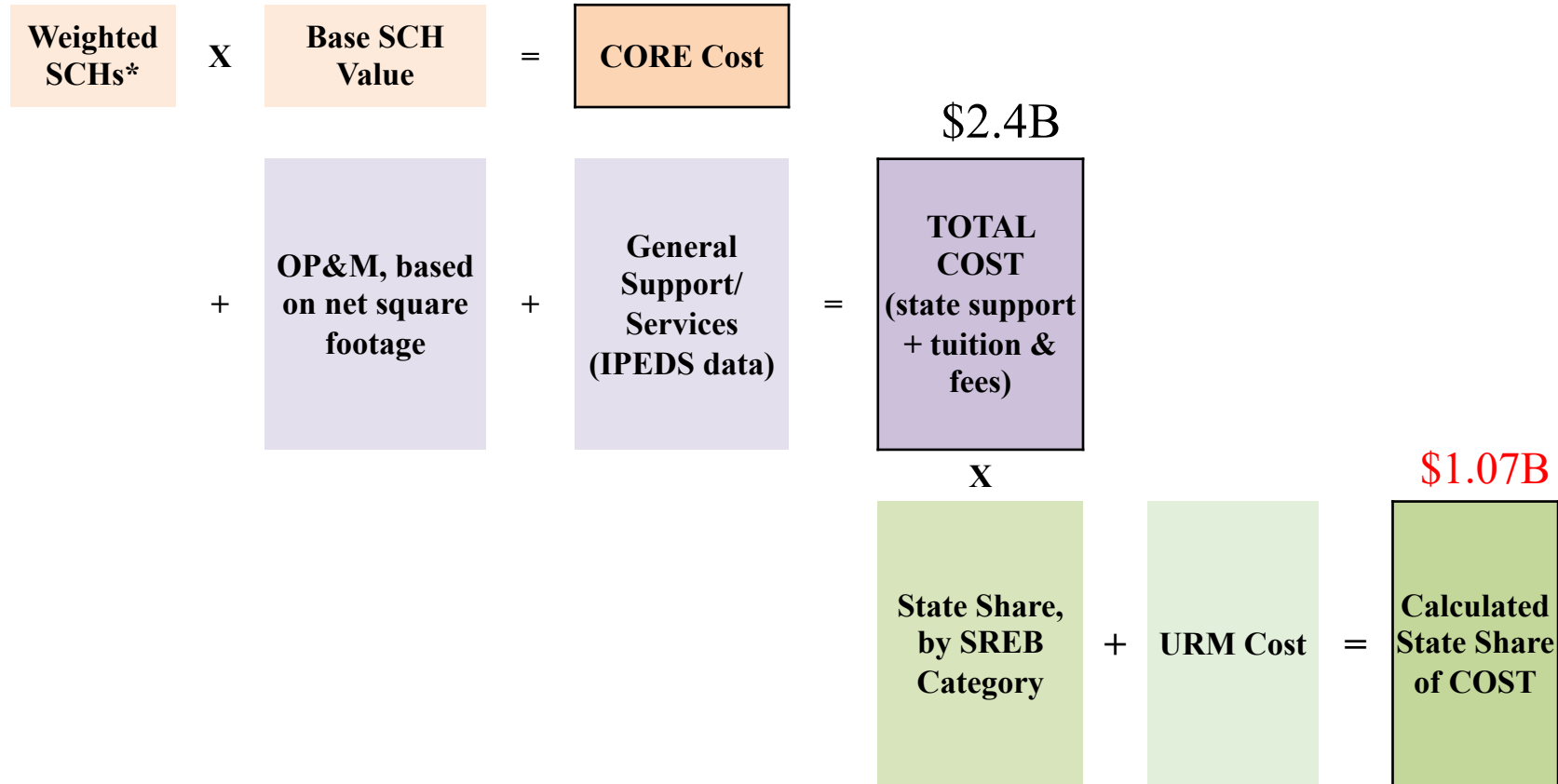


Understanding Costs





How We Determine the Request?



**\$537.5 Million
Allocation for FY23**



Cost: Components

Weights are based on Texas Cost Study which consists of 3-year average expenditures and semester credit hours

Group Name	Lower Level UGrad	Upper Level UGrad	Masters	Doctoral/ Prof.
Liberal Arts	1.00	1.69	3.91	9.23
Agriculture	2.02	2.54	7.13	9.62
Business Administration	1.11	1.71	3.16	23.34
Engineering	2.42	3.70	7.46	16.03
Fine Arts	1.42	2.33	5.41	7.22
Health Services	1.19	1.81	3.15	9.75
Home Economics	1.03	1.66	2.89	7.24
Law	1.00	1.96	4.15	4.15
Library Science	1.44	1.12	2.69	9.64
Military Science	1.00	1.00	1.00	0.00
Nursing	3.12	5.32	6.49	16.32
Pharmacy	1.48	5.02	23.28	34.24
Physical Training	1.38	1.18	0.00	0.00
Science	1.75	2.92	7.84	21.07
Social Service	1.88	2.09	2.98	14.70
Teacher Education	1.41	1.74	2.27	7.37
Technology	2.10	2.45	3.87	2.84
Veterinary Science	0.00	0.00	20.04	20.04

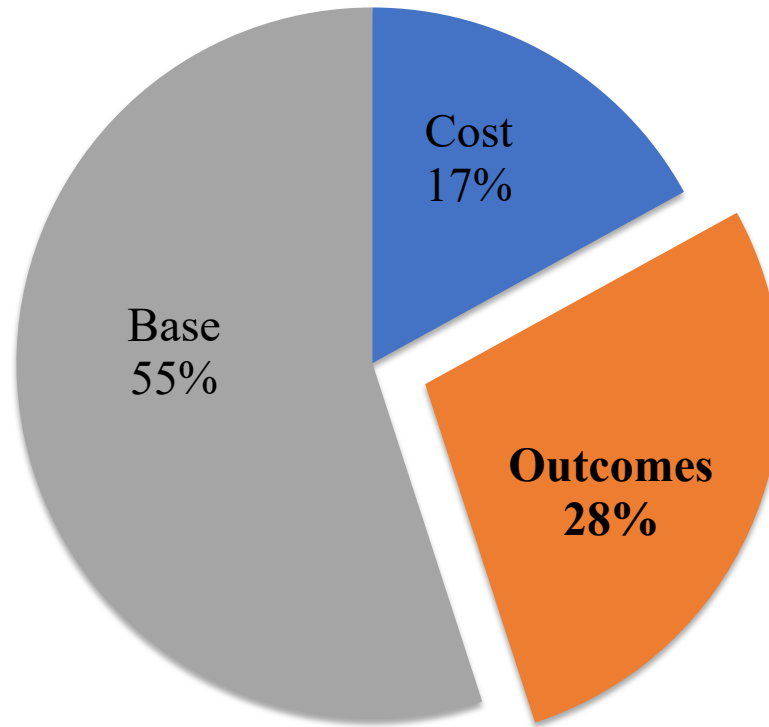


Example: Weighted SCHs as a Class Schedule

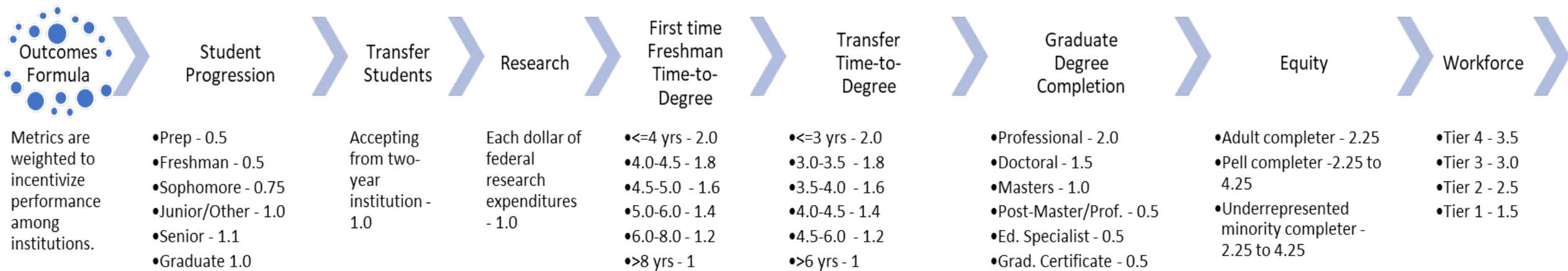
Lower Level Undergraduate Schedule with Weights					
Dept	Course Number	Course Title	Credit Hours	Weight	Weighted SCHs
ENGL	111	English Composition I	3	1.0	3
MATH	151	College Algebra	3	1.0	3
CHEM	111	General Chemistry I	3	1.75	5.25
ECON	211	Economic Principles I	3	1.11	3.33
CISP	200	Programming I	3	2.1	6.3
Total Semester Hours			15		20.88
Upper Level Undergraduate Schedule with Weights					
Dept	Course Number	Course Title	Credit Hours	Weight	Weighted SCHs
BADM	310	Business Finance	3	1.71	5.13
MGMT	362	Prin. Of Management	3	1.71	5.13
CISP	320	System Analysis & Design	3	2.45	7.35
HIMS	350	Data Analytics	3	2.45	7.35
HIST	401	History of Louisiana	3	1.69	5.07
Total Semester Hours			15		30.03

As students progress, the institution benefits in the cost formula

Understanding Outcomes



How Do We Calculate Outcomes? Points Earned



Total points at each institution are divided into total points at all four-year institutions to determine a percentage.



Institutional Outcomes Examples

Category	Average Student	Maximum Student
Senior level progression	1.1	1.1
Completes degree in <3 years as transfer	2	2
Completes in Business	1.0	
Completes in Computer Science		3.5
Is a Pell student completer	3.25	3.25
Is an equity population completer	4.25	4.25
Is an Adult completer		3.25
Total earned for student	11.6	17.35