

74-3202d. Same; performance indicators, review; core indicators of quality performance; selection of determinants for state moneys; institutional improvement plans; performance agreements; new state funds, requirements for receipt. (a) During the 2000 fiscal year, the state board of regents (1) shall review the performance indicators developed by the postsecondary educational institutions, including the municipal university; (2) after consideration of the core indicators of quality performance identified by the respective commissions and with the active involvement of the postsecondary educational institutions, shall approve those indicators that the state board determines should be implemented; and (3) shall select from among the indicators approved for implementation those indicators that will become determinants for the allocation of state moneys on the basis of performance. The indicators selected may vary among the postsecondary educational institutions and among institutional sectors and, if feasible, shall include indicators developed and adopted by the governing bodies of each postsecondary educational institution based on the needs of each such postsecondary educational institution.

(b) During the 2001 fiscal year, the postsecondary educational institutions, including the municipal university, shall develop institutional improvement plans showing how they will implement the performance indicators applicable to their institution and how they will measure performance on the basis of each indicator. Institutional improvement plans shall be revised and submitted to the state board of regents by each institution at least every three years. The state board of regents shall provide technical assistance to institutions in the development, implementation, and revision of their improvement plans.

(c) Commencing on July 1, 2001, institutional improvement plans shall be implemented for each postsecondary educational institution, including the municipal university. Each postsecondary educational institution shall begin the data collection, measurement, or other documentation necessary in order for its performance to be evaluated with regard to each indicator.

(d) Commencing on July 1, 2004, the state board shall have authority to review and approve institutional improvement plans, and, on the basis of each plan, shall develop and implement a performance agreement with each postsecondary educational institution. Performance agreements shall incorporate the goals, priorities, policies and mission objectives identified in the institutional improvement plans, and the performance measures, which will be used to demonstrate compliance and progress.

(e) Commencing on July 1, 2005, each postsecondary educational institution's receipt of new state funds shall be contingent on achieving compliance with its performance agreement. As used in this subsection, "new state funds" means that amount of state funds by which the amount received by a postsecondary educational institution for a fiscal year exceeds the amount received by that postsecondary educational institution for the preceding fiscal year. The state board shall determine the amount of new state funds to be received by each postsecondary educational institution, taking into account the postsecondary educational institution's level of compliance with its performance agreement and the funds available for distribution. Any new state funds received by a postsecondary educational institution pursuant to a performance agreement shall be deemed to be part of the state funds received in the preceding fiscal year for the purposes of determining new state funds for the postsecondary educational institution pursuant to a performance agreement for the ensuing fiscal year. If a postsecondary educational institution is not allocated any portion of new state funds in a fiscal year, the new state funds which the institution was eligible to be allocated by the state board in such fiscal year shall be deemed part of the state funds received by such institution in such fiscal year for the purpose of determining such institution's base budget and any new state funds for the ensuing fiscal year. The failure of a postsecondary educational institution to enter a performance agreement with the state board shall prevent that postsecondary educational institution from receiving any new state funds. Any funds designated by the legislature for a specific postsecondary educational institution or purpose shall be exempt from the provisions of this section.

History: L. 1999, ch. 147, § 12; L. 2001, ch. 94, § 3; L. 2002, ch. 188, § 3; July 1.