

Statement Opposing Performance-Based Funding for New York State Community Colleges

Faculty Council of Community Colleges

Performance-based (also called Outcomes-based) funding of public two-year colleges is increasing across the United States; as of December 2017, twenty-six states used performance-based funding in some form and to some degree to allocate public funds to the two-year colleges (“Trends”). New York, with the SUNY Excels program, is counted among those twenty-six. As state budgets continue to tighten and as elected officials feel increased pressure to show “accountability” in the allocation of public funds, pressure to pass legislation mandating increased performance-based funding in higher education grows.

Meanwhile, numerous comprehensive studies of the effectiveness of performance-based funding show mixed results at the very best. Many studies conclude that such funding schemes fail to show a positive impact in student performance. In addition, researchers report harmful unintended consequences to students and to the quality of education, especially for populations of students that community colleges, in particular, seek to serve.

For the following reasons, the Faculty Council of Community Colleges opposes the expansion of performance-based funding in New York, especially for the allocation of state funds to the two-year colleges.

- **Performance-Based Funding Is Ineffective:** Performance-based funding doesn’t work; there is a general failure to show positive impact in student performance (Hillman, et al.; “Unintended Impacts”; McKinney and Hagedorn).
- **Performance-Based Funding Is by Nature Destructive to the Mission of the Community Colleges:** By forcing our colleges to compete against one another for resources, performance-based funding in the form of SUNY Excels already creates “winners and losers” among the SUNY community colleges. Increasing the degree to which performance measures are used to allocate state funds would only increase that trend. The “losers” in such a system are not just individual colleges; they are the students those colleges serve.
- **Performance-Based Funding Has Harmful Unintended Consequences:** Whether a particular community college and its students “win” state funding under performance-based funding schemes or not, *all* of the colleges and their students will suffer a host of harmful unintended consequences, including the following:
 - Performance-based funding can lead colleges to seek to limit admission of underserved students (Lahr, et al.; McKinney and Hagedorn), who are among those the community colleges were created to serve;
 - By increasing institutional emphasis on short-term vocational certificates and other quick completions, performance-based funding further deemphasizes and threatens

- liberal arts programs—which produce the most flexible, adaptable, capable graduates, the kind companies have indicated they want to hire;
- Performance-based funding can lead to widespread grade inflation and a resulting weakening of standards (“Unintended Impacts”; Lahr, et al.);
 - Performance-based funding threatens academic freedom, research, and the pursuit of new knowledge (Butler and Mulgan);
 - Performance-based funding works to diminish the role of the faculty in shared governance (“Unintended Impacts”; Lahr, et al.), which in turn contributes to decisions about education being made, more and more, by people with less and less direct experience and expertise in pedagogy and in the academic disciplines;
 - Performance-based funding harms the morale of faculty and staff (Lahr, et al.), degrading student-learning conditions and hindering learning; and
 - Performance-based funding further burdens colleges with the costs of compliance (“Unintended Impacts”; Lahr, et al.).

Despite its purported well-meaning intentions, performance-based funding results in many adverse outcomes for community colleges and, most importantly, their students. While the Faculty Council of Community Colleges supports the exploration of new and innovative ways of funding higher education, we believe, based upon cited research, that performance-based funding ultimately harms community colleges and their ability to carry out their important missions to serve the needs of their communities and student populations.

Works Cited

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Additional Resources

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