



**CONNECTICUT STATE UNIVERSITY
AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS**

**Testimony of
Vijay Nair, President
Connecticut State University American Association of University Professors
to the
Higher Education and Employment Advancement Committee
March 12, 2015**

H.B. 6919: AN ACT CONCERNING OUTCOMES-BASED FINANCING.

Greetings, Senator Bartolomeo, Representative Willis, and members of the Committee. My name is Vijay Nair and I am the President of the Connecticut State University American Association of University Professors (CSU-AAUP), which represents more than 3,100 full-time and part-time faculty, librarians, coaches, and counselors at CSU. CSU-AAUP is both a collective bargaining agent and a professional organization, affiliated with National AAUP, which works to advance academic freedom and shared governance.

I write this in opposition to H.B. 6919: *An Act Concerning outcomes-based Financing* for two reasons: (1) even though performance-based (or outcomes-based) financing of higher education has been tried in various states going as far back as the 1970s and even though thirty states now have some form of performance-based financing in place and four more states are in the process of transitioning to a similar model¹ there has been no tangible evidence that this model of funding higher education actually produces the desired results. On the contrary, much of the research published to date shows that it is ineffective. (2) The task force H.B. 6919 proposes to establish does not include any faculty members from of our institutions of higher education.

On the effectiveness (or rather, ineffectiveness) of outcomes-based financing, I point to an excellent study published by the American Educational Research Association in January 2015.² The study evaluates Washington State's performance funding model, called the Student Achievement Initiative or SAI, that was adopted in 2007 for the state's community colleges. According to the authors, this model has come to be "widely recognized as one of the most carefully designed performance accountability systems in the United States, serving as a model for the most recent wave of new performance funding reforms" (p. 2). After an extensive analysis of pertinent data, the authors conclude, "in our analysis, we found that the performance

¹ National Conference of State Legislators. (2015, January 13). *Performance-based funding for Higher Education*. Retrieved March 9, 2015 from <http://www.ncsl.org/research/education/performance-funding.aspx>

² Hillman, N.W., Tandberg, D.A., & Fryar, A.H. (2015, January 14). Evaluating the Impacts of "New" Performance Funding in Higher Education. *Educational Evaluation and Policy Analysis*. Washington, D.C.: American Educational Research Association. Retrieved March 9, 2015 from: <http://epa.sagepub.com/content/early/2014/12/09/0162373714560224.full.pdf+html?ikey=OJ79wGW5mKVak&keytype=ref&siteid=spepa>

[Note: The American Educational Research Association (AERA), founded in 1916, is the largest national professional organization devoted to the scientific study of education.]

of Washington community and technical colleges was, on average, often not distinguishable from the performance of colleges in other states that were never subject to similar accountability polices. Despite the state's effort to create an incentive structure to improve retention and associate's degree production, we found no evidence that these outcomes occurred (on average) among Washington community colleges" (p. 14).

The study cited above also includes an extensive survey of the published literature of the last fifteen years and reports that none of the published studies has found any evidence that outcomes-based financing actually produces the desired results: a 2011 study of changes in Tennessee's existing performance funding program found that it had no systematic effect on retention and graduation rates (p. 4); a 2014 study of Pennsylvania's long running performance funding program concluded that it had not systematically increased degree completion (p. 5); a 2004 multi-state study concluded that performance funding had no systematic impact on graduation rates (p. 5); two national state-level studies done in 2014 found that, on average, performance funding had little to no impact on associate or baccalaureate degree completions (p. 5).

On my second objection to H.B. 6919: the proposed task force does not include any faculty members from our institutions of higher education. The task force is charged with considering the following objectives: *"(1) Rewarding public and independent institutions of higher education for (A) increasing the number of degrees awarded to residents of the state, including, but not limited to, degrees awarded in areas with workforce shortages and to students from underrepresented populations, and (B) increasing business activity in the state through research; and (2) rewarding public institutions of higher education for improving their productivity, which may be measured in part by a decrease in the cost to students of earning a degree."* It is the faculty of an institution that is primarily responsible for the education of its students, which leads to graduation and the awarding of degrees, and producing research, including the research that leads to increased business activity. Administrators, heads of agencies, government officials, all bring different knowledge and expertise to the table, but no one knows the business of a college or university – learning, teaching, and research – better than the people who are actually responsible for it. It is they who engage in these activities every day and it is their work that leads to graduation of students and production of research. If the legislature is to proceed with forming this task force, then I think the task force should have representation from the faculties of the Connecticut State Universities, University of Connecticut, Connecticut Community Colleges, and Charter Oak.

Thank you for this opportunity to address this important matter.

A handwritten signature in blue ink that reads "Vijay Nair". The signature is written in a cursive, flowing style.

Vijay Nair,
President
CSU-AAUP