A. Significant changes from Fiscal Year 2007 SSI allocation methodology include:

1. Restructuring the model structure (taxonomy) used by the Ohio Board of Regents.
   a. Increased the number of models from 16 to 26, in order to decrease the variance between a model's average cost and the average cost for the subject field / level of instruction combinations within that model.
   b. Primary structure is related to groupings of subject fields rather than by level of instruction (General Studies, Baccalaureate, Masters, Doctorate, etc.) in order to make it easier to understand by both academic administrators and policy-makers. The three model groupings are:
      i. Arts & Humanities (AH)
      ii. Business, Education, and Social Sciences (BES)
      iii. Sciences, Technology, Engineering, Mathematics, and Medical (STEM²)
   c. Costs are calculated for each Subject Field / Level of Instruction combination through the use of the Board of Regent Resource Analysis process. Within each subject field grouping, these subject field / level of instruction combinations were grouped according to costs. Note: Undergraduate and Graduate courses are reviewed in separate models.

2. The previous formula for calculating SSI was also modified in an attempt to make the calculation more equitable, as well as more transparent and easier to understand. The primary changes are:
   a. Movement to an adjusted Uniform State Share of Instruction as the method of calculating earnings by model, rather than using Local Contribution. A standard uniform share is provided for all models, and adjustments (weightings) are applied to models through a transparent calculation. These adjustments will be applied to:
      1. Graduate models
      2. STEM programs to ensure that they are not funded below current values (includes Medical models)
      3. Doctoral models set-aside (Continuation of Current Policy)
   b. Movement to a total cost approach to allocation of SII by eliminating many of the weightings and steps in the current model that provided differential funding based on individual characteristics at each campus. This change recognizes that while different campuses may have different cost structures, the goal is to provide the instruction in a cost effective manner. By
eliminating these adjustments and protections, the new formula provides incentives to ensure that they are cost effective in all areas of cost. These eliminations include:

1. Removing square footage protection
2. Removing POM weighting
3. Removing Student Services weighting
4. Use model cost vs. State wide average cost for Student Services component

c. The model costs are based on a six-year average cost obtained from Resource Analysis. In the past, only the most recent year’s cost data was used.

d. Continued protection for campuses with large differences between Activity-Based POM and Net Assignable Square Feet-Based POM. Institutions on this protection will be required to provide the Board of Regents an analysis that attempts to identify why the campus significantly exceeds that of other campuses.

Taken from Handbook for New Taxonomy SII Formula (Doc)