

DEPARTMENT OF HIGHER EDUCATION

STATE SHARE OF INSTRUCTION HANDBOOK:

***METHODOLOGY FOR ALLOCATING
STATE SHARE OF INSTRUCTION FUNDS
FOR FISCAL YEAR 2025***

FOR USE BY:

UNIVERSITY REGIONAL & MAIN CAMPUSES

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Link to the SSI spreadsheets

The SSI spreadsheets are referenced heavily throughout this document and are available online at the Ohio Department of Higher Education (ODHE) website, using the following link:

<https://highered.ohio.gov/data-reports/hei-system/hei-data-submission/hei-ssi-info/hei-ssi-information>.

Please scroll down to click on the heading “State Share of Instruction (SSI) Spreadsheets”. This will take the user to the Operating Budget Details page. Click on the appropriate Operating Budget. Then, under the heading “First Half Projected SSI Distributions” or “Final SSI Distributions” please choose “Universities”. Please note that the SSI spreadsheets for universities in a fiscal year will typically be identical between the “First Half Projected SSI Distributions” and the “Final SSI Distributions”, because universities do not have a projection and a true-up, or reconciliation, process. All data used in the university SSI Spreadsheets are actual, and no projected data are used.

Methodology For Allocating State Share of Instruction for use by University Main and Regional Campuses

Fiscal Year (FY) 2025

I. University Funding Methodology Overview

The primary components of the SSI formula, and their relative share of the overall allocation within each sector, are based on the original recommendations of the Ohio Higher Education Funding Commission, November 2012, referenced here: <https://highered.ohio.gov/data-reports/hei-system/hei-data-submission/hei-ssi-info/hei-ssi-information>. Please scroll down to the section titled “Archived Information” and click on the link titled [Recommendations of the Ohio Higher Education Funding Commission](#).

The University SSI funding methodology consists of three primary funding components:

1. Course Completions (aka Completed Full Time Equivalents (FTEs)) which comprises approximately 30% of the university SSI appropriation;
2. Degree Completion which comprises 50% of the university SSI appropriation; and
3. Set-Asides, if applicable
 - a. Medical model set-aside
 - b. Doctoral set-aside.

The SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, show the university appropriation for the fiscal year in the <parameters> tab. The <parameters> tab includes funding for both main and regional campuses. The amount available for the course completions component is determined after the following calculations are complete:

- a. Reserving 50% of the total annual State Share of Instruction appropriation for Universities for a weighted degree completion component. The degree completion funding component is calculated based on data from both university main and regional campuses.
- b. Reserving the following:
 - Doctoral Set-Aside Allocation = 11.78% of the total annual State Share of Instruction appropriation for Universities.
 - Medical 1 Set-Aside Allocation = 1.69% of the total annual State Share of Instruction appropriation for Universities. This increased from 1.48% starting with the FY 2024 SSI funding model.
 - Medical 2 Set-Aside Allocation = 6.41% of the total annual State Share of Instruction appropriation for Universities.

- c. The remaining university SSI funding shall be allocated through the course completion component of the SSI formula.

Changes in the current biennium

The University funding model for FY 2025 has not changed from the FY 2024 funding model.

The University funding model for FY 2024 contained two changes according to HB 33, as enrolled, 135th General Assembly.

- The Medical 1 Set-Aside Allocation increased from 1.48% to 1.69%.
- The allocation of the Medical 1 Set-Aside was changed from being entirely allocated to The Ohio State University for its Dental Health and Veterinary Medicine course completions, to allocated in the following ratio:
 - 12.34% allocated to Kent State University for its Podiatric Medicine course completions, and
 - 87.66% allocated to The Ohio State University for its Dental Health and Veterinary Medicine course completions.

II. Determining the Cost of Courses and Degrees

Because both the course completions and the degree attainment components of the formula have a cost basis. The determination of these costs is explained first. The steps used to calculate the model costs for courses and degrees are described below.

Collect Resource Analysis Data to Develop the Statewide Average Model Cost for Each Subsidy Model

The Department of Higher Education collects cost and enrollment data from each of the campuses (all sectors). These data include a course level and subject code for each course which are used in combination to categorize courses into subsidy models based on cost and content. Each course is assigned to one of 26 cost models based on subject area and level of instruction:

- Arts & Humanities (1-6)
- Business, Education and Social Sciences (1-7)
- Science, Technology, Engineering, Math and Medical (1-9)
- Doctoral (1-2)
- Medical (1-2)

The cost and enrollment data are used to determine the average cost per FTE for each Subsidy Model for the most recent 3 years available prior to running the SSI formula for the first year of the target biennium. An FTE is defined as number of credit hours divided by 30. In determining the average cost for the FY 2024 and FY 2025 biennium, the calculation is based on data for FYs 2019, 2020, and 2021. The cost allocation is done in the Resource Analysis process described on the ODHE website at <https://highered.ohio.gov/data-reports/hei-system/hei-data-submission/area-resource-analysis/hei-ra-specs>.

Normalize and average historical costs, then inflate the average to the years in the biennium

For the FY 2024 and FY 2025 biennium, costs for instruction for each model were calculated using three years (FYs 2019, 2020, and 2021) of costs in the Resource Analysis process. To make these three years of costs comparable, FY 2019 costs were inflated to FY 2021, and FY 2020 costs were inflated to FY 2021, using the Higher Education Cost Adjustment (HECA)¹. Three-year average costs (in constant 2021 dollars) were then inflated by the three-year average HECA to yield FY 2024 and FY 2025 model costs.

The SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, show the statewide average costs for each model for the biennium in the <Model Cost> tab.

Add Higher Education Funding Commission Priority Weightings for Science, Technology, Engineering, Mathematics, Medicine, and Graduate Courses by model

¹ For a description of the derivation of HECA, please see the SHEEO technical paper: https://sheeo.org/wp-content/uploads/2019/04/Technical_Paper_A_HECA_1.pdf

The Higher Education Funding Commission endorsed a priority weighting for STEM and graduate models.²

The STEM weights were calculated in a manner that held STEM and Medical models harmless relative to the amount of state support the same instruction earned in a previous SSI methodology, using FY 2007 as the base year. In cases where this addition is negative, it is set to zero (i.e. it never reduces the SSI of a model).

The graduate weighting (used by University Main and Regional campuses) was calculated in a manner that maintained the relative amount of state support for graduate and undergraduate activity that existed in a previous, enrollment-based, SSI methodology, using FY 2009 as the base year.

The STEM and graduate model priority weightings are multiplied by the respective model cost for each of the 26 models. The SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, show the Model Reimbursement Cost for each model for the biennium in the <Model Cost (courses)> tab.

Determine the Statewide Average Degree Costs

The cost of each degree is calculated using the statewide average cost of the SSI model for each course taken, adjusted, weighted, and inflated to the appropriate year, as described above. The costs of courses taken at any University System of Ohio (USO) university or college campus, through the year and term the degree is awarded, by students who met the following criteria, are included in these calculations.

For FY 2024-FY 2025 degree costs, a query of HEI data is used to select degrees earned in FY 2019, FY 2020 and FY 2021 for which there is evidence that all instruction for the degree was earned on a USO campus. (Note: A student's coursework needs to be completed within the time frame of the HEI system's existence (i.e. FY 1999 and later), to be included in the calculation.) In other words, the procedure compares the credit hours earned of each degree recipient to the minimum credits required for the degree at each institution (as reported in the Academic Program file in HEI) to determine whether that degree should be included in the calculation of degree costs. Barring a few special exceptions, undergraduate enrollments do not count for graduate degrees and vice versa. Also, for graduate degrees, the course must be taken at the degree granting institution.

Once the cost of degrees earned in each subject and level is calculated then the degrees are aggregated as shown below. A statewide average degree cost is then calculated for each level of the aggregation.

² Ohio 127th General Assembly, Main Operating Budget for FY 2008 – FY 2009 H.B. 119, SECTION 375.30.20.(C) State Share of Instruction. https://search-prod.lis.state.oh.us/api/v2/general_assembly_127/legislation/hb119/08_EN/pdf/ see page 1,745.

Table Below Shows Aggregation of degrees into Technology Areas for Associate Degrees, and Aggregation of Degrees into Subject and Discipline Levels for Bachelor's Degrees and Above. A Statewide Average Degree Cost is then Calculated for each Level of Aggregation

Technology Areas	Discipline Areas	Subject Fields
Business Technologies	Business	
Engineering Technologies	Engineering	
Health Technologies	Health	
Public Service Technologies		Public Administration and Services
		Protective Services
Agriculture Technologies		Agriculture
Natural Science Technologies	Natural Science and Math	Exclude Agriculture
Liberal Arts	Arts & Humanities	
	Education	
	Social and Behavioral Sciences	Exclude Public Administration and Services
Other	Unclassified	Exclude Protective Services

The statewide average degree cost is calculated by degree level. Different degree levels have different aggregation categories. Associate degrees are grouped into the various technical areas, plus Liberal Arts.

Bachelor's, master's and professional degrees are grouped by Subject Field (based on the CIP code as reported in the DC file).

Doctoral degrees are grouped by Discipline Area (which is broader than Subject Field), because there are too few degrees in some Subject Fields.

The category into which a degree falls is determined by the level and the subject code (or CIP code) under which it is reported by the institution in the Degrees and Certificates Awarded (DC) file.

The costs (sum of costs of courses taken) of degrees earned in the given technology area, subject field, or discipline (as appropriate given the degree level) are averaged to determine the statewide average cost for degrees that fall into that category. The SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, show the statewide average costs for degrees in each category, and for the biennium, in the <degree cost> tab.

III. Course Completion Component of the Formula

Collect subsidy eligible completed FTEs and at-risk completed FTEs and calculate the 3-year averages

For the FY 2025 SSI, FTEs from calendar year (CY) 2021, CY 2022, and CY 2023 were used. An FTE for subsidy purposes is defined as 30 semester credit hours in one year. Please note that high school students and credits earned at the university while students are in high school are included in the SSI formula.

There are two tests for subsidy eligibility: one is applied at the student level, one is applied at the course level. FTEs are included in the SSI formula unless the student is designated ineligible in the Student Subsidy Eligibility Status field in the Student Enrollment (SN) file, or the course is designated ineligible in the Eligible for Subsidy field in the Course Inventory (CI) file.

For undergraduate students, the student-level test is primarily one of residency status, although there are other possible reasons why an undergraduate might be deemed ineligible (see Appendix A). An undergraduate student will be designated Subsidy Ineligible, Non-resident (IR) in the Student Subsidy Eligibility Status field in the Student Enrollment (SN) file if the undergraduate student is not considered a legal resident of the State of Ohio for fee purposes.

For graduate or professional students the student-level test is different. Graduate and professional students are not deemed eligible or ineligible solely by residency status. A graduate or professional student may still be subsidy eligible even if he or she is not a resident. However, if the graduate or professional student is both a non-resident and enrolled exclusively in distance education courses then that student will be ineligible, with a code of IR in the Student Subsidy Eligibility Status field in the Student Enrollment (SN) file. There is also the possibility of a graduate student being ineligible due to exceeding the graduate credit hours cap (see Appendix A).

Please see **Appendix A: Assignment of the Student Subsidy Eligibility Status in the Student Enrollment (SN) file**, for greater detail of rules that guide the assignment of a value in the Student Subsidy Eligibility Status field of the Student Enrollment (SN) SN file. Please note that for FTEs to be included in the SSI, both the student and the course need to be eligible for SSI. Appendix A describes only the rules surrounding the assignment of student Subsidy Eligibility Status.

For ODHE guidance on rules surrounding the assignment of both the student subsidy eligibility and course subsidy eligibility, please see the following two links:

Student Subsidy Eligibility: Guidance on assigning values in the Subsidy Eligibility Status field of the Student Enrollment (SN) file:

<https://highered.ohio.gov/data-reports/hei-system/hei-file-doc/hei-enrollment/hei-sn#studsub>

Course Subsidy Eligibility: The data in the Course Inventory (CI) file determines the subsidy eligibility of courses:

Three-year averages of subsidy eligible completed FTE and at-risk subsidy eligible completed FTE counts are generated for each combination of institution, subject field, and level of instruction. Each such combination is referred to as a subsidy model. So, for example, Bowling Green State University (BGSU) biology at the bachelor's level is one distinct combination, and therefore one model, while BGSU biology at the master's level is a distinct combination and thus a different model.

The completed FTEs, at-risk FTEs, and resulting averages used in SSI calculations can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <subj Level> tab. FTEs included in the Institution/ Subject Field/ Level of Instruction combinations that are categorized in the doctoral and medical subsidy models are not included in the general FTE, but instead are in the Doctoral and Medical set-asides.

Define and Weight the at-risk completed FTE:

Students are at-risk for course completions if they have either or both of the following characteristics:

- **Financial:** EFC < \$2190, based on FAFSA application data;
- **Academic:** ACT score of less than 17 in either Math or English or completion of developmental course work at any public college or university for students with no ACT scores.

Any course completed (measured in FTEs) by an at-risk student is included in the at-risk add-on as described below.

At-Risk Students are given additional weighted FTEs based upon the difference in course completion rates for at-risk students compared to the course completion rates for students who are determined to not be at-risk. The at-risk FTEs are multiplied by two factors, a model specific weight and an institution specific index to determine the weighted at-risk FTE. For the FY 2025 SSI, model specific at-risk weights were calculated from CY 2021, CY 2022, and CY 2023 enrollment data, and institution specific at-risk weights were calculated from FY 2020, FY 2021, and FY 2022 enrollment data.

For the calculation of the model specific, statewide, weight, students are considered at-risk if they have one or both of the above characteristics. Students are placed into one of 4 categories: Not at risk, financial risk only, academic risk only, or academically and financially at risk. The at-risk course completion weight is calculated as the difference between course completion rates for non-at-risk undergraduate students versus the course completion rates for at-risk undergraduate students. This weight is statewide (not institution specific) but is calculated by model; so, for example, the weight for engineering courses might be different than that for English courses.

The at-risk course completion institution index is institution specific and it captures the magnitude of the "at-risk" student population at each institution in all of the combinations of the various risk categories. This takes into account the number of students in each risk category as well as the number of at-risk factors they meet.

The at-risk weights and indexes are calculated, and can be viewed, in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <enroll at risk mod state by CY> and the <enroll at risk inst by FY> tabs. The access add-on is calculated, and can be viewed, in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <subj Level> tab.

At-Risk Course Completions add-on FTE =

(3-year average At-Risk Completed FTEs)

*

(Statewide Average Course Completion At-Risk Weights by model)

*

(At-Risk Course Completion Index by institution)

The access add-on is calculated, and can be viewed, in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <subj Level> tab.

Calculate Course Completions SSI by Institution, Subject Field, and Level of Instruction

The amount of the SSI appropriation that is allocated to course completions (as determined in section I. **University Funding Methodology Overview**, above) is prorated to each combination of institution, campus, subject, and level reimbursement amount. First the 3-year average completed FTE for each combination is multiplied by the appropriate model cost (calculated as described above) to determine the reimbursement cost for each combination. Then a calculation of the at-risk add-on FTE is performed as described above, multiplied by the appropriate model cost. The ratio of the reimbursement cost calculated for each institution, campus, subject, and level to the total reimbursement cost for the sector is multiplied by the course completion allocation to determine the SSI distributed for that institution, campus, subject, level combination. The sector total used for the ratio is the sum of the reimbursement costs for completed FTE and for the at-risk add-on FTE.

This calculation can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <subj Level> tab. The share of the appropriation being prorated and the total reimbursement costs for the sector are seen at the bottom of the columns.

Starting in FY 2015, the weighted course completion funding component is allocated by institution - across both university sectors (university main and regional campuses) with a single appropriation, reimbursement costs, and SSI allocations.

The <summary> tab in the SSI spreadsheets sums the course completions SSI distributions by institution to show the total allocation amount each institution earned from course completions.

IV. Degree Completion Component of the Formula

This section provides the methodology for allocating the degree completion component of the SSI formula, as shown in section I. **University Funding Methodology Overview**, above (50% of the appropriation in FYs 2024 and 2025).

Per the Higher Education Funding Commission's recommendation, the following degrees shall contribute to the degree counts in the degree completion model:

- Associate degree completion at any university regional or main campus shall be eligible for degree completion funding;
- Baccalaureate degrees; and
- Masters and Professional degrees, excluding Medical 1 and Medical 2 degrees.

Subsidy eligible degrees shall be adjusted as follows:

- The degrees conferred to students identified as residents of the state of Ohio in any term of their studies, as reported through the Higher Education Information (HEI) system student enrollment file, shall be weighted by a factor of 1.
- The undergraduate degrees conferred to students identified as out-of-state residents during all terms of their studies, as reported through the Higher Education Information (HEI) system student enrollment file, who remain in the state of Ohio one year after graduation shall be weighted by a factor of 50 per cent. In order to avoid unnecessary delay in awarding SSI for degrees earned, it was agreed that an institutional 'stay in state' rate would be determined and used as a proxy for knowing which individual graduates remained in Ohio. The institutional 'stay in state' rate can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <Institutional Out-of-State Rate> tab.

Determine the Number of Degree Credits earned by each University

First, data on degrees earned at each institution in each level and subject (or discipline for doctoral degrees as explained in section II above) is collected. This includes Associate's, Bachelor's, Master's, and Professional degrees (excepting Medical degrees) awarded at all university main and regional campuses. If a student earns more than one degree at the same level, in the same fiscal year, the most costly of those degrees is included wholly and all others at that level, earned in that year are weighted at .25. For the FY 2025 SSI, degree attainment is measured by the three-year average of the degree credits associated with degrees awarded in CY 2021, CY 2022, and CY 2023.

Because there are no data in HEI that explicitly relate courses to degrees, the formula converts all credit hours to semester hours and calculates and sums the cost of all college level course credits earned in a USO university (main or regional campus) earned by each graduate as long as they meet these criteria:

- 1) The credit hours were earned since the last degree at that same level was earned;
- 2) The credit hours were earned in the same term as the degree or earlier;
- 3) The credit hours are reported as completed in the course enrollments (CN) file;

4) In general, undergraduate credit hours do not count toward graduate degrees, although there are some exceptions to this rule. For example, University of Cincinnati Pharmacy students receive a graduate degree but there is no terminal Bachelor's degree as part of the program and so most are never reported as graduate students. Undergraduate credit hours (those taken as an undergraduate) apply to these degrees.

The fraction of the degree or degree credit used for each contributing institution is:

Cost of credit hours earned at the individual institution divided by the cost of total credit hours earned toward the degree at all USO institutions or statewide average degree cost – whichever is higher.

If the cost of a given degree is less than the statewide average cost, the remainder of the cost between the cost of total credit hours earned at all USO university campuses and the Statewide Average Cost of the Degree, if any, is converted to degree credits and is awarded to the degree granting institution as a bonus. For example if the cost of a degree including all credits in the IUC is \$90,000 and the statewide average cost is \$100,000, then 0.9 degree credits would be awarded based on the cost of credits earned in the system and the degree granting institution would get a 'bonus' of 0.1 degree credits for that degree. The bonus is capped at 0.125 for degrees earned by students who transferred in more than twelve credit hours.

If the cost of the degree was greater than the statewide average cost for that degree, there is no bonus. Also, no bonus is applied if a previous degree at the same level has been earned.

There are also adjustments made for multiple degrees earned. If an associate's degree is earned and then a bachelor's degree is earned, the hours that counted toward the associate's degree do not count toward the bachelor's degree. If the bachelor's degree is more costly than the associate's degree, then the difference in costs is credited to the bachelor's degree. If the associate's degree is higher cost (this would be rare) then the bachelor's degree credits include only the courses taken between the associate's degree and the bachelor's degree. As discussed above, if a student earns more than one degree at the same level, in the same year, the most costly of those degrees is included wholly and all others at that level, earned in that year are weighted at .25.

For degrees including credits earned at multiple institutions, degree attainment funding shall be allocated to universities in proportion to each campus's share of the student-specific cost of earned credits for the degree. Each institution shall receive its prorated share of degree funding for credits earned at that institution. Cost of credits not earned at a university main or regional campus shall be credited to the degree-granting institution for the first degree earned by a student at each degree level. The cost credited to the degree-granting institution shall not be eligible for at-risk weights and shall be limited to 12.5 per cent of the student-specific degree costs. However, the 12.5 per cent limitation shall not apply if the student transferred 12 or fewer credits into the degree granting institution.

The resulting degree credits can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <degrees> tab.

Determine which Degree Credits are Eligible for At-Risk Funding for each At-Risk Category.

At-risk degree credits are defined as those from above that were earned by students with any of the following characteristics:

- **Age:** The student was over 22 when they began college. This calculation uses the difference between the year first enrolled in any USO institution and year of birth as full birth dates are not available for all students.
- **Financial:** The student had an EFC of less than \$2,190 in any of the years prior to degree attainment.
- **Academic:** The student scored less than 17 on the ACT Exam in either Math or English OR, if no ACT data is available, the student completed any Developmental course on any USO campus at any time before the degree was awarded.
- **Race:** If the student was reported as African American, American Indian, or Hispanic from the Student Entrance table with the same admission area as the corresponding DC record.
- **First Generation Status:** This is determined by using the student's first FAFSA application based on the highest grade level of the parents being High School or less.

At-risk degree credits are identified in the process of selection of degrees for SSI. Degree credits earned through the 'bonus' rather than through courses earned at that institution are not included in the at-risk add on for degree credits. The resulting degree credits can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <degrees> tab.

Calculate the Statewide At-Risk Weights for Undergraduate Degrees Earned.

Each student (and therefore degree credit) is placed into one of 32 categories based on which of the risk factors they have, ranging from students with none of these risk factors to students with all five risk factors.

The at-risk weights for undergraduate degrees are designed to reflect the decreased likelihood of students graduating based on their risk category. For FY 2025, these at-risk weights were calculated using cohorts of degree seeking students who started at a USO regional or main campus in the summer or autumn of FY 2013, FY 2014, FY 2015 or FY 2016. Attainment of either a bachelor's degree or an associate degree within 8 years was measured. For example, and using the cohort of students who started at a USO regional or main campus in the summer or autumn of FY 2016 as an example, attainment of a bachelor's or an associate degree within FY 2016 through FY 2023 was measured. The degree attainment rate of students in each at-risk category was compared to that of students who were not at-risk to determine the weight for each category.

The calculation of the at-risk degree weights, as well as institution level data, can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <degree index> tab.

Calculate the Non-Resident Weights for Undergraduate Degrees Earned.

Degree credit counts are separated into 4 categories:

Resident (in-state) Degree Credits;

Resident (in-state) At-Risk Degree Credits;

Non-Resident (out-of-state) Degree Credits;

Non-Resident (out-of-state) At-Risk Degree Credits.

The at-risk degree credits are a subset of the overall credits and are used as add-ons in the formula.

As mentioned above in this section of this document, the undergraduate degrees conferred to students identified as out-of-state residents during all terms of their studies, as reported through the Higher Education Information (HEI) system student enrollment file, who remain in the state of Ohio one year after graduation shall be weighted by a factor of 50%. This 50% reduction is applied to the degree credits. In order to avoid a delay in funding out of state degrees, an institution specific 'stay in state' rate is used to determine what percentage of out of state degree credits should be included. The rate is based on the percentage of their out of state undergraduate graduates who remained in the state and were employed (according to ODJFS records) &/or pursuing more education at a USO institution. This rate uses the most recent 3 years' worth of graduates for whom ODJFS data are available. The institutional 'stay in state' rate can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <Institutional Out-of-State Rate> tab, and is applied to the appropriate categories of degree credits in the <degrees> tab.

Calculate the Degree Completion Allocation.

Degree credits in each combination of resident and risk categories listed above, institution, subject, and level are multiplied by the degree costs. Degree costs can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <degree cost> tab. Degree costs were described in section II. **Determining the Cost of Courses and Degrees.**

Degree costs are multiplied by the State Share to generate the SSI allocation for degree completions, for each combination of resident and risk categories listed above, institution, subject, and level. The State Share is the ratio of the total appropriation for the degree completion component of the SSI divided by the total degree costs.

The application of the State Share can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <degrees> tab.

V. The Doctoral Set Aside and Medical Set-Asides

- a. Allocate 25% of the doctoral set-aside funds based on the cost of FTE course completions from the same years as the FTE data used in the course completion component of the SSI.
- b. Allocate 50% of the doctoral set aside funds based on weighted cost of doctoral degrees from the same years as the degree component of the SSI.
- c. Allocate 25% of the doctoral set aside funds based upon their respective shares of the most current NSF expenditure data available (with the grants awards from the Department of Health and Human Services weighted at 50%).
- d. Beginning in the FY 2024 SSI, 12.34% of the Medical 1 set-aside is allocated to Kent State University and 87.66% of the Medical 1 set-aside is allocated to The Ohio State University.
- e. The Medical 2 set-aside is allocated amongst the institutions that have medical schools based on their FTE shares.

Calculate the FTE component of the Doctoral Set Aside for each institution with doctoral instruction.

Allocate 25% of the doctoral set aside funds based on subsidy eligible completed FTE data from the same years as the subsidy eligible completed FTE data used in the course completion component of the SSI. Subsidy eligibility is designated using the same rules as stated in the **Course Completion Component of the Formula** section of this Handbook, on page 9 of this document.

As stated previously, the residency status alone of a graduate or professional student is NOT a determining factor in student subsidy eligibility. However, graduate students who are both out-of-state and are enrolled exclusively in online (or other distance) courses are designated subsidy ineligible.

The doctoral FTE share calculation can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <Doc Set Aside> tab. The FTEs listed in the <Doc Set Aside> tab are the result of a formula that summarizes the Doc 1 or Doc 2 FTEs from the <subj Level> tab of the SSI spreadsheets.

Calculate the Degree component of the Doctoral Set Aside for each institution with doctoral instruction.

Allocate 50% of the doctoral set aside funds based on weighted cost of doctoral degrees from the same years as the degree component of the SSI. This is based on degrees awarded at the institution, not degree credits (i.e. proportional degrees are not used here). The costs of the degrees are determined as described in this document in Section II. **Determining the Cost of Courses and Degrees**. The share of degree cost listed in the <Doc Set Aside> tab are the result of a formula that summarizes the Doc 1 or Doc 2 degree costs from the <degrees> tab of the SSI spreadsheets.

Calculate the Research component of the Doctoral Set Aside for each institution with doctoral instruction.

Allocate 25% of the doctoral set aside funds based on each institution's respective shares of the most current NSF expenditure data available and with the Health and Human Services (including NIH) grants

weighted by 50%. The details of the most recent NSF expenditure data available can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <Research> tab. The shares of adjusted research expenditures can be viewed in the <Doc Set Aside> tab.

Allocate Medical 1 and Medical 2 Model Funding

The allocation of the Medical 1 Set-Aside is allocated in the following ratio: 12.34% allocated to Kent State University for its Podiatric Medicine course completions; and 87.66% allocated to The Ohio State University for its Dental Health and Veterinary Medicine course completions. This calculation can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <Med Set Aside> tab.

The Medical 2 model funding is allocated based on a 3-year average eligible FTE. The FTE is determined by counting eligible student enrollments of professional level medical students, since medical course enrollments are not reported through HEI. As stated previously, the residency status alone of a graduate or professional student is NOT a determining factor in student subsidy eligibility. However, graduate students who are both out-of-state and are enrolled exclusively in online (or other distance) courses are designated subsidy ineligible. Each eligible professional level medical student enrolled in a given term is assumed to be full time that term so that a student enrolled 2 semesters would count as one annual FTE. These FTEs allocate the Med 2 Appropriation based on a ratio of each institution's Med 2 FTEs compared to total Med 2 FTEs. Degree costs are, therefore, not used in the Med 2 calculation. This calculation can be viewed in the SSI spreadsheets, referenced in the **Link to the SSI spreadsheets** section of this Handbook, in the <Med Set Aside> tab. The FTEs listed in the <Med Set Aside> tab are the result of a formula that summarizes the Med 2 FTEs from the <subj Level> tab of the SSI spreadsheets.

VI: Summary tabs in the SSI spreadsheets

Other tabs in the SSI , referenced in the **Link to the SSI spreadsheets** section of this Handbook, gather and summarize the values calculated as described above. The <Summary> tab, in the SSI spreadsheets and mentioned several times in the text above, sums the SSI distributions by institution to show the total amount each institution earned from each of the components described in this Handbook. This tab also compares the overall total current year values to the totals from the previous SSI year. The <output> tab of the SSI spreadsheets provides a simple summary of the totals by institution and compares the current year totals to the previous year totals. It also shows the percentage of SSI each institution received by component (completed FTE, degrees, and total) or each institution's share of the funding for FTE, degrees, and overall. The first tab in the SSI spreadsheets, the <parameters> tab, shows the total SSI appropriation and the amounts for universities and for community colleges, and also shows the SSI appropriation and the amounts for the Doc and Med set asides. This information is used extensively throughout the SSI calculations.

VII. Apply the Capital Deduction for each Institution (as applicable) prior to Distributing the State Share of Instruction Allocation

This step of the calculation reduces the State Share of Instruction allocation for institutions that have negative adjustments that are the result of the implementation of the ODHE incentive-based capital funding policy. As part of this policy, institutions with debt service costs (for qualifying capital projects) that exceed their formula-determined capital allocation have that difference deducted from their State Share of Instruction allocation. Pursuant to the recommendations of the SSI Consultation and the Higher Education Funding Commission, funds from this capital deduction are to be transferred to the Capital Component line item. This transfer allows the Capital Component to be fully funded. This is not shown in the SSI university spreadsheets, but does affect the actual distributions.

Appendix A: Assignment of the Student Subsidy Eligibility Status in the Student Enrollment SN file

- A student is categorized as either eligible or ineligible for subsidy in the Student Subsidy Eligibility Status field of the Student Enrollment (SN) file.
- The value of Subsidy Eligible (EL) allows the inclusion of the student's course completions for that academic term, if the course is eligible for subsidy. The value of Subsidy Eligible (EL) also allows the inclusion of Medical SSI model enrollments in the SSI, if the coursework is eligible for subsidy.
 - Please note that out-of-state graduate students are Subsidy Eligible (EL) if the student is not enrolled exclusively in online (or other distance) courses. If a course is eligible for subsidy, the completed credit hours are included in the course completions in the SSI, measured by FTE. In the case of Medical SSI models, FTE is determined by counting eligible student enrollments of professional level medical students, since medical studies course enrollments are not reported through HEI. Each semester of eligible professional level medical enrollment is assigned 15 credit hours, i.e. 0.5 FTE, in the SSI. Medical students may take courses outside the medical curriculum, for example, Ph.D. courses, and such courses would be reported in the HEI course enrollment file.
 - Please note that, for medical students, the value of Subsidy Eligible (EL) can only be assigned to professional level medical instruction for a given student for 9 semesters. Students who have exceeded 9 semesters (for example, four academic years and one summer) are not Subsidy Eligible and should not be assigned the EL designation. Once a medical student exceeds the 9-semester cap for subsidy eligibility, i.e., 9 semesters of professional level medical instruction, the student must be reported as Subsidy Ineligible, Medical Student Exceeding Term Limit (IM) for each semester exceeding the 9-semester cap. An exception exists in which the medical student was required by the institution to repeat a portion of the curriculum. In this case, see Medical Repeater (MR), below.
- The value of Medical Repeater (MR) allows the inclusion of the student's professional level medical enrollment in the medical models of subsidy eligible FTEs for that academic term, if the coursework is eligible for subsidy. Please note that the value of Medical Repeater (MR) is to be used only for a student whose studies in professional level medical instruction was required by the institution to repeat a portion of the curriculum. A student is considered a repeater only during those terms he or she actually repeats. When a student is required by the institution to repeat a portion of the curriculum, only two semesters of the student's professional level medical instruction is considered MR status. Once a Medical Repeater student exceeds the 11-semester cap, i.e., 9 semesters of professional level medical instruction as EL subsidy designation plus a 10th and 11th semester as a Medical Repeater, they must be reported with the IM subsidy designation.
- The value of Subsidy Ineligible Non-resident (IR), for an undergraduate student, excludes the student's course completions from subsidy eligible course completions for that academic term.
- The following values exclude the student's courses from subsidy eligible course completions for that academic term:
 - Subsidy Ineligible, Account not Cleared (AI)
 - Subsidy Ineligible, Graduate Student Exceeding Credit Hour Limit (IG)
 - Subsidy Ineligible, Selective Service Non-compliance (IS)
 - Subsidy Ineligible, Medical Student Exceeding Term Limits (IM)
 - Subsidy Ineligible, Other (IO)