

Welcome to the University of Pittsburgh. I would like to send greetings on behalf of Chancellor Gabel and Provost McCarthy. We are happy to host this third and final campus visit of the Performance Funding Council. To the members of the Council and the entire support team, thank you for a series of productive meetings with robust discussion to help us better understand the opportunity space where funding models are used today and how these have evolved over time.

The University of Pittsburgh is pleased to partner with the Performance Funding Council, the State of Pennsylvania, our colleagues at Penn State and Temple universities, and all interested parties and stakeholders in the recommendation of metrics to support the development of a performance funding model for the three state-related research universities in the Commonwealth.

We understand and appreciate the benefits that a new performance funding formula can and will provide for the State and its citizens – including students and their families and current and future employers.

We agree that it is critically important that a funding model for the state's related universities align with the State's strategic direction and reflect its priorities. We appreciate that a funding model or funding practice that worked well in the past or a model designed for a different time may no longer reflect the policy preferences of the state today. To that end, we are excited to engage this work and join you in the identification and design of the appropriate elements and metrics that demonstrate what our universities are doing today to move the needle on behalf of the State in the achievement of the outcomes that the State considers the best reflection of performance and value.

We are confident that metrics focusing on performance will yield the outcomes important to the State. A focus on performance (and measuring that performance) will yield far more impactful outcomes than a primary focus on specific institutional characteristics, unrelated to performance.

Like you, we take seriously the concerns and the questions regarding the value of a college degree. While the data and research are clear that completing a course of undergraduate study yields significantly more income for graduates over the life of a career, we know that students and their families remain skeptical.

This is why performance matters. We need to demonstrate that we are focused on outcomes – success factors like graduation rates, persistence, degree production, and placement rates. Sustaining excellence in these areas will promote public confidence that we are focused on the right things and that we are fulfilling our primary missions.

Our three universities have recently submitted metrics on which we agree. In the previous campus meetings, there has been acknowledgement that it would be useful to include one or two campus-specific metrics that allow these three institutions to reflect specific

aspects of their performance that is also aligned with the state's priorities. We, too, support this approach.

Finally, we agree that a performance funding model should be based on new dollars rather than reallocating existing funds for the three research universities. By focusing on institutions competing against their current and past performance, such a model would be transparent, predictable, and simple while driving quicker, more impactful, and least disruptive outcomes for higher education in the Commonwealth.