

Non-Academic Program Prioritization



Why Are Non-Academic and Academic Programs Addressed Separately at ISU?

- According to an SBOE Guidance Memo on Program Prioritization dated July 22, 2013 from Selena Grace and Matt Freeman:
 - “Board members....didn’t think it would be practical or appropriate to score and rank academic and administrative programs together using the same rubric. They are inherently **separate and distinct functions within the enterprise** and therefore different evaluation criteria would likely be necessary or appropriate.”
 - “It would be difficult and problematic to attempt to prioritize academic and administrative programs within the same quintiles.”
 - “Board members stated that this is essentially a performance evaluation of the administrative programs, looking at efficiency, effectiveness, and the benefit/value to students and the institution.”

Non-Academic Areas Addressed and Number of Programs Evaluated

Vice Presidential Unit	Number of Programs
Office of Finance and Administration	104
Athletics	5
University Advancement	30
Student Affairs	35
Total Number of Programs Evaluated and Placed in Quintiles	174

Presentation Highlights*

- Rigor of the Non-Academic Program Prioritization Process at ISU
 - Institution's Goals/Outcomes
 - Units of Program Analysis (Identification of Programs)
 - Measurement Criteria Used For Analyzing, Reviewing, and Ranking Programs
 - Number of Non-Academic Programs Evaluated and Placed In Quintiles
 - Top/Bottom Quintile Common Factors That Led to A Program's Current Placement
- Achievement of Impactful Outcomes/Sustainability of Process Improvements
 - Immediate Steps Taken and Future Steps
 - Institutional Lessons Learned

*These are the highlights of the Non-Academic Program Prioritization process. Any specific requirements/items requested from the SBOE memo dated 5/15/14 are addressed in ISU's "Program Prioritization Report – Non-Academic Programs" submitted on 7/14/14.

Institution's Goals and Outcomes

ISU has established **two key objectives** that the University is funding as a result of Program Prioritization:

1. An ongoing university-wide compensation plan for faculty and staff at an average preferred target level of 1.5% per year in annual ongoing compensation increases, or a minimum target level of 1.5% per year in annual one-time special merit compensation payments.
2. Ongoing student programs for maximizing student success in terms of access, opportunity, and retention, with a focus on additional scholarship funding.



Units of Program Analysis (Identification of Programs)

- The program directors were asked to complete “Methodology for Quintiling Non-Academic Programs”, a questionnaire and scoring rubric created specifically for non-academic programs.
- Each program director used his/her professional judgment in determining which activities were major and significant to identify programs.
- Program directors’ work was reviewed and approved at each level of management until receiving final approval by the appropriate vice president and, ultimately, the President.

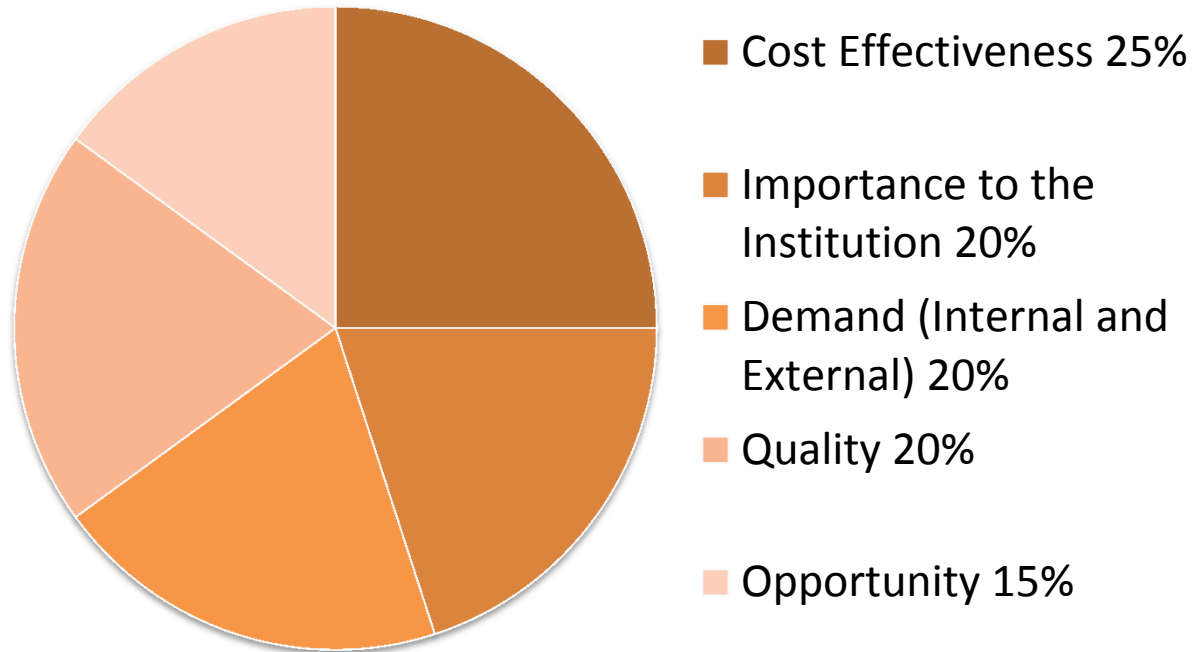


Measurement Criteria – Non-Academic Programs

- In an assessment of the experiences of five other higher education institutions, we found that surveys were used to assess key non-academic program prioritization factors.
 - The approach of one of these institutions, Seattle Central Community College, was specifically endorsed by Dr. Robert Dickeson
- The survey approach we developed was uniquely adapted to the needs of ISU and addresses the following six major areas:
 1. Key Goals and Objectives
 2. Key Services Provided to Customers
 3. Key Processes
 4. Organization Review
 5. Budgeting/Planning
 6. Opportunity for Savings or Additional Investments

Measurement Criteria – Non-Academic Programs*

Criteria/Weight



*This criteria was used for the Office of Finance and Administration, University Advancement, the Office for Research and Economic Development, Student Affairs, and Athletics.

Top/Bottom Quintile Common Factors That Led To A Program's Current Placement

- All of the programs identified by ISU were assigned to one of the five quintiles.
- ***Top Quintile Common Factors***
 - Programs classified as essential for the University's mission
 - Required by either NWCCU, federal, state, SBOE policy, or local mandates
 - In high demand
 - Cost effective
 - Non-financial factors (e.g. high quality)
 - For example, programs such as payroll processing, building maintenance, and IT security were considered essential to the University's mission, in high demand, and therefore were ranked in the top quintile

Top/Bottom Quintile Common Factors That Led To A Program's Current Placement

- ***Bottom Quintile Common Factors***

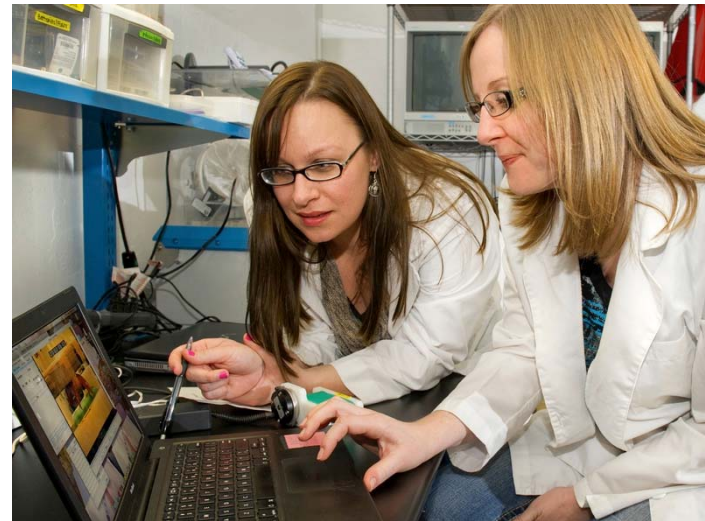
- Programs considered non-essential to the University's mission
- Not required by NWCCU, federal, state, or SBOE mandates
- In low demand
- Not cost effective
- Responsibilities could be shifted to other programs to eliminate redundancy, duplication, or to achieve operational efficiencies
- For example, the intracampus mail center was ranked in the bottom quintile as its costs exceeded its revenues, and therefore the decision was made to merge the mail center with the Total Copy Center to achieve operational efficiencies and an immediate cost savings

Number of Non-Academic Programs Evaluated and Placed In Quintiles

Vice Presidential Unit	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5	Total Number of Programs
Office of Finance and Administration	21	20	20	21	22	104
Athletics	0	0	0	0	5	5
University Advancement	6	6	7	6	5	30
Student Affairs	8	5	8	9	5	35
Total Number of Programs Evaluated and Placed in Quintiles	35	31	35	36	37	174

Immediate Steps Taken

- Idaho State University has successfully completed its initial Program Prioritization campus-wide review for non-academic programs.
- For each program identified in quintile five, the responsible VP unit(s) created action plans including strategies to consolidate or eliminate programs and the quantified cost savings identified for each action.
- Program Prioritization materials summarized by VP unit were presented to the President.



Potential Cost Savings Identified – Non-Academic Programs

Potential Cumulative Savings Identified – Non-Academic Programs	
Number of Programs Identified For Program Prioritization Actions	Potential Savings Identified Over the Next 3 Years
14	Over \$650,000

Future Steps



- Vice Presidents, in consultation with their teams, are currently preparing plans to implement the action plans and recommendations identified by Program Prioritization.

Lessons Learned – Non-Academic Programs

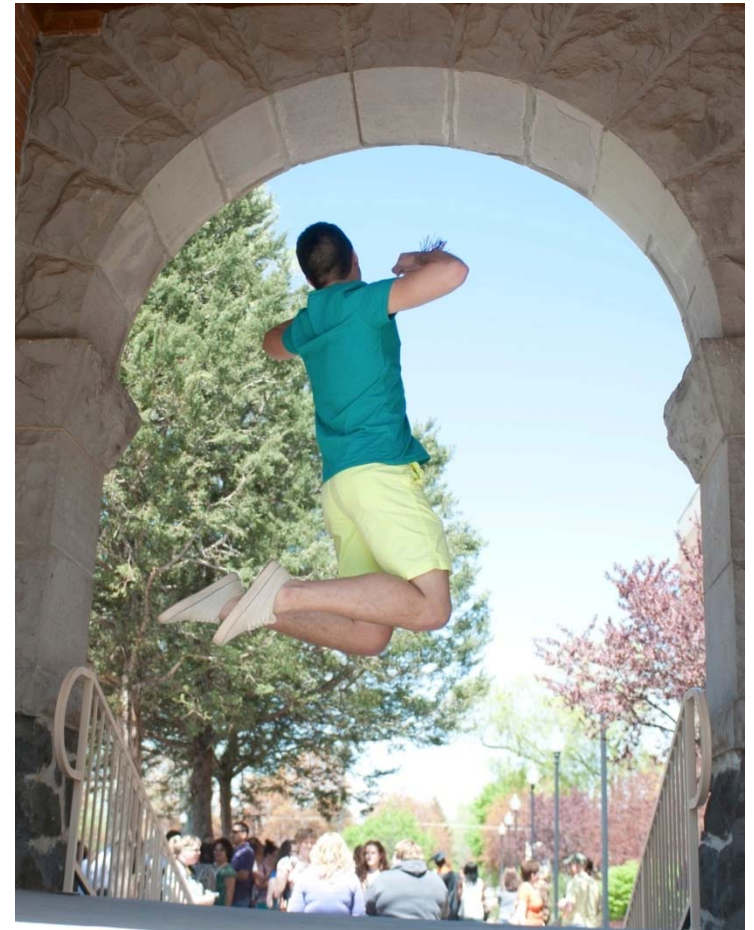
- Program Prioritization can help ISU to manage and allocate its financial resources in ways that will best meet the needs of our students and community.
- It can provide data for better program planning and funding allocation decisions, integration of planning efforts, and reallocation of resources from lower to higher priorities, thereby making institutional and State of Idaho missions operational.
- It can create an environment of accountability at the departmental level, encouraging direct reports to deliver cost savings ideas from the bottom-up.
- It emphasizes the importance of using a range of metrics in measuring program performance.
- It can support our efforts to commit funds to projects and programs with the highest potential return on investable dollars.

Lessons Learned – Non-Academic Programs

- It reinforces the concept of fiscal discipline across the institution and the understanding that the funding for additional resource requests will need to come from the reallocation or elimination of current resources.
- It is not just about cost cutting – it is about improving the effectiveness and efficiency of our programs.
- As an ongoing process, Program Prioritization provides:
 - A thorough, well thought out, and consistent approach throughout the University with clear language and goals will be essential to ensure a high quality review on an annual basis.
 - A means for a greater infusion of performance metrics into institutional budgeting decisions.
 - A means to allow ISU to make its programs self-supporting and to adjust funding levels as necessary as demand increases or decreases for the programs.

Lessons Learned – Non-Academic Programs

- In summary, the Program Prioritization exercise provides a constructive and consistent way to assess the effectiveness and efficiency of programs across department and division boundaries.
- A continued use of Program Prioritization will enforce the need to continually assess the quality and necessity of University programs for the benefit of the State of Idaho and its citizens.



Questions?



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