Chancellor Goals
(2021-2022)
Follow System Redesign Priorities 2021-2024*

- Operate sustainably
- Expand student opportunities and improve student outcomes
- Expand student affordability and grow

Providing cross-cutting supports through shared governance and accountability and advancing the Board’s DEI agenda

*As presented to the Board of Governors, October 15/16 2021
Measurable goals:

• Meet two-year (June 2022) goals as set in April 2020, undertaking course correction as necessary

• Set new two-year goals for June 2024 taking account of revised (summer 2022) enrollment and revenue projections

• Continue implementing shared services and facilities demolition plans

• Implement second year of three-year phase out of cross-campus subsidy

• Present revised allocation formula to Board for approval
**Measurable goals**

Restore enrollments to pre-pandemic levels by Fall 2023

Ensure accountability for use of one-time and integration dollars in achieving above, notably:

- Improve student retention rates (>1%/yr) to at least 73+% per university
- Improve 4- and 6-year graduation rates (>1%/yr, each) with proportionately greater gains for URM students
- Expansion (2%/yr) of community college transfer and high school dual and concurrent enrollments
- Expansion into new markets including
  - Fully online degree and degree completers (1%/yr)
  - Non-degree credentials (2%/yr)

Average net price of attendance maintained within CPI rate of inflation

Successful launch of OneSIS cohort 1 implementations
Measurable goals

Increased state investment in PASSHE and/or its students resulting from advocacy campaign that
• Engages and aligns key stakeholders
• Emphasizes PASSHE impacts – past progress and future opportunity

Longer term anticipate investment to drive enrollment growth, improved credentialing productivity, and reduction in students’ average net price student
Cross-cutting support

Goals

Initial implementation of DEI strategy including
- baseline data on campus climate
- initial work diversifying GenEd curriculum
- deployment of consistent codes of conduct policies, standard procedures, supports, and results reporting

Expanded use of enterprise management, dashboard reporting tools and shared governance

Effective transition to permanently remote work for OOC
System Redesign:
Purpose and Progress
(as of October 2021)
System Redesign Timeline

PHASE 1: Gather and analyze data; identify challenges, priorities, and leadership; organize for collaborative redesign processes

PHASE 2: Define vision; establish foundational tools; strengthen partnership with state; stabilize financially; arrest student cost increases; plan and prioritize for Phase 3

PHASE 3: Develop, prioritize, build partnership around, fund, and implement strategies that expand opportunities for students, and drive growth and economic impact

REVIEW & PREPARE

STABILIZE & STRENGTHEN

REINVEST & RENEW
System Redesign Progress (Fall 2018-Fall 2021)

Stabilizing the system financially
- Required universities to align costs with revenues and program arrays with enrollments
- Achieved efficiencies through shared services
- Addressing unnecessarily redundant programs

Addressing student affordability
- Froze tuition for three consecutive years
- Increased student aid

Forging a closer partnership with the Commonwealth
- Secured essential new investments
- Won necessary legislative reform in governing statute

Strengthening governance & accountability
- Involved university and faculty leaders directly in system governance
- Tied accountability to progress against measurable goals
- Achieved transparency in dashboard reporting, legislative testimony, and other means

Expanding student opportunity and impact
- Enabling cross-campus instruction
- Improving student outcomes
- Growing in underserved student markets and high-demand credentials
- Ensuring universities are diverse and support success of all members

Integrating universities to advance all these objectives
By the numbers | Financial stabilization (1 of 2)

1. Implementation of sustainability policy

Goal Set in April 2020:
By June 2022, universities will balance budgets without use of reserves and will meet faculty-to-student ratios.

Results as of Sep 2022:
- Total cost down by $173M
- Faculty headcount down by 663 (13%)
- Staff headcount down by 616 (10%)
- Two universities have improved plan levels
- Chancellor directives used to drive course corrections where necessary (February 2020, April 2020, and Oct 2021)

2. Demolition of underutilized facilities

<table>
<thead>
<tr>
<th>Status</th>
<th># of Buildings</th>
<th>Gross Square Feet (GSF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demolition or Disposal Complete</td>
<td>26</td>
<td>91,261</td>
</tr>
<tr>
<td>Sale Pending</td>
<td>12</td>
<td>167,550</td>
</tr>
<tr>
<td>Construction Ongoing</td>
<td>11</td>
<td>410,910</td>
</tr>
<tr>
<td>In design</td>
<td>37</td>
<td>1,097,101</td>
</tr>
<tr>
<td>Future Planned</td>
<td>25</td>
<td>329,183</td>
</tr>
<tr>
<td>Total</td>
<td>114</td>
<td>2,095,995</td>
</tr>
</tbody>
</table>

Avoided Costs and Revenue:
$17M per year (operating and repair) plus $8.4M (revenue from sale)

3. Key university-level developments

- **Cheyney University** re-accredited with $45M system debt paid off and consistently managing balanced-budget operations
- **Integrations** enables five financially challenged schools to expand student opportunity sustainably
- **IUP** implementing next-gen strategy to prosper sustainably at new enrollment levels
4. Shared services

5. Streamlining and focusing the work of the Chancellor’s office
- Eliminated or relocated to universities academic programs (Keystone libraries, GearUp, India liaison, Harrisburg internship, etc.)
- Selling Dixon Center; saving $1M+ off-the-top funds and releasing +/-$8M building fund to System Redesign
- Reduced headcount

2022 headcount crease results from new procurement service and migration to it of university staff. Overall 5FTE headcount reduction across system

### Two Year Savings as of July 1 2021

<table>
<thead>
<tr>
<th>Service</th>
<th>2019-2020</th>
<th>2020-2021</th>
<th>Total for 19-20 and 20-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advanced Data Analytics</td>
<td>$816,932</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilities</td>
<td>$4,429,543</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td>$18,476,435</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Resources</td>
<td>$28,366,938</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT</td>
<td>$4,371,987</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement</td>
<td>$8,436,444</td>
<td></td>
<td>$64,898,279</td>
</tr>
</tbody>
</table>

### 2011 - 2021 Actual OOC, Shared Services, and Other FTE, 2022 Approved FTE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OOC (1/2 of 3%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>40.9</td>
<td>41.1</td>
<td>40.9</td>
<td>39.3</td>
<td>40.7</td>
<td>40.5</td>
<td>37.6</td>
<td>35.5</td>
<td>34.0</td>
<td>32.9</td>
<td>27.8</td>
<td>23.9</td>
</tr>
<tr>
<td></td>
<td>Shared Services &amp; Other</td>
<td>130.9</td>
<td>121.7</td>
<td>116.1</td>
<td>118.1</td>
<td>110.5</td>
<td>112.2</td>
<td>115.8</td>
<td>111.8</td>
<td>110.4</td>
<td>97.4</td>
<td>110.5</td>
</tr>
</tbody>
</table>
Student enrollment (headcount)

- 27% 2010-21 with decreases at 13 of 14 universities
- 7.4% fall 2019-21 (COVID impacts) with decreases at 12 of 14 universities

Undergraduate 1st to 2nd year retention

- 1.7% 2015-2018 driven by steep declines at two universities, but increased at 9 of 14

4-year graduation rate of FTFT undergraduate students

- +8% systemwide 2004-15, and at 13 of 14 universities

6-year graduation rate of FTFT undergraduate students

- +1.3% systemwide 2004-13, and at 9 of 14 universities
Strengthen traditional student pipelines

- Dual enrollments up 45% (168 students) in 2018-20
- CC transfers down 29.5% since 2010 tracking with overall enrollment decline and with decline in cc enrolments

Rationalize program array

Ensure statewide program array is responsive to market, demographic, and enrollment trends and is available to all students with minimum inefficient redundancy

- Western Integration, all degree levels in 2019/20 = 280; integrated array = 115
- Northeast Integration, all degree levels in 2019/20 = 105; integrated array = 85
- Single Student Information System contract signed and funded Fall 2021
Expanding reach to underserved student markets

- Fully online
  - Course level distance education participation has up 24% (to 55%) 2012/13 to 2019/20 (up to 99% 2020/21)
  - Fully online enrollments as follows:

<table>
<thead>
<tr>
<th></th>
<th>Fall 2015</th>
<th>Fall 2016</th>
<th>Fall 2017</th>
<th>Fall 2018</th>
<th>Fall 2019</th>
<th>2015-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollments</td>
<td>3897</td>
<td>4174</td>
<td>4620</td>
<td>4864</td>
<td>4960</td>
<td></td>
</tr>
<tr>
<td>Growth</td>
<td>7.1%</td>
<td>10.7%</td>
<td>5.3%</td>
<td>2.0%</td>
<td>27.3%</td>
<td></td>
</tr>
</tbody>
</table>

- Non-degree credential
  - Up 47% in enrollments of non-degree credentials since 2017 (still small number – rising to only 2500)
By the numbers | Student affordability

**Net price of attendance**
- Up 5.5% per year 2010-2018; 0% per year 2019-2021

**University investment in student aid**
- Up 30% since 2018 to $100M per year

**Graduating students’ average debt**
- Up 42% 2011-19 (4.7% average annual growth rate 2011-17, 4.2% 2018-19)
By the numbers | DEI

Attainment gaps. 1st-2nd year persistence, 2018-20
- URM students up 5% to 68.5%; non-URM up 1.4% to 79.7% shrinking gap by 3.6% to 11.2%

Attainment gaps. 6-yr grad rates FTFT undergrad students, 2017-19
- URM students down 1.3% to 39.8%; non-URM up 2% to 63.6%, widening gap by 3.3%

Community diversity, 2018-20
- **URM undergraduates up 0.5% to 20.4% (8% since 2010)**
- **URM employees**
  - Faculty up 0.4% (to 8%)
  - Senior management up 1.7% (to 14.7%)
  - SCUPA down 0.4% (to 9.5%)
  - AFSCME down 0.5% (to 9.9%)