PENNSYLVANIA'S STATE SYSTEM OF HIGHER EDUCATION

Bloomsburg UNIVERSITY | CAL U | CHEYNEY UNIVERSITY | CLARION UNIVERSITY | ESU | EDINBORO UNIVERSITY | IUP | KUTZTOWN UNIVERSITY | LOCK HAVEN UNIVERSITY | MANSFIELD UNIVERSITY | Millersville University | SHIPPENSBURG UNIVERSITY | Slippery Rock University | WCU WEST CHESTER UNIVERSITY

PROGRESS REPORT:

System Redesign | Institutional Integrations Implementation Planning

Board of Governors Meeting
February 4, 2021

Pennsylvania's
STATE SYSTEM
of Higher Education

Background

Why Integrations?

Re-invent higher education from a student-facing perspective

Deepen campus vibrant relationships with community and region

Grow enrollments, serve new population, and meet employer needs

Support financially sustainable operations to ensure our mission continues

Harness the collective strengths of the integrating universities and leverage them to best meet student needs

Expand experiential learning opportunities, strengthening career readiness

Pennsylvania's
STATE SYSTEM
of Higher Education

What is Integration?

A single leadership team

A single faculty and staff

A single program array

A unified enrollment management strategy

A single, combined budget

A single reporting relationship through the Chancellor to the Board of Governors

A single accredited entity

Three vibrant campuses, each with its own identity

How Are We Pursuing Integration?

JULY 2020 TO OCTOBER 2020	OCTOBER 2020 TO APRIL 2021	APRIL 2021 TO JULY 2021	JULY 2021 TO JULY 2022
• Conduct **review** of financial impacts of potential integrations	• Develop implementation **plan(s)**	• Submit plan(s) for **public comment** (April 2021) and Board approval (July 2021)	• Begin phased **implementation** plan with a Fall 2022 opening and continue development thereafter

* Act 50 report and recommendations presented to the BOG October 2020
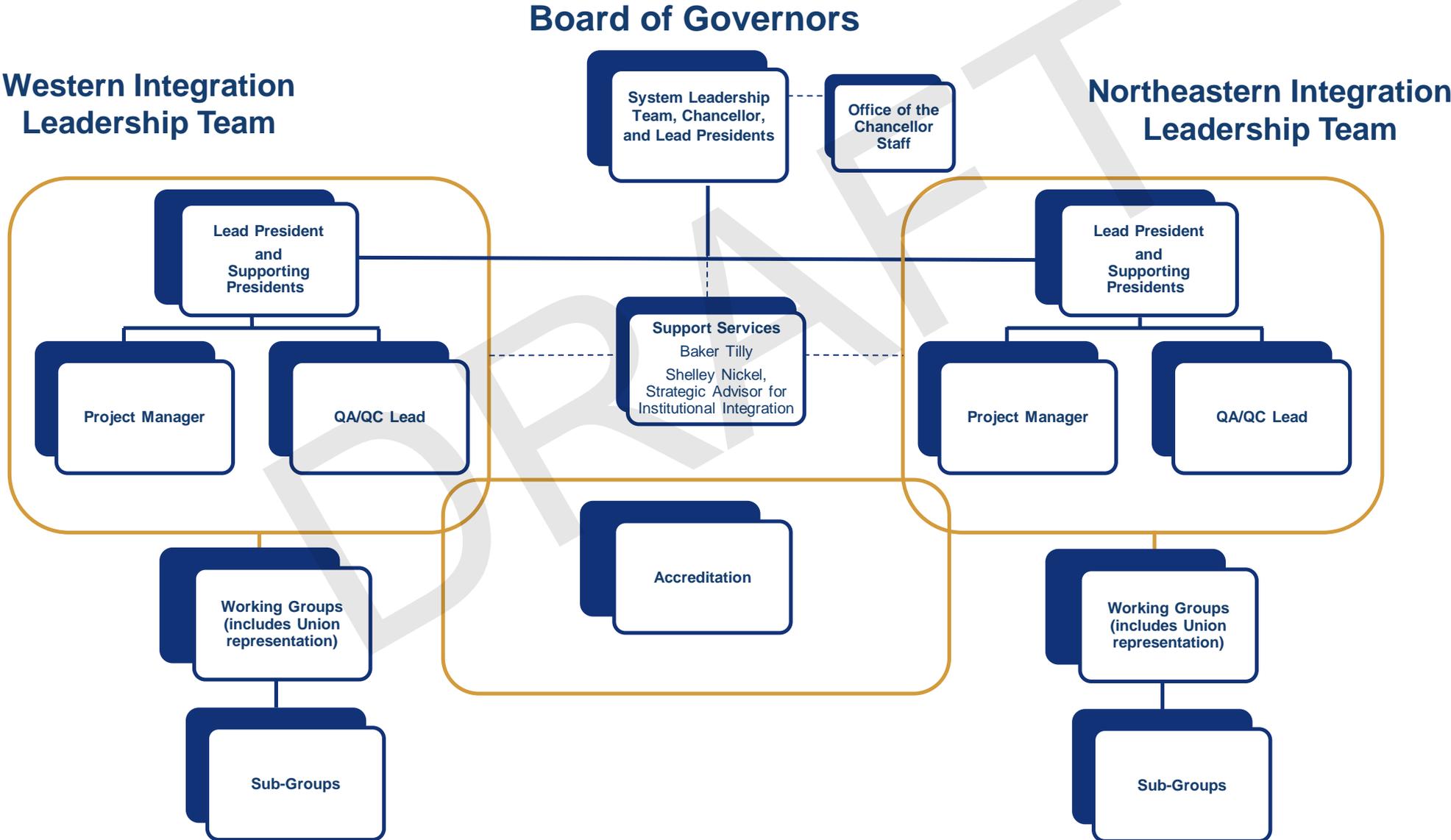
…Through 29 Working Groups (and 216 Subgroups) Focused on Key University Functions.

Identified and populated initial working groups (WGs) with leads, co-leads, and subgroup members. Each WG has distinct charters and charges.

Parallel Working Groups (One per Region)
1 Academics
2 Athletics
3 Communication and Marketing
4 Donors/Alumni Relations/Foundations
5 Enrollment Management
6 Facilities and Infrastructure
7 Finance and Administration
8 Human Resources and Labor Relations
9 Institutional Governance and Leadership
10 Technology

Regional-Specific Working Groups	
Western	**Northeastern**
11 Online	14 Workforce Development and Non-degree Programs
12 Student Affairs	15 Student Success, Services, and Campus Life
13 Student Success and Retention	

Combined Working Groups
16 Accreditation
17 Financial Aid
18 State System Technology
19 Human Resources and Labor Relations

The Process Engages the Expertise of Our Stakeholder Groups…

WGs and subgroups are being structured to meet the WG charges in accordance with a common framework customized in each region to ensure needed skills and expertise as well as constituency representation

Western Integration

As of 1/8/2021:

- 145 Managers
- 130 APSCUF Members
- 60 SCUPA Members
- 23 Coaches
- 21 AFSCME Members
- 13 Students (does not include advisory group)

- 11 Trustees
- 8 Affiliates (SAI, Foundation Members, PSECU Reps, Military, etc.)
- 4 Alumni (Non-Employee)
- 2 SPFPA Members
- 2 POA Members
- 1 OPEIU

**421 total individuals serving on working groups and subgroups thus far**

Northeastern Integration

As of 1/8/20201:

- 166 Managers
- 279 APSCUF Members
- 38 SCUPA Members
- 9 Coaches
- 72 AFSCME Members
- 3 Trustee Students

- 10 Trustees
- 10 Affiliates (BU and LHU Foundation, BU CGA Affiliate)
- 1 SPFPA Members
- 1 OPEIU Member
- (Does not include non-employee alumni or POA members)

589 total individuals serving on working groups and subgroups thus far

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…and Involves Extensive Consultation at Statewide, Regional, and Campus Levels.

Statewide consultation

Board meetings

Initiative advisory meetings

Legislative testimony

PA Association of Councils of Trustees (PACT)

Statewide Meet and Discuss (SWMD)

Regional consultation

Working group consultation

Campus consultation

Pennsylvania's STATE SYSTEM of Higher Education
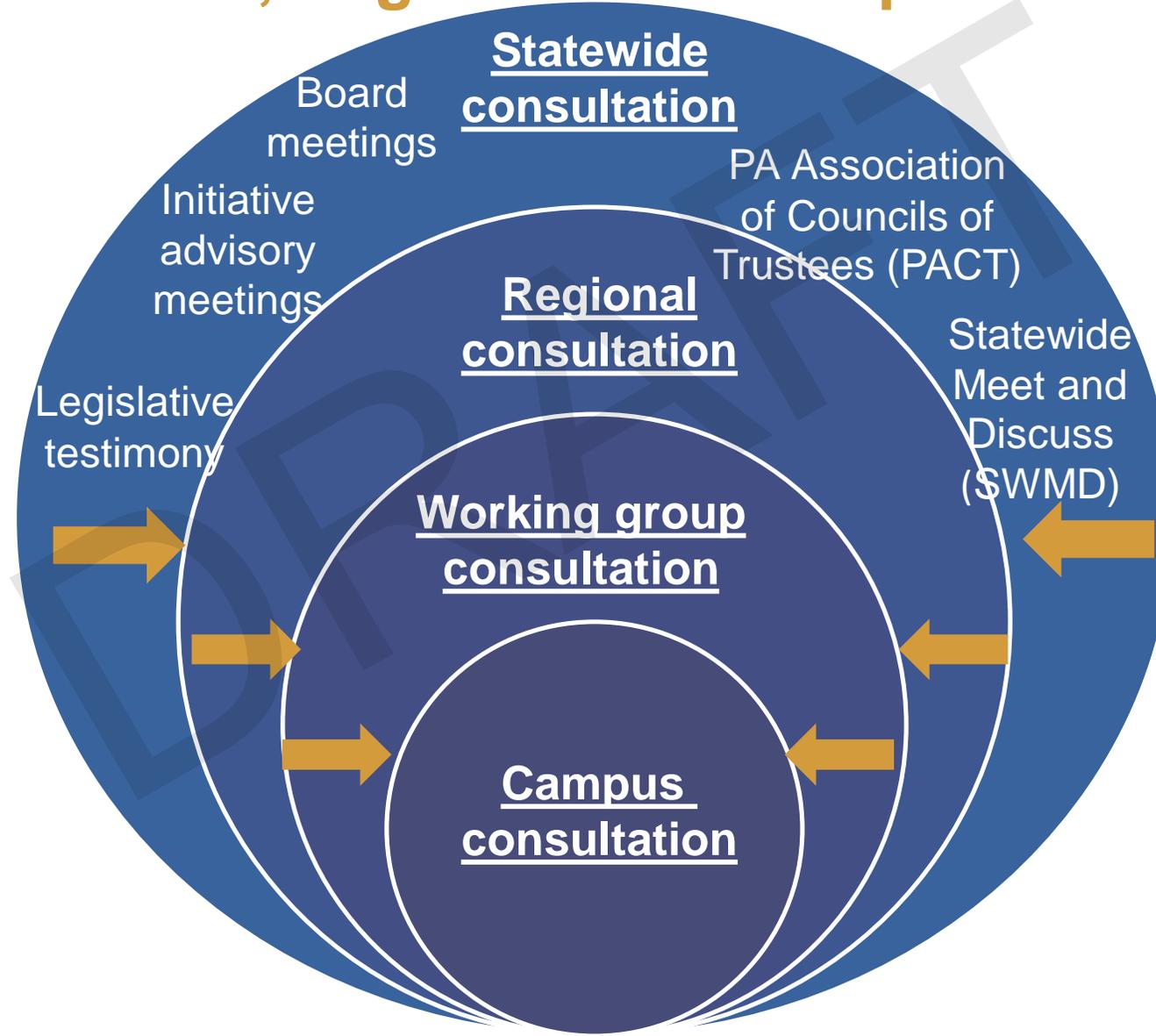
What Have We Accomplished So Far?

**Completed the Act 50 review of financial stability and provided
a report and recommendation to the BOG that addressed:**

**Campus Integrations Financial Review July-October 2020
and BOG affirmation of the recommendation, including:**

- ✓ (1) Enrollment trends.

- ✓ (2) Projections of revenues and expenditures for the current year and the next five (5) years, both assuming the continuation of present operations and as impacted by any recommendation for the board to exercise the board's powers under subsection (a.1).

- ✓ (3) Assets, liabilities and institutional reserves.

- ✓ (4) Actions undertaken to improve the financial stability of the institution and the financial impact of those actions.

- ✓ (5) Additional actions that could be taken to improve the financial stability of the institution, the projected financial impact of those actions and whether those actions would alleviate the need for the board to exercise the board's powers under subsection (a.1).

- ✓ (6) The financial impact on the institution and the system if no action is taken by the board to exercise the board's powers under subsection (a.1).

- ✓ (7) The financial impact on the surrounding community of the institution if action is taken by the board to exercise the board's powers under subsection (a.1).

- ✓ (8) Impacts on affiliated entities and any donor restrictions on the use of non-State-appropriated funds.

Activities since October – Act 50 Alignment

Vision and Mission Alignment

Guiding Principle Development

Future State Design Sessions

Current and Future State Impact Analysis

Anticipated Impact Areas:
1. Academic programs and nonacademic units
2. Financial Aid
3. Students
4. Community
5. Governance
6. Policy, procedure and legal changes
7. Space planning
8. Technology
9. Legal and financial structure
10. Asset allocation and distribution

1. Impact on academics, non-academics and accreditation
2. Impact on students, faculty and staff
3. Impact on community
4. Impact on shared governance

Anticipated Design Session Topics:
1. Academic program array and curricular alignment and accreditation including impacts of program actions on enrollment/student population
2. Student supports and services, including athletics (PSAC, NCAA, Other)
3. Nonacademic operations (finance, budget, facilities)
4. Shared governance
5. Community and alumni relations
6. Debt
7. Affiliate relationships
8. Organizational considerations

Organization Design and Build

1. Rationale
2. Goals and Objectives
3. Recommendations

Implementation Plan and Timeline (aligned to MSCHE requirements)

1. Leadership and Organizational Structure Design (Implementation and Steady State)
2. Organizational Chart Development (Before and After)

Financial Analysis Refresh

BOG Approval

1. Public Comment Period

ONGOING

1) Middle States Accreditation, Complex Substantive Change Process, and Other Accreditors Alignment and Planning
2) Change Management & Communications

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Implementation Planning Process

Working Within a Common Planning Framework
to Develop a Phased Implementation that Focuses Each Function on:

Consulting with key stakeholders

Groups are asked to determine who to consult with and to ensure consultation aligned with other consultation structures

Identifying what needs to be done to successfully open (July 2022)

What must be done by July 1, 2022, for successful launch and how long will it take, outlining key steps, milestones, timing for Fall 2022, and phasing implementation of activity through 2026.
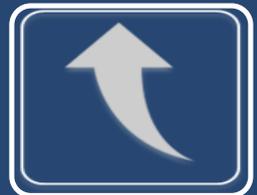
Defining goals and annual targets

What should be accomplished for function by 2026 (what goals or targets), and what metrics used to evaluate progress

Developing and prioritizing recommendations

Priority 1 – activities that must be completed by July 2022

Priority 2 – considerations for what will be done after July 2022, how sequenced and phased in

Progress

What Do We Mean by Integration?

A single leadership team

A single faculty and staff

A single program array

A unified enrollment management strategy

A single, combined budget

A single reporting relationship through the Chancellor to the Board of Governors

A single accredited entity

Three vibrant campuses, each with its own identity

Drafted a Preliminary Vision Statement Related to Integration Planning

Core principles and key benefits of the Western and Northeastern integrations

- **Leveraging** the promise and power of three institutions to maximize opportunities for students.

- **Re-imagining** higher education from a student-facing perspective.

- **Uniting** three universities that are closely intertwined with their regions—creating a single, stronger institution with expanded capacity to serve an increasingly diverse student population.

- **Designing** new academic programs and modalities to meet market needs.

- **Increasing** access to exemplary and affordable higher education, leading to better lives for people of all ages and backgrounds.

- **Preparing** graduates who play a preeminent role in strengthening our communities and helping to power the Commonwealth's ever-evolving economy.

- **Creating** inclusive and dynamic campus communities that embrace shared governance, collaboration, and continuous improvement in the interest of our students.

Determined high-level structure and operations of the integrated entity

NEW INTEGRATED UNIVERSITY

Bloomsburg
- Campus Leader
- Name/identity
- Huskies athletics
- Student-facing services/supports
- Campus life
- Existing affiliates (e.g., student governance, foundations)
- Community relations
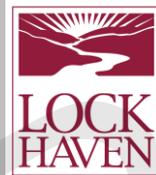
LOCK HAVEN
- Campus Leader
- Name/identity
- Bald Eagle athletics
- Student-facing services/supports
- Campus life
- Existing affiliates (e.g., student governance, foundations)
- Community relations

MANSFIELD
- Campus Leader
- Name/identity
- Mounties athletics
- Student-facing services/supports
- Campus life
- Existing affiliates (e.g., student governance, foundations)
- Community relations

Workforce development, stackable credentials and non-degree programs

FOUNDATIONAL ELEMENTS SHARED ACROSS THE INTEGRATED UNIVERSITY:

Leadership team | Faculty and staff | Academic program array | Enrollment management strategy | Combined finance and administration | Single reporting relationship through Chancellor to Board | Accreditation | Common Student Information System | Financial aid operations | New markets and growth opportunities

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Determined High-Level Structure and Operations of the Integrated Entities

Campuses involved in integration will:				
Retain their names, using them as they do now, including on credentials awarded to students	Retain their current complement of athletic programs	Appoint a campus leader who is also a member of New University's leadership team	Maintain reserves protected from debt service payments due by others and unmet through under enrollment	Begin now, as part of System Redesign, to develop a single Student Information System (one for each triad) and selected shared services (e.g., human resources, financial aid)*

Determined High-Level Structure and Operations of the Integrated Entities

Campuses involved in integration will:		
Not be closed and their operations will not be ceased	Not change the structure or operations, or impact the finances, of existing affiliates	Not have any impact on donor funds, or how they are managed or allocated; and donors will continue to be able to give to the campus (and cause) of choice

Clarified and Refined Goals and Objectives for Integrated Universities for 2026 and Beyond

Student Success
- Increase overall completions by 5%
- Increase graduation rates by +10%
- Eliminate student success related opportunity gaps
- Increase 2nd year persistence by 10%

Affordability & Efficiency
- Reduce total cost to degree by up to 25%
- Decrease unmet need by 10%
- Achieve an average 19.4 student-to-faculty ratio
- Standardize practices

Enrollment Growth
- Grow overall FTE enrollment by +8% (2026)
- Realize 10% FTE growth for student pop. >1% gap
- Optimize Graduate enrollment

Fiscal Sustainability & Efficiency
- Achieve Plan One status*
- Operating Margin 0-2%
- Primary Reserve Ratio 20-40%
- Campus Reserve Level (90-180 days cash on hand)

Career Readiness
- Increase credentialing by +5%
- 15% growth in career aligned pathways
- 75% of students using career services with high NPS

Diversity, Equity & Inclusion
- Increase student body diversity
- Personnel complement composition mirrors student applicant population
- Eliminate student success related opportunity gaps

Academic Excellence & Innovation
- Expanded access to programs across campuses
- Minimum level of student support funding
- Minimum direct to student institutional support
- Top quartile for online delivery

Identified Defining Features of the Student Experience (1 of 2)

Students at integrated campuses will:

- Complete their program at the campus they choose

- Select from courses offered via various delivery formats

- Choose from courses taught by faculty experts on other campuses

- Enjoy access to a broader range of academic programs, courses, and student supports than are currently available at any one of the three universities being considered for integration

- Apply to one or more of the New University's campuses, using a single application

- If student-athletes, continue to have the opportunity to play all four years of athletics at their chosen campus should the NCAA approve the path we are pursuing, which will enable us to continue our current complement of athletic programs (including student-athletes currently being recruited)

Students at integrated campuses will:

- Not need to drive between campuses to pursue or complete their course of study unless they choose to do so

- Not take classes fully online unless they choose to enroll in a fully online degree program

- Not see impacts to their existing financial aid and scholarships

Identified Defining Features of the Student Experience (2 of 2)

Students considering attending one of the integrated campuses in Fall 2021 will be able to:

- Complete their degree on the campus of their choice
- If student-athletes, continue to have the opportunity to participate in the athletic program(s) of their choice through graduation, assuming eligibility
- Access the full range of clubs and other student activities on campus
- Continue any financial aid and scholarship packages over the entire course of their degree program, assuming students continue to meet requirements of the aid and scholarship programs

If the campus the student attends becomes integrated, they will:

- Access an even broader range of courses, programs, student activities, and supports
- Not need to complete their degree fully online or travel between campuses

Identified Defining Features for Key Functional Areas

Enhance student supports in pursuit of equitable outcomes

Broaden career pathways and universities' contributions to regional economies

Expand capability in online learning and student supports

Attract new student groups by strengthening enrollment management and recruitment

Maintain teams and expand opportunities for student-athletes

Enhance efficiency and reach of universities' advancement operations

Improve cost effectiveness in finance and administration supports

Promote efficiency and effectiveness in other key areas

Identified Defining Features for Key Functional Areas
(1 of 8)

Enhance student supports in pursuit of equitable outcomes

- Enhance development of Living Learning Communities (LLC) on all campuses for students with similar majors and interests

- Expand Parent and Family Communication Plan to be deployed across campuses from the 1st year and beyond

- Implement common online tutoring system for all campuses

- Implement preemptive, proactive early alert system based on data analytics

- Leverage student wellness resources at each campus to provide best practices in remote and in-person support across all campuses

- Maximize diversity efforts and outcomes via a common Diversity, Equity, and Inclusion (DEI) plan to be integrated across all aspects of the institutions

- Unify approach to study abroad and international exchanges to increase participation/enrollments in this sector

- Continue to invest in the high quality of the overall student experience in ways that will focus on the social and emotional growth and development of students

Broaden career pathways and universities' contributions to regional economies

- Coordinate employer engagement strategy to leverage opportunities for students and graduates while utilizing employers as advisors in career readiness, curriculum, and the development of new non-degree and continuing education opportunities

- Broaden access to relevant, quality academic programs and expertise across the region

- Seize the opportunity to create new academic program arrays and multi-disciplinary curriculum aligned with current market needs

- Expand zero-credit experiential learning opportunities and establish a co-op program

- Develop funding opportunities for experiential learning

- Expand non-degree credentialing programs for all students

- Grow enrollment of adult students seeking to reskill and upskill

- Establish regional office for workforce development to engage with industry leaders and corporate partners on emerging needs

Identified Defining Features for Key Functional Areas

Expand capability in online learning and student supports

- Implement best practices in remote/online student success and support models for online students in a consistent, strategic student success plan

- Enhance online offerings in alignment with emerging market needs and high impact educational approaches

- Offer one-stop, holistic experience, with virtual 24/7 support/access, social opportunities, etc.

- Replicate best-in-class recruitment and admission responsiveness, including online recruitment

Identified Defining Features for Key Functional Areas (4 of 8)

Attract new student groups by strengthening enrollment management and recruitment

- Develop microsite for prospective students to request information. Include info on majors, activities, apply, visit, etc., to allow for the marketing message to sit on one location

- Expand college course offerings to high school students in broader geographic area

- Implement program scholarship in IT that targets students from underrepresented populations and provides scholarships, work-study, and internships to facilitate the exposure of the student to the various roles and functions of the IT department throughout the student's college career

- Leverage scholarships and other financial aid towards unmet need *and enrollment management growth across the region to attract* and retain students

- Optimize tuition discounts instead of competing for students across institutions

- Provide additional benefits and discounts to out-of-state students for specific majors with low enrollment (not to exceed the price floor for in-state students)

Maintain teams and expand opportunities for student-athletes

- Determine scholarship budget and out-of-state recruitment to maximize each team's contribution margin

- Keep current complement of athletic teams to optimize student success, diversity, enrollment, and contribution margin

- Recommend additional athletic participation opportunities to support enrollment growth while continuing to ensure compliance with Title IX

- Take an integrated approach re. athletics scholarship offerings

Identified Defining Features for Key Functional Areas (6 of 8)

Enhance efficiency and reach of universities' advancement operations

- Approach corporate sponsorship opportunities across multiple campuses to provide increased visibility and impact

- Consider opportunities to align affiliates across the integrating institutions

- Embrace opportunities to unify and leverage shared services for gift processing, prospect research, and other core development functions and strategies (including annual, corporate, and planned giving approaches)

- Continue utilizing and collaborating with alumni and employer partners from all three institutions to expand opportunities for internships and employment

Improve cost effectiveness in finance and administration supports

- Adopt common student identification cards across campuses

- Consolidate vendor contracts across integrating institutions (e.g., Ruffalo Noel Levitz or EAB, fulfillment and print vendors, Chat, NRCCUA and College Board, Slate or Target X, literature design vendor, Focus, novelty vendor contracts. Common App, etc.)

- Incorporate incentive-based budgeting at the academic department level linked to: enrollment, retention, graduation rates, faculty/student scholarly collaboration, and student to faculty ratio

- Integrate software platforms for financial aid, financial/ERP, constituent relationship management/applicant tracking system, student information system, electronic medical records, conduct report management system, document management system, alumni and donor databases/fundraising system, learning management system, early alert system and retention software, other TBD

- Serve academic/student enterprise via integrated entity service centers (e.g., accounting services service center, budget service center, administrative service center, financial aid service center, etc.) created by pooling resources across the integrated entity to provide single points of functional service

Promote efficiency and effectiveness in other key areas

- Implement HR shared services model for integrating institutions and align activities across institutions
- Consolidate vendors for enrollment marketing initiatives, media monitoring, project management, digital asset management, email distribution, content management system (future state - post 2022), enrollment supported functions: virtual tours, constituent relationship management (CRM), etc.

Issues and Risks

What External Decisions/Actions May Impact Integration Implementation?

Issues and Risks
• Favorable and timely decisions by Middle States and other accreditation bodies (i.e., the determination of structure and timing could impact rollout and implementation)
• Favorable and timely decisions by National Collegiate Athletic Associations (NCAA) (i.e., the NCAA's willingness to accommodate multiple teams across integrating institutions)
• Resolving collective bargaining agreement-related issues (e.g., negotiations)
• Employee retention and change impact
• Change management capabilities
• Resource capacity to execute parallel activities
• Reputational risks relative to enrollment and competition (universities external and internal to the System)
• Ability to implement and execute critical information technology activities in accordance with the timeline

Next Steps

Design Implementation Plan – Progress Summary

Accreditor and Regulator Progress			
To achieve integration by the target date of July 1, 2022, the Western and Northeastern Integration Teams are pursuing the appropriate pathways with:			
Middle States Commission for Higher Education (MSCHE)	U.S. Department of Education (ED) and its Office of Postsecondary Education (OPE)	National Collegiate Athletic Association (NCAA)	Other relevant accreditors (e.g., Association to Advance Collegiate Schools of Business)

Design Implementation Plan – Progress Summary

Working Group Progress

Accomplishments	DRAFTS Completed
1. Finalized 29 WG charges	●
2. Populated 29 WGs and 216 subgroups	●
3. Drafted consultation plans with more than 389 stakeholder group consultation touchpoints	●
4. Drafted 1,039 critical path milestone recommendations and steps for a successful July 2022 launch	●
5. Suggested 559 aspirational goals to accomplish by 2026	●
6. Drafted 541 Priority 1 recommendations	●
7. Drafted 492 Priority 2 implementation considerations to accomplish after July 2022 through 2026	●

↻ In-process

● Complete

Design Implementation Plan – Progress Summary

Reporting on the following elements (as per Act 50):

Act 50 Elements	DRAFTS Completed
1. Integration's initiative overall purpose and rationale	●
2. Goals, objectives, and guiding principles	●
3. Key metrics of success	●
4. Impact statements on: academic programs, nonacademic units and accreditation; students, faculty, staff; the community; and shared governance	↻
5. Description of the proposal to exercise the Board's powers	↻
6. Before and after organizational charts for all impacted institutions	↻
7. Updated financial sustainability analysis	↻
8. Timeline for the implementation plan post-April	↻

↻ In-process

● Complete

Next Steps: What Remains?

1. **Develop timeline for phased implementation launching July 2022**

2. **Define impact statements on:**
   - Academic programs, nonacademic units, and accreditation
   - Students, faculty, and staff
   - The community
   - Shared governance

3. **Create high-level before and after organizational charts for all impacted institutions**

4. **Update report and recommendations for the financial sustainability analysis with savings and growth projections**