To:	Jim Johnsen, President
	University of Alaska
From:	Dennis Jones
	Aims McGuinness
Date:	September 18, 2017
Subject:	Review of Past UA Systemwide Studies

As part of our current engagement with the University of Alaska you asked that we review recent studies of the System with a particular eye to identifying those that are still relevant and have not been fully addressed. The previous studies to which we addressed our attention were:

- "Planning the Future: Streamlining Statewide Services in the University of Alaska System", by Terrence MacTaggart and Brian Rogers, February 2008

- "University of Alaska Review", by James, L. Fisher, Ltd., January 2011

In response to this request we carefully read the reports, categorized the recommendations and drew a set of Observations and Findings.

In summarizing the reports we found that some suggestions are done, others were not done and are irrelevant now, others were contradictory between reports, and others were not done and we have rolled relevant pieces into our own recommendations.

Our major observation is that the reports produced two very different kinds of recommendations. Some of the recommendations deal with issues that are strategic in nature and importance. A second group deals with topics that are very tactical/operational in nature (e.g., the types of photographs and number of colors to be used in University brochure and publications). The focus of this memo is on those of a strategic nature. This for two reasons. First, because of the importance and potential impact of those we categorized as being of a strategic nature. These are also the ones about which we are more likely to have current, personal knowledge. Second, with regard to the more detailed operational recommendations, we are not privy to sufficient information to support justifiable comments. A few of the MacTaggart recommendations and many in the Fisher report fall into this operational category. It is also the case that many of the operational issues are campus, not System, topics.

The findings with regard to those recommendations we deemed to be strategic in nature are summarized below. They are presented by topical area rather than recommendation by recommendation. Many of the comments reflect the framework for allocation of decision authority that we discussed with the Board at their June 1 meeting.

1. Strategic Planning

   Both reports encourage the development of a new UA System strategic plan. The Fisher report goes farther and makes a similar recommendation for each campus. This recommendation has been partially implemented.

   Each of the campuses developed plans shortly after the release of these reports. UAS developed a plan covering the period 2010-17; it is not clear that a new plan has been (is

being) formulated. UAF's plan covers the period 2012-19. UAA has released a plan for the period beginning in 2017. While each campus has goals, linkages to Systemwide goals that may have been in effect at the time are not as strong as we would recommend.

While the System has a stated set of goals (revealed in Strategic Pathways materials and in University Forum summaries), it is not clear that the System has taken steps to make the goals highly visible, build consensus around them, and managed to "gain public buy-in for the public agenda," especially the research and public service roles. There is not clear evidence that the general public is constantly reminded of these goals – for example, primary attention on the System website is drawn to Strategic Pathways, a program review and implementation initiative, not to the goals themselves. We had to do considerable digging to find references to the System goals; they are not embedded in a strategic plan or public agenda. We look forward to our work together in September when we will help you and the Board of Regents clarify your goals. The next step will be for you to articulate them clearly to the people of Alaska.

The MacTaggart report also recommends the "System identify, in collaboration with campus colleagues, a set of metrics to evaluate System performance." This set of metrics that gives concreteness to the goals and that can serve as the basis for an annual report on progress was expressed in the materials for the January 2017 Board Planning Retreat. The Board of Regents receives regular reports on the university's key performance indicators and the president's performance evaluation and compensation also are tied to performance metrics. We would encourage the Board to simplify and clarify System level goals for whatever purpose they are used and, as suggested above, to communicate those goals clearly both within and outside the university.

Conclusion

In summary, the components of a Systemwide strategic plan can be found in various places. They need to be brought together, given much greater visibility and communicated/discussed in a way that builds broad consensus around them. Further work on building metrics for some of the goals is also needed.

2. Institutional missions

The Fisher report in particular emphasizes the importance of more clearly stating institutional missions, recommending that the "Board of Regents adopt refined, distinct institutional mission statements" and do so before additional strategic planning activities are initiated. The focus in this report is a clearer articulation of graduate education and research roles for UAA and UAF. UAS is not mentioned, nor are there recommendations regarding differential audiences to be served. The institutions, in defining their own missions without a clear perspective from the Board or System level, do little to clarify matters.

Conclusion

A summary judgement is that this cluster of recommendations has not been fully implemented. A suggestion from us is that a specific effort be made to specify for each institution:

- The audiences to be served – geographic area(s) (including determining which institution is charged with serving the most remote parts of the state), level of

academic preparation, recent high school graduates versus adults (with and without prior college), etc.

- The programs of emphasis by field and level

- Special features – land grant status, distance education infrastructure and capacity, etc.

This is an activity that is fundamental to improving many of the functions performed at the system level – for example, program approval, budgeting for new capacity, etc. We see good progress in defining missions being made in the Strategic Pathways process, and we look forward to addressing this issue directly during the upcoming work session with the Board.

3. Community Colleges

The Fisher report makes several recommendations regarding the provision of community college services within the System. Among the steps recommended were:

- To accord vocational, technical, and community college activities much greater prominence in order to better serve the workforce development needs of the various regions.

- Create formal, named community colleges in Anchorage and Fairbanks (without creating new campuses). The presence of community colleges in the two major cities would allow UAA and UAF to gradually increase their admissions standards.

- Price community colleges such that tuition rates are below those for the senior institutions.

- Report statistical results – retention and graduation rates – of community colleges separately from the data for senior institutions. This will give a truer picture of the performance of both community colleges and senior institutions, and will very likely make the universities look better in national comparisons.

Conclusions

Several of the recommendations regarding community colleges have not been implemented, while progress has been made on others. For example, the System has made vocational workforce development a high priority, as reflected in a large portion of its 65% by 2025 goal. The community colleges in Anchorage and Fairbanks have specific names and, especially in Fairbanks, a separate identity due to its downtown location. While not yet in place, we see the System developing plans now to offset high tuition in community and technical programs. While the specifics of the recommendations need not be followed slavishly, the issues raised must be addressed. One option is to address them in the context of mission specification. Addressing the issue in this context also raises the question of responsibility for providing access to community college services for residents of the more remote parts of the state.

4. Budgeting and Budget Process

Both reports contain multiple recommendations regarding the development of the budgets for the System. Summarized, these recommendations are that:

- The System develop the tools that let it plan for circumstances in which funding from the state is severely curtailed and do so in a way that prevents responses to this eventuality from creating a crisis for the university.

- The budget be understood to be the device by which the recommended strategic plan is implemented and through which the institutions are given incentives to contribute to goal attainment. Use of incentives rather than centralized management of initiatives was stated as a clear preference.

- The process by which the budget is developed be improved – "turn a highly directive process into a more collaborative one, with early campus engagement."

- Develop a long-term strategy for dealing with the growing issue of deferred maintenance and for use of Indirect Cost Recovery funds.

Conclusions

These are all important and are currently being addressed, partially on your own and partially through the efforts in which NCHEMS is engaged. The items we'll talk about during our ongoing work with you will cover these points and more.

5. System/Campus Decision Authority and Responsibility

This general topic, too, was addressed in multiple ways by numerous different recommendations in the two reports. Again, we have chosen to take "reviewers license" and summarize the recommendations as follows:

- Move away from System management to System leadership. MacTaggart recommended development of "a more precise and agreed upon understanding of apportionment of responsibility, accountability, and authority between the System and the campuses" going so far as to suggest development of a written statement of "modus operandi." Again the framework we presented at the Board meeting is a useful point of reference for this recommendation. We see that you have suggested such a model and we look forward to fleshing it out in September.

- MacTaggart makes the useful distinction between

    o Governance

    o Services

    o Programs

    And argues that the System should confine its efforts to governance (we prefer leadership), and services that serve all institutions. Services required by the System and one of the institutions should be provided <u>from</u> the institution <u>to</u> the System, not the other way around. Fisher recommended <u>centralizing</u> program approval, technology standards and major technology resource decisions, allocation of capital and buildings, and formulation of budget requests, allocation of maintenance reserve funds, negotiation of CBAs, and fringe benefit programs. In a similar vein, he recommended <u>decentralizing</u> employee evaluations, most hirings, college and departmental budgets, faculty promotion and tenure, disciplinary-specific curricular decisions, provision of student services, alumni activities, fund-raising most of the

institutional research function. Risk management is also something that was specifically identified as a function that should be devolved to the campuses.

- As part of the new "modus operandi" it was recommended that "the System more deeply engage the chancellors in decision-making on most important System problems – setting strategic directions, approving new doctoral programs, budget requests to the legislature, and resource allocation among campuses." Conversely it was recommended that "Chancellors routinely involve senior System executives in campus decisions that have implications for the System office or for the UA System as a whole – particularly those with visible impacts to significant external constituencies.

- Campuses should be responsible and accountable for administration and delivery of academic and research programs. The System should house such programs only in their incubation phase with devolution to a campus occurring as soon as is feasible.

- Reductions of 30-40% in System with functions distributed to campuses was set as a target.

Conclusions

Our sense is that significant strides are being made in responding positively to these recommendations. State general fund expenditures for support of the System have been reduced by 38%. The formation of the Summit Team and regular communications by the President with this group sets the right tone. The Strategic Pathways process has included the principle that student or faculty facing services should be provided by the campuses, whereas "back room" and other functions that can be standardized and automated should be driven—in collaboration with the campuses—by the System. The three topics identified early in this memo – strategic planning, mission specification, and the budget process will provide ample opportunity for demonstrating commitment to a collaborative process.

Throughout these processes it is important to keep reaffirming the importance of having a statewide entity that:

- Keeps the focus on needs of students and the state

- Leads intercampus initiatives designed to serve all parts of the state and draws on the capacities of all institutions in doing so

- Can achieve benefits associated with economies of scale

6. Information Technology

IT was singled out for special attention in recommendations concerning System/campus responsibilities and authority. The MacTaggart Report was particularly attentive to issues and recommendations in this arena. The recommendations in this regard are recounted below.

- System office of IT should
  - Have primary responsibility for connecting UA networks to the world.
  - Provide sufficient bandwidth for internal traffic.
  - Develop a clear service catalog to identify all service lines.

- Work with campus IT leadership to determine, on a service-by-service basis, which should remain at the OIT and which should devolve to campuses.
    - OIT, IT Council and Project Executive Group should clearly articulate requirements for future projects and solicit ideas and practices from campuses before developing new solutions, PEG should clearly communicate priorities and timelines for IT system improvements – outsource when necessary to accomplish key improvements.
    - IT Council should focus on strategic IT issues leaving decisions about business needs (specific functionality) to Banner System users (finance, HR, and student services).
    - Banner support should include and outsource contractor, for large projects and to address (at campus cost) unique campus concerns.
    - Help desk and desktop support should be campus functions.

The contribution of the Fisher Report to this topic was a recommendation that a Systemwide student record system satisfactory to all be created.

Conclusions

We are not in possession of sufficient information to make judgements concerning the extent to which these recommendations have been followed. However, a review of the recommendations of the Strategic Pathways IT group indicates that some of the issues have been addressed and work is continuing. What is missing is a statement of guiding principles that can serve as a template for determining allocation of responsibility – e.g., System is responsible for Internet connectivity, bandwidth, functions serving all campuses while campuses should assume responsibility for all functions that are campus-specific. We understand that you have engaged an IT expert to review these and other issues and that a report including diagnosis of issues and recommendations is forthcoming.

7. Distance Education

This topic got relatively little attention in the two reports – less than was deserved in our opinion. To the extent that the topic was broached, recommendations dealt with:

- Returning Alaska to the forefront of states in the use of technology enhanced education; there was an indication that Alaska at one time was a leader in this arena, a position that has been lost.

- Sharing courses and faculty among the institutions in the System and with students and institutions outside the state (WGU was specifically mentioned).

Conclusions

This is a subject that should be of high importance given the goals that have been established and the need to serve a widely dispersed student population in a more cost-effective way. One approach – likely the best – is to specifically address the topic in the context of discussions about strategic planning and institutional missions. This is a topic so important that it demands Systemwide attention; the sum of institutional actions is unlikely to suffice.

8. Curricula

The MacTaggart report is silent on this topic. Fisher recommends a common general education core across the campuses (and research on those curricula that are best at producing the kinds of general education outcomes desired). This report goes into some detail regarding specific general education requirements – e.g., require a laboratory science course and implement a writing competency exit exam.

Curriculum matters have been at the core of the Strategic Pathways initiative, although the focus appears to be on doing things more efficiently rather than on producing graduates with the requisite skills and knowledge. There is no evidence of a focus on competencies in what we could find.

Conclusions

Most curricular issues are campus-level matters that are best avoided at the System level. Some, however, are appropriately addressed at the System level; the issues being addressed by Strategic Pathways and the ongoing work of aligning GERs fall into this latter category. While many key academic questions are being addressed by the teams working on the various components of Strategic Pathways, we would note the failure of both reports to address the role of the System in providing academic policy leadership. This is an area in which campuses jealously guard their turf but in which there is a legitimate role for the System—in setting an agenda (for example, dealing with gen ed and transfer), in convening stakeholders to hammer out solutions, in working with K-12 in establishing standards for college readiness, and a myriad of other issues. We understand that you are moving in this direction through the Strategic Pathways process and we encourage you to keep pushing this agenda forward.

9. Retention and Graduation

Fisher recommends that "the President of the University of Alaska make the improvement of retention and graduation one of his very highest priorities." He also recommended studying the reasons for such low rates and the impact of certain services and practices on improvement. You have clearly drawn attention to the issue in your public pronouncements and the campuses have committed to improvement in their strategic plans. Less clear is the extent to which there is a concerted Systemwide effort being made in this arena. For example, we don't see traces of initiatives such as those being promoted by Complete College America – revised approaches to developmental education, for example. While to some extent hokey, these initiatives are also proving effective. These comments may well be based on absence of information on our part rather than absence of attention by the University.

Conclusions

Regardless of what we do or don't see, this is a topic worthy of continued attention. Alaska is unlikely to reach its 65% attainment goal without significant improvements in completion. The effort in this regard is really an extension of the academic policy leadership function mentioned under point 8 above. We see that this is a high priority for you and we look forward to our September workshop in which we will review specific strategies for increasing attainment.

10. Salary Schedules

This is a topic that might better be treated as a subcomponent of the recommendations regarding specification and differentiation of institutional missions. Fisher recommends the University move away from the Oklahoma State salary survey data as the benchmark for salaries for all three universities, arguing instead for comparisons based on groups of peer institutions that reflect the different missions of the three universities. This report also called for more salary flexibility across the campuses in order to reflect not only mission differentiation but market and merit conditions as well.

Conclusions

Whether these recommendations have merit or not, these are all issues that must be addressed through collective bargaining. It will be easier to argue for such changes once missions are more concretely defined.

Summary

Much progress has been made in implementing recommendations made in the two reports we reviewed. And the work is on-going, much of it in the context of Strategic Pathways and in our engagement with you. System level expenditures have been substantially reduced often through devolution of some functions to campuses; there are few if any examples of Programs (in MacTaggart's terms) remaining at the System level. Strategic Pathways is addressing the question of what Services should be provided at the System level. Several of our comments and conclusions focus on the Governance category in MacTaggart's schema. There is no question about the location of Governance responsibility at the System level. There is, however, need for better understanding of the functions that are of central importance within the rubric of governance. We have called out the items listed below as deserving of special attention as the Board and System staff work through the nuances of providing policy leadership. It is in this broad arena where the agenda could stand additional attention. Again, steps are being taken but the job is not completed. The items on the list are:

- Definition/building consensus around strategic priorities

- Delineation of institutional missions

- Strategic budgeting and finance

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