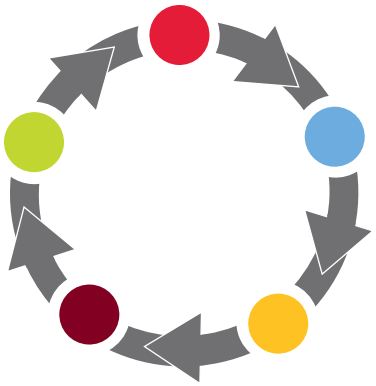
Ohio | Department of Higher Education

John R. Kasich, Governor
John Carey, Chancellor

The 2016 Efficiency Advisory Committee Report

Prepared by the Chancellor of the Ohio Department of Higher Education



Message from Chancellor Carey

This year we saw a continued discussion and focus on the important topics of affordability and attainment within higher education. The heightened awareness of both has made efficiency a critical tool for Ohio's public colleges and universities. In August, all 37 public colleges and universities submitted their efficiency reviews and implementation plans, as required by Ohio law in response to the recommendations of the Governor's Task Force on Affordability and Efficiency in Higher Education. The following report highlights initiatives and efficiencies reported by the campuses for this year only.

In the Task Force report, Master Recommendation #1 states that students must benefit and that savings and/or new dollars generated from the Task Force recommendations must be employed to either reduce the cost of college for students or produce a tangible benefit to students. It is important to note that this recommendation is at the heart of the Affordability and Efficiency initiative, and is purposely prioritized in this report's highlights.

I am proud of the work our colleges and universities have done thus far to fulfill this vision. **The total estimated cost savings or avoidance reported for FY16 alone is almost $250 million dollars**. Although there is still work to be done, we have made great strides in Ohio. Through the Efficiency Advisory Committee, we have been able to identify and capture these opportunities as well. I look forward to continued collaboration with each of you as we develop more innovative ways to serve Ohio's students.

Legislative Requirements

Amended Substitute House Bill 64 of the 131st General Assembly requires the Chancellor to maintain an Efficiency Advisory Committee, composed of members from each of Ohio's public colleges and universities. The purpose of this committee is to generate optimal efficiency plans for campuses, identify shared services opportunities, streamline administrative operations, and share best practices in efficiencies among institutions.

The bill additionally requires an annual report, as follows:

> *By December 31 of each year, the Chancellor of Higher Education shall provide a report to the Office of Budget and Management, the Governor and the General Assembly compiling efficiency reports from all public institutions of higher education and benchmarking efficiency gains realized over the preceding year. The reports from each institution shall identify efficiencies at each public institution of higher education, and quantify revenue enhancements, reallocation of resources, expense reductions and cost avoidance where possible in the areas of general operational functions, academic program delivery, energy usage, and information technology and procurement reforms. The reports shall particularly emphasize areas where these reforms are demonstrating savings or cost avoidance to students. The report shall also be made available to the public on the Department of Higher Education's website.*[1]

In the early part of 2015, Governor John Kasich created the Ohio Task Force on Affordability and Efficiency in Higher Education to make recommendations to Ohio's public colleges and universities based on three simultaneous principles: 1) to be more efficient both in expense management and revenue generation; 2) to do so while offering an education of equal or higher quality; and 3) to do so while decreasing costs to students and their families. The Task Force met several times in 2015. In October, the Task Force issued a comprehensive report organized around 10 key focus areas to advise institutions on practices (both administrative and academic) with the potential to improve the quality of education while lowering costs for students.[2] Amended Substitute House Bill 64 also required the board of trustees at each institution to complete an efficiency review based on the Task Force recommendations by July 1, 2016 and submit findings and implementation plans to the Chancellor by August 1, 2016.

1 Amended Substitute House Bill 64, the operating budget for Fiscal Years 2016-17, Section 369.540
2 Additional information and the Task Force report is available at https://www.ohiohighered.org/affordability-efficiency/task-force

Year in Review

The Efficiency Advisory Committee convened twice in 2016, in February and again in November. In February, the Committee heard from several institutions about various practices being implemented at Ohio's campuses. Presentations included an overview of the Inter-University Council Purchasing Group (IUC-PG); the Higher Education Shared Services Consortium between Central State University, Wright State University, Sinclair Community College and Clark State Community College; and several colleges and universities sharing academic programs, such as the Northwest Ohio Allied Health Consortium and the Northwest Ohio Master of Fine Arts program.

In November, the Committee meeting focused on operational excellence, specifically looking at what institutions are doing to evaluate and improve their processes on campus. The morning sessions laid the groundwork for defining Lean Six Sigma methodology, and the afternoon, through Lean Ohio, provided tools for Committee members to take back to their institutions to help them get started.

Reporting Process

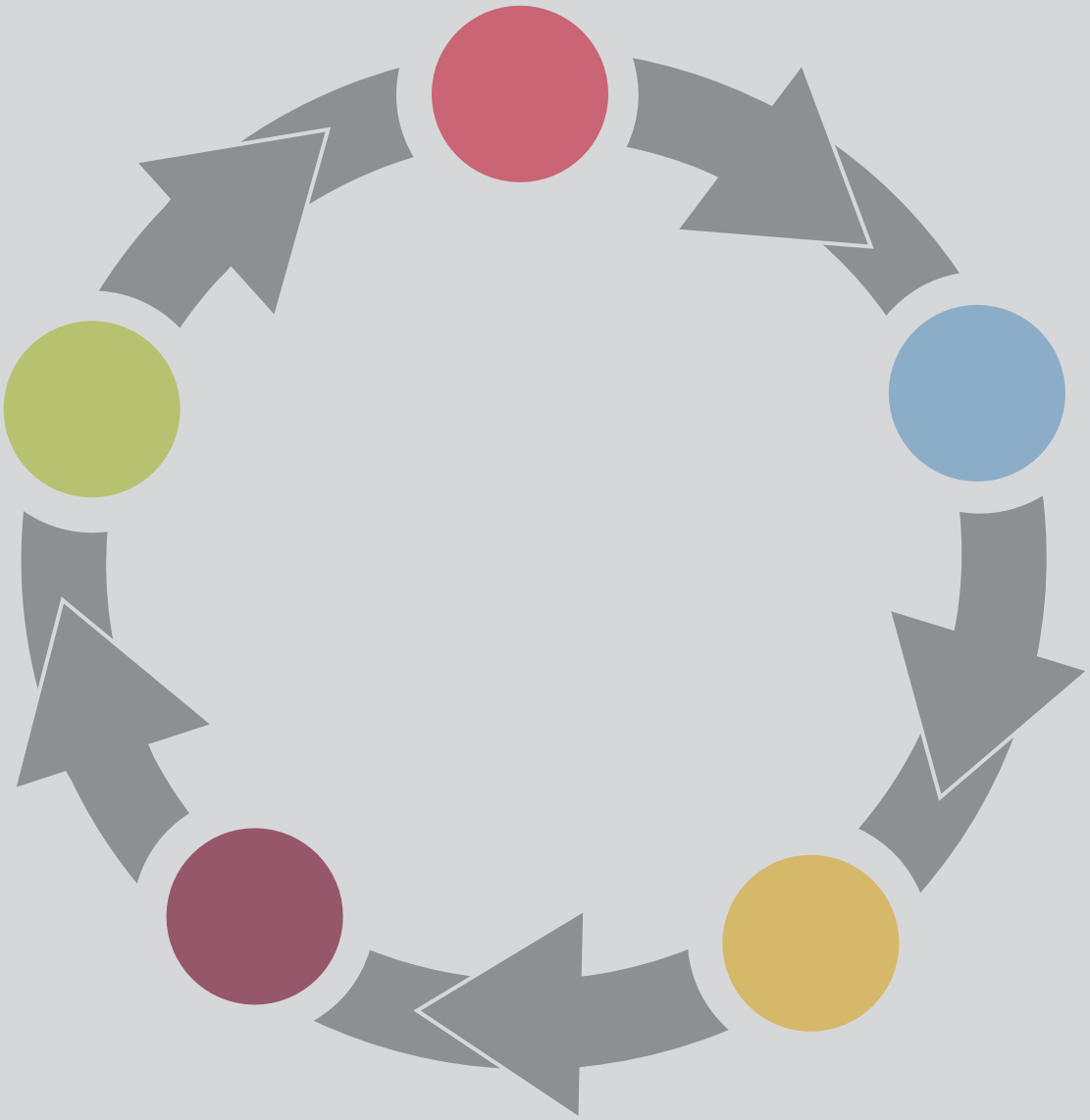
In an effort to streamline the reporting requirements this year, the Department of Higher Education utilized the Task Force recommendations as the basis for the efficiency report the Department is required to produce. A template organized by the Task Force recommendations was designed and provided to the Efficiency Advisory Committee members in order to communicate their reviews and plans. This report highlights the efficiencies captured from their reports.

Below each Task Force recommendation, there is a chart aggregating the data reported by the campuses. The verbiage from the responses was used to determine the code that was assigned. Please note that the Task Force recommendations are exercises that are intended to be continuous and ongoing. The purpose of this report is to capture the efficiencies gained by Ohio's public colleges and universities throughout the year. Going forward, institutions are encouraged to continue implementing the recommendations and to strive for continuous improvement in years to come.

The Department divided the implementation status of each institution's response to the Task Force recommendations into four categories:

1. No response = The college/university did not provide any information.
2. No progress toward implementation in 2016 = The college or university did not implement the strategy this year.
3. Planning for future implementation in 2016 = The college or university reviewed the recommendation and has committed to implementation. However, the public college and university has NOT taken action yet.
4. Tangible progress toward implementation in 2016 = The college or university took action regarding this strategy in 2016.

Below the charts, highlights are included to identify the initiatives and efficiencies captured.



1

Master Recommendation 1: Students Must Benefit

Savings and/or new dollars generated from these recommendations must be employed to reduce the cost of college for students. Any other uses must have tangible benefits for the quality of students' education.

In order to capture the Task Force recommendation, the institutions reported their actual cost savings for fiscal year 2016 (or expected annual cost savings) for each recommendation. From there, each institution reported how the total actual cost savings listed were redeployed to either (1) reduce the cost of college for students or (2) provide tangible benefits for the quality of students' education. The chart below captures this data.

Student Focus	Aggregated Amount Invested by Institutions *
Reductions to the total cost of attendance (tuition, fees, room and board, books and materials, or related costs — such as technology)	$25,563,282
Student financial aid	$55,851,367
Student success services, particularly with regard to completion and time to degree	$8,599,237
Improvements to high-demand/high-value student programs	$4,851,521
Investments in tools related to affordability and efficiency	$3,854,118

*NOTE: Only 27 out of the 37 institutions reported an amount invested

2

Master Recommendation 2: Five-year Goals

Each institution must set a goal for efficiency savings and new resources to be generated through fiscal year 2021, along with a framework for investing those dollars in student affordability while maintaining or improving academic quality.

To capture the Task Force recommendation, the institutions reported their estimated efficiency savings and new resources to be generated for each Task Force recommendation, and then provided a total of the two elements. The below chart captures this data.

Task Force Recommendation	Estimated Total of Combined Institutional Opportunities for Enhanced Student Affordability by Task Force Recommendation
Campus Contracts	$47,588,000
Collaborative Contracts	$82,117,255
Asset Review	$44,898,198
Operations Review	$23,499,827
Affinity Partnerships and Sponsorships	$248,216,638
Cost Diagnostic	$29,042,744
Productivity Measure	$7,748,330
Organizational Structure	$33,997,290
Health-care Cost	$22,287,731
Data Centers	$1,744,284
Space Utilization	$17,966,475
Energy	$22,288,303
Negotiate Cost of Textbooks	$9,095,782
Standardize Materials	$4,130,913
Develop Digital Capabilities	$26,176,210
Education Campaign	$4,595,652
Graduation Incentive	$20,185,000
Standardize Credits for Degree	$37,845,216
Data Driven Advising	$2,382,992
Summer Programs	$7,324,756
Competency-Based Education	$1,515,056
Financial Advising	$838,064

3

Recommendation 3: Contracts

3A: Campus Contracts

Each institution must require that its employees use existing contracts for purchasing goods and services, starting with the areas with the largest opportunities for savings.

No response	1
No progress toward implementation in 2016	4
Planning for future implementation in 2016	7
Tangible progress toward implementation in 2016	25
Percentage of colleges and universities with tangible progress toward implementation in 2016	**68%**

Highlights:

- **Central State University**'s purchasing guidelines have been implemented in 2016 to ensure the campus is taking advantage of the largest opportunity for savings. In 2016, CSU spent $1.5 million through IUC and State Term contracts, realizing a savings of more than $400,000.
- **The Ohio State University** has produced a cumulative savings of $190 million by utilizing the university's buying power to drive both savings and quality enhancements. For example, OSU first required that employees purchase office supplies through its contracted vendor in 2010, when the utilization rate was approximately 50 percent. Presently, with near universal utilization of the contracted vendor, the university was able to negotiate a new contract for office supplies that includes $5 million in savings over seven years, including $1 million that was distributed as student financial aid.

3B: Collaborative Contracts

Ohio's colleges and universities must pursue new and/or strengthened joint purchasing agreements.

Contract Type	Yes	Plan To	No
Copier/printer services	18	11	8
Computer hardware	27	4	6
Travel services	6	12	19
Outbound shipping	24	4	9
Scientific supplies & equipment	21	10	6
Office supplies & equipment	29	1	7

4

Recommendation 4: Assets & Operations

4A: Asset Review

Each institution must conduct an assessment of its noncore assets to determine their market value if sold, leased or otherwise repurposed. Where opportunities exist, colleges and universities must consider coordinating these efforts with other Ohio institutions to reap larger benefits of scale.

No response	0
No progress toward implementation in 2016	6
Planning for future implementation in 2016	3
Tangible progress toward implementation in 2016	28
Percentage of colleges and universities with tangible progress toward implementation in 2016	**76%**

Highlights:

- The **University of Cincinnati** monetized one of its parking structures to UC Health for $12 million, which allowed the university to reduce its outstanding external debt load and corresponding annual debt service.
- **Owens Community College** recently completed a sub-lease for a space that resulted in a cost avoidance of approximately $305,000. In March of 2016 OCC consolidated the College Workforce Training Programs in Maumee, Ohio to its facilities on the Toledo Campus. The Maumee Ohio facility was leased by the College from a private corporation. The College was not permitted to step away from its lease of the facility so they set up an agreement which allowed the College to sublease the space, including all of the furniture, to ProMedica Health System Inc.

4B: Operations Review

Each institution must conduct an assessment of non-academic operations that might be run more efficiently by a regional cooperative, private operator or other entity. These opportunities must then be evaluated to determine whether collaboration across institutions would increase efficiencies, improve service or otherwise add value.

No response	0
No progress toward implementation in 2016	2
Planning for future implementation in 2016	2
Tangible progress toward implementation in 2016	33
Percentage of colleges and universities with tangible progress toward implementation in 2016	**89%**

Highlights:

- **Kent State University** issued a Request for Proposal for the selection of a consultant to assist with operational and asset reviews. After learning that **Youngstown State University** and **Wright State University** were both interested in hiring a consultant, a shared contract price was negotiated. By partnering on the initiative, there was a 13% savings on the cost per institution.
- The **Shawnee State University** Office of Counseling & Health Services developed an MOU with **Kent State University** and Lindsey Wilson College to create a Counselor-in-Residence program. The clinical service provided under this MOU is estimated to save Shawnee State University $19,012.80 in cash compensation.
- **The University of Akron** began processing certain **Lorain County Community College** (LCCC) financial data on equipment and applications that are owned by or licensed to the university. Additionally, certain LCCC data is stored (e.g., student grades, addresses, SSNs, etc.) on University of Akron equipment. Several data processing functions are performed and managed by university employees.
- In both the **Terra State** and **Northwest State** engagements, **The University of Toledo** is providing full data center hosting for the respective Banner applications (ERP) at each institution. This essentially makes UT a "cloud" provider to these institutions.

4C: Affinity Partnerships and Sponsorships

Institutions must, on determining assets and operations that are to be retained, evaluate opportunities for affinity relationships and sponsorships that can support students, faculty and staff. Colleges and universities can use these types of partnerships to generate new resources by identifying "win-win" opportunities with private entities interested in connecting with students, faculty, staff, alumni or other members of their communities.

No response	1
No progress toward implementation in 2016	4
Planning for future implementation in 2016	2
Tangible progress toward implementation in 2016	30
Percentage of colleges and universities with tangible progress toward implementation in 2016	**81%**

Highlights:

- **Wright State University** partners with Pepsi in providing scholarships and programmatic support to students, which in 2016 totaled $255,000.
  - » In addition, WSU partners with Barnes and Noble to provide textbooks, apparel, and other items. WSU receives a fixed commission from Barnes and Noble based upon the revenue generated from retail sales, which in 2016 was $492,895.
  - » As another example, WSU partners with Chartwells, the University's food service operator. WSU receives a guaranteed commission from Chartwells, and in 2016 the commission was $1,734,853.
  - » Through procurement card services with JP Morgan Chase to purchase goods and services, the 2016 rebate was $467,832
- Through an affinity partnership with the Coca Cola Company, **Cincinnati State Technical and Community College** receives $50,000 in annual sponsorship income for pouring rights and in-kind product donations.
- **Southern State Community College** has a contract with Follet Bookstore that includes $8,000 for student scholarships.

5

Recommendation 5: Administrative Cost Reforms

5A: Cost Diagnostic

Each institution must produce a diagnostic to identify its cost drivers, along with priority areas that offer the best opportunities for efficiencies.

No response	0
No progress toward implementation in 2016	7
Planning for future implementation in 2016	10
Tangible progress toward implementation in 2016	20
Percentage of colleges and universities with tangible progress toward implementation in 2016	**54%**

Highlights:

- **Bowling Green State University**'s financial analysis includes revenue and expenditure data from the University's educational and general (E & G) funds, designated funds and auxiliary funds. The University implemented a redesigned general ledger and chart of accounts, and the implementation incorporated two prior years of financial data.
  - » The primary revenue drivers are 1) tuition and fees, 2) state operating and capital support, and 3) auxiliary and investment income.
  - » The primary expense drivers are 1) salary/wages and associated benefits, 2) institutional discounts (i.e., scholarships and graduate fee waivers), and 3) utilities, technology, library resources and equipment. Salaries/benefits and non-employee compensation make up the largest expenditures at BGSU followed by scholarships and fee waivers.
  - » Enrollment is the primary driver impacting all categories of revenue directly.

- **Shawnee State University** produced a cost diagnostic by functional classification (Instruction, Public Service, Academic Support, Student Services, Institutional Support, Maintenance & Operation of Plant, Scholarships, Transfers), and by natural classification (salaries/wages, benefits, supplies, travel and entertainment, information and shipping, maintenance and repairs, equipment, miscellaneous). Parallel analyses were conducted at the academic program and administrative unit levels. Findings include:
  - » Employee costs comprise approximately 70% of the University's operating expenses.
  - » In terms of revenue, Shawnee State relies nearly exclusively on student tuition and fees and State Share of Instruction (SSI).
  - » University travel spending has been reduced by 32% with preapproval and executive-level review of all travel requests.
  - » Compensation has remained a relatively stable component of operating expenses during the last decade.
  - » Double-digit health care inflation during the last decade has been an ongoing burden, though the university has controlled the growth of these expenditures somewhat by implementing a self-insured health plan and significantly altering its health plan design.
- **Central Ohio Technical College** completed a ten-year analysis of the operating budgets for the college. The heavy expenditures are salaries/benefits (including instructional areas), equipment needs, technology costs, facility operational costs, and advertising (recruitment). While the review will continue, initial results of the assessment have shown that in times of both enrollment growth and decline the college has reacted appropriately by strategically adjusting operational and personnel expenditures.

5B: Productivity Measure

The Department of Higher Education should develop a common measurement of administrative productivity that can be adopted across Ohio's public colleges and universities. While the measure should be consistent, each institution should have latitude to develop its own standards for the proper level of productivity in its units. This will allow, for instance, for appropriate differences between productivity in high-volume environments vs. high-touch ones.

As recommended, the Department developed an administrative productivity measure (APM) in the early part of 2016. The data source for calculating the APM were files submitted directly from public colleges and universities into the Higher Education Information System (HEI). Whenever possible, a three-year average of the most recently available data was utilized. The APM is comprised of four individual ratios, as follows: Course Completion Ratio, Degree Completion Ratio, Administrative Headcount Ratio, and Administrative Expenditure Ratio.

In April, the Department distributed the measure to the Chief Financial Officers at each public college and university to review the methodology and provide feedback. The Department is currently working with institutions to refine the methodology to ensure that the measure is as comprehensive and robust as possible.

Highlights:

- **Miami University** began its Lean journey several years ago as highlighted in the Task Force report. In FY16 Miami completed 327 projects at a value of $12,781,358 in Cost Avoidance, Cost Reduction and new Revenue. Over 2,500 employees have been introduced to Lean and 140 are currently in the Lean Certification Program with 44 employees having become Certified Senior Lean Leaders. Miami has developed a Lean Structure, Lean Database with Dashboard Reporting and standardized processes for tracking Lean project management.

5C: Organizational Structure:

Each institution should, as part or as a consequence of its cost diagnostic, review its organizational structure in line with best practices to identify opportunities to streamline and reduce costs. The institutional reviews also should consider shared business services — among units or between institutions, when appropriate — for fiscal services, human resources and information technology.

No response	0
No progress toward implementation in 2016	1
Planning for future implementation in 2016	2
Tangible progress toward implementation in 2016	34
Percentage of colleges and universities with tangible progress toward implementation in 2016	**92%**

Highlights:

- **The University of Akron** continually reviews its organizational structure. Some recent outcomes based on the ongoing reviews included:
  - » Abolishment of approximately 210 positions
  - » Centralization and consolidation of maintenance and custodial functions, with some level of outsourcing, and Capital Planning and Facilities Management (Physical Facilities Operations Center) functions into Finance and Administration.
- **Youngstown State University** took advantage of retirement and attrition among some senior administrators to implement a major management reorganization. This exercise changed reporting lines, prioritized the areas of Student Success, Student Experience and Research, and resulted in a net reduction of seven FTE positions that reduced payroll and benefit costs by $1 million.
- **Belmont College**'s organizational structure is constantly being reviewed. A subsequent reduction in workforce resulted in a collective savings of $1,366,126 for FY 15/16 budgeted expenditures.
- **Marion Technical College** recently evaluated its organizational structure and made adjustments to realign staff. These evaluations have resulted in a reduction of eight FTE positions in the past two years and a cost savings of more than $500,000 (3.5% of Marion Tech's annual operating budget) per year. Five of the eight positions were eliminated and three are suspended until a complete evaluation of the positions is completed.
- At **Rhodes State College**, several areas have been evaluated in 2016, resulting in substantive changes that include:
  - » Student Affairs: three positions were eliminated and duties were streamlined, providing a budget savings of almost $102,000 to the division and to the college.
  - » Academic Affairs: three department chairs were realigned, a dean position was eliminated (savings of $90,000+) and another was filled internally, resulting in a cost savings of more than $80,000.

5D: Healthcare Costs

Like other employers, colleges and universities have experienced rapid growth in healthcare costs. To drive down costs and take advantage of economies of scale, the Department of Higher Education has convened a working group to identify opportunities to collaborate. The following are several recommendations cited from the efficiency reports.

Highlights:

- **The University of Toledo** realized a $3.1 million savings by purchasing drugs at the hospital discount and passing that savings on to the university.
- **Cuyahoga Community College** has received health care efficiencies through its prescription drug group purchasing arrangement with the Health Action Council. Their two-year contract ending 12/31/16 with Caremark/HAC has resulted in approximately $244,000 in savings.
- **Marion Technical College** entered into the Jefferson Health Care Consortium, saving the college from incurring a 30% rate increase, an annual savings of $200,000 (1.5% of College's annual operating budget).

5E: Data Centers

Institutions must develop a plan to move their primary or disaster recovery data centers to the State of Ohio Computer Center (SOCC).

No response	0
No progress toward implementation in 2016	27
Planning for future implementation in 2016	8
Tangible progress toward implementation in 2016	2
Percentage of colleges and universities with tangible progress toward implementation in 2016	**5%**

Highlights:

- The **University of Cincinnati** began implementing the State of Ohio Shared Services recommendations for the SOCC more than two years ago. The SOCC co-location project came at a modest price compared to a phase I expense of brick-and-mortar disaster recovery site construction, or contracting with a cloud storage vendor (approximately $1.5 million initial construction cost avoidance).
- **Wright State University** has a recently upgraded data center which currently hosts 17 institutions, primarily as a disaster recovery location.
- In April 2016, **Youngstown State University** entered into a collaborative reciprocal agreement with **The University of Akron** to house backup data servers and other IT equipment in case of an unforeseen event at either campus causes loss of or damage to critical IT infrastructure. YSU is pursuing a similar agreement with **Cleveland State University**.

5F: Space Utilization

Each Ohio institution must study the utilization of its campus and employ a system that encourages optimization of physical spaces.

No response	0
No progress toward implementation in 2016	5
Planning for future implementation in 2016	9
Tangible progress toward implementation in 2016	23
Percentage of colleges and universities with tangible progress toward implementation in 2016	**62%**

Highlights:

- The specific project work plan created as part of Phase One of **Bowling Green**'s campus master plan building demolitions will eliminate over 500,000 square feet of space, and reduce approximately $85 million of the deferred maintenance backlog.
- **North Central State College** has begun the process of evaluating all space on campus and combined areas that have little utilized space. Savings from taking 15 utility days offline are estimated at $19,000. All offices and classes will be moved to the lower-level floors to conserve energy and maintenance. Savings are estimated at $23,000.

5G: Energy Efficiencies

Energy efficiencies seek to refine sustainable methods utilized by institutions to procure and use energy (resulting in more efficient use of energy), including but not limited to lighting systems, heating & cooling systems, electricity, natural gas, and utility monitoring.

No response	1
No progress toward implementation in 2016	1
Planning for future implementation in 2016	1
Tangible progress toward implementation in 2016	34
Percentage of colleges and universities with tangible progress toward implementation in 2016	**92%**

Highlights:

- **Kent State University** currently has a contract with FirstEnergy Solutions for the purchase of electric. With the expiration of this contract approaching in June 2016, the university was able to lock in rates that were 13% lower than the current rates for the next 3 years. This 13% reduction equates to $900,000 in savings over the next three fiscal years ($300,000 annually).
- **Ohio University** installed more energy efficient equipment in buildings and received a utility rebate check from AEP Ohio. The university has received $138,000 in rebates this fiscal year from AEP and has applied for an additional $12,000 expected by the end of FY16. The energy efficient purchases this year have avoided an estimated 1.5 million kWh (approx. 5,120 MMBTU).
- **North Central State College** now has the availability to track and monitor the HVAC in the 164,000-square-foot Kehoe Center. The recent billing estimates a reduction of 24% in the utility cost, comparing building usage from the previous year. Tracking of space and utilities are reviewed daily to optimize the college's energy consumption.

6

Recommendation 6: Textbook Affordability

6A: Negotiate Cost

Professional negotiators must be assigned to help faculty obtain the best deals for students on textbooks and instructional materials, starting with high-volume, high-cost courses. Faculty must consider both cost and quality in the selection of course materials.

6B: Standardize Materials

Institutions must encourage departments to choose common materials, including digital elements, for courses that serve a large enrollment of students.

6C: Develop Digital Capabilities

Institutions must be part of a consortium to develop digital tools and materials, including open educational resources, that provide students with high-quality, low-cost materials.

Category	6A	6B	6C
No response	1	1	1
No progress toward implementation in 2016	24	6	10
Planning for future implementation in 2016	5	5	7
Tangible progress toward implementation in 2016	7	25	19
Percentage of college and universities with tangible progress toward implementation in 2016	**19%**	**68%**	**51%**

Highlights:

- At **Shawnee State University**, faculty and staff work directly with the university bookstore and campus library to implement a variety of strategies to reduce textbook costs for students, yielding the following efficiencies:
  - » Textbooks are offered in multiple formats such as loose-leaf form that provides a savings of $90 per textbook.
  - » The Department of Mathematics has selected open-source materials for its large, multi-section introductory math courses.
  - » Over 90% of the large, multi-section courses have a common textbook.
  - » The Clark Memorial Library offers copies of textbooks on two-hour reserve for students.
- The **University of Cincinnati**'s Division for Administration and Finance now negotiates directly with publishers on behalf of their 44,000 students, saving each student an average of $153 per year. In addition, the Center for Excellence in eLearning is launching its first eTextbook Project. A group of 12 faculty members is working to develop its own interactive textbooks using iBooks Author.
  - » Discounts on the order of 40% per course have already saved students nearly $700,000 during the 2015/16 academic year.
  - » A total of 4,567 unique students benefited from these discounts by enrolling in one or more classes participating in the model.
  - » Students' financial aid can be immediately applied to the cost of learning materials. Since the fee is part of their tuition and fees, students will not need to wait for financial aid disbursement in order to purchase learning materials.
- In collaboration with Apple, **Belmont College** implemented the BEConnected project, through which every student and faculty member receives an iPAD at no charge. The BEConnected initiative has decreased the cost of textbooks by creating a common learning platform in which i-Books, e-Books or otherwise free and widely available books can be utilized. Since all students and faculty now have access to an iPad with this initiative, the budgeted funds of $56,800 for a computer lab and nursing lab laptops were no longer necessary in the new Health Sciences Center. Those funds were redeployed to further enhance the building and purchase additional educational supplies and lab equipment.

7

Recommendation 7: Time to Degree

7A: Education Campaign

Each institution must develop a coordinated campaign to educate its full-time undergraduates about the course loads needed to graduate on time (two years for most associate degrees and four years for most bachelor's degrees).

No response	1
No progress toward implementation in 2016	3
Planning for future implementation in 2016	6
Tangible progress toward implementation in 2016	27
Percentage of colleges and universities with tangible progress toward implementation in 2016	**73%**

Highlights:

- At **Kent State University**, a communication campaign called "GOT 15" was implemented in 2016. Prior to implementing, only 67% of first-year students were enrolled in 15 or more credit hours. Since implementing the campaign, 81% of first-year students are enrolling in 15 or more credit hours each fall. By taking 15 credit hours per semester, a student would graduate in four years instead of five years, which would save the student $25,680.
- At **The University of Akron**, *Finish in Time* is a campaign intended to move the culture of the students to on-time completion. Initial outcomes show increased percentages of first-time, full-time students enrolling in more than 15 or more credit hours in their first semester from 48.6 percent (2013) to 67.3 percent (2016).

7B: Graduation Incentive

Institutions should consider establishing financial incentives to encourage full-time students to take at least 15 credits per semester.

No response	1
No progress toward implementation in 2016	13
Planning for future implementation in 2016	5
Tangible progress toward implementation in 2016	18
Percentage of colleges and universities with tangible progress toward implementation in 2016	**49%**

Highlights:

- In the fall of 2016, **Kent State University** students who have earned at least 75 credit hours and are in need of additional financial assistance to complete a degree will receive a grant of up to $4,000.
- The Back on Track Scholarship at **Lorain County Community College** was offered to students who had previously attended LCCC and were making progress toward degree completion. LCCC contacted students in good academic standing and sent a personalized letter and copy of their college transcript to encourage them to get "back on track" to their completion goal. LCCC offered a maximum $500 incentive to students that registered for summer or fall 2016.
- **North Central State** launched the Tuition Freedom Scholarship program, which currently serves 120 students. With an annual credit-hour load of 26 hours and the college waiving 75% of the last-dollar tuition cost, students save an estimated total of $437,580 per year.

7C: Standardize Credits for Degree

Institutions should streamline graduation requirements so that most bachelor's degree programs can be completed within 126 credit hours or less, and associate degree programs can be completed within 65 credit hours or less. Exceptions are allowed for accreditation requirements.

At the end of 2015, the Ohio Department of Higher Education updated its program review manual. The manual includes a mandatory review when bachelor's degree programs exceed 126 hours and associate degree programs exceed 65 hours. Institutions have already been working to adjust their credit hour requirements, and the chart below captures those efforts.

No response	1
No progress toward implementation in 2016	1
Planning for future implementation in 2016	1
Tangible progress toward implementation in 2016	34
Percentage of institutions with tangible progress toward implementation in 2016	**92%**

7D: Data-driven Advising

Institutions should enhance academic advising services so that students benefit from both high-impact, personalized consultations and data systems that proactively identify risk factors that hinder student success.

No response	1
No progress toward implementation in 2016	1
Planning for future implementation in 2016	10
Tangible progress toward implementation in 2016	25
Percentage of college and universities with tangible progress toward implementation in 2016	**68%**

Highlights:

- **Kent State University** purchased a predictive analytics tool from the Education Advisory Board (EAB) called the Student Success Collaborative. This tool uses 10 years of Kent State historical data to create models of success for its students. The model then assigns a risk color of red, yellow or green to the student. The data allows the advisor to intervene prior to students getting off track. Based on the data, the university is seeing a positive impact from the required advising:
  - » 85% of students now register on time, register (on average) for 15 hours or more, and have higher GPAs than those who do not see an advisor;
  - » 95% of those students who register on time persist to the next semester;
  - » 96% of students who are flagged see their advisor each semester.
- **The University of Toledo** utilizes success coaches who assist with issues such as development of study strategies, time management skills, career exploration, experiential learning opportunities, student involvement and financial aid/budgeting questions. The coaches serve as a central point of contact for students, and they make referrals to appropriate resources on campus to support students. Since the inception of success coaching three years ago, retention at the institution for first-time, full-time students has increased from less than 68% to 74.1%.
- **Lakeland Community College**'s counseling/advising center has implemented several "best practices" including two mandatory advising appointments with a counselor during a new student's first semester at Lakeland. The college is also implementing a "30 credit-hour check-in" process for students when they reach the halfway point of their degree. In addition, an early alert process has been initiated that captures data identifying patterns of high risk student behavior.
- **Terra State Community College** was awarded a $2.1 million Strengthening Institutions Program (Title III) Grant from the United States Department of Education to implement a centralized model of advising. The institution's planned approach to a centralized advising model is to establish one department and location where students can access academic advising, career advising and personal counseling.
- **Zane State College** received the Integrated Planning and Advising for Student Success in Higher Education Initiative (iPASS) grant that will allow the institution to purchase retention software to improve the technology that supports advising. Zane State was the only institution in Ohio to receive this grant.

7E: Summer Programs

Each campus must develop plans to evaluate utilization rates for summer session and consider opportunities to increase productive activity. In particular, institutions should consider adding summer-session options for high-demand classes and bottleneck courses that are required for degree completion.

No response	0
No progress toward implementation in 2016	5
Planning for future implementation in 2016	5
Tangible progress toward implementation in 2016	27
Percentage of colleges and universities with tangible progress toward implementation in 2016	**73%**

Highlights:

- To incentivize students to enroll during summer 2016, **Bowling Green State University** implemented a $50 per-credit discount for undergraduate students in face-to-face courses held on the main campus. As of June 3, both overall summer headcount for 2016 (6,545) and student credit hours (42,778) have exceeded the end-of-summer totals for 2014 and 2015.
- For the 2012-2013 summer term at **Ohio University**, summer accounted for only 7% of the activity normally observed. With the implementation of a summer task force to analyze ways to increase summer programming, enrollment has increased by 10.7%.
- The **University of Cincinnati** enjoys an active summer enrollment in excess of 18,000 students, a level that is over 40% of its fall/spring enrollment. Summer 2016 enrollment is 4% greater than summer 2015.
- When **Stark State College** implemented Platinum Analytics, the class schedule was right-sized, which eliminated "bottleneck" classes. Classroom efficiencies increased, and they are marketing summer programming to college students who are home for the summer, CCP students and graduating CCP students.
- At **Terra State Community College**, enrollment for summer classes in 2016 exceeded 2015 by 19%.

7F: Pathway Agreements

Ohio institutions should continue to develop agreements that create seamless pathways for students who begin their educations at community or technical colleges and complete them at universities.

No response	1
No progress toward implementation in 2016	0
Planning for future implementation in 2016	1
Tangible progress toward implementation in 2016	35
Percentage of colleges and universities with tangible progress toward implementation in 2016	**95%**

Highlights:

- Currently, **Bowling Green State University** has 28 completed program-specific articulation agreements with community colleges and 14 more are in process.
- **Columbus State Community College** has 251 pathways to a bachelor's degree: 4 1+3 agreements, 4 2+3 agreements, 243 2+2 agreements (28 with a 3+1 option). Students save more than 40% on the cost of a bachelor's degree with savings reaching close to 70% depending on the four-year institution and the pathway the student chooses.
- **Edison State** currently has 88 articulation agreements with public and private colleges and universities, including a wide array of 2 + 2 articulation agreements with four-year schools, including **Wright State University** and **Ohio University**.
- **Lorain County Community College** found 134 potential 3+1 opportunities between Lorain County Community College and Ohio public universities. Note that the cost savings will be several thousand dollars per student. Through the MyUniversity program, a partnership that provides a pathway from area high schools to LCCC, the average savings is 80% of the cost of earning a bachelor's degree at a university.
- **Zane State College** received the American Association of Community Colleges (AACC) Pathways grant. With this grant, the college is currently implementing pathways for students to reduce the amount of courses taken and stay focused on a path toward success.

7G: Competency-based Education

Institutions should consider developing or expanding programs that measure student success based on demonstrated competencies instead of through the amount of time students spend studying a subject.

The Ohio Department of Higher Education surveyed the public institutions this past year on the four phases of development in implementing competency-based education programs. The below chart captures the data from the survey.

No response	0
Not currently in any phase of development of a CBE program	16
Planning phase in the development of a CBE program	19
Approval phase includes seeking the necessary approvals to offer the program and beginning to market and recruit for the program	1
Growth phase includes implementation of one or more programs and starting to implement additional programs	1

Highlights:

- The **University of Cincinnati** is planning to develop Information Technology (IT) degrees in a competency-based methodology and is considering this option for its RN-to-BSN program. The IT programs will serve approximately 500 students once fully deployed, and the RN to BSN program would serve approximately 300 students.
- **Lorain County Community College** has developed several associate degree programs and certificates through the competency-based education format, including computer and digital forensics, computer applications integration specialist, and computer maintenance and networking.
- **Sinclair Community College** developed and implemented a competency-based education (CBE) model in 2016, with funding from a $12 million Department of Labor TAACCCT grant. Sinclair's CBE program, Accelerate IT, adopted and adapted the Western Governors University model to deliver three IT associate degree programs with six embedded certificates. Sinclair is expanding its CBE model by offering an accelerated program in advanced manufacturing. To date, approximately 4,500 students have benefited from CBE.

8

Recommendation 8: Program Review

Institutions should consider consolidating programs that are duplicated at other colleges and universities in their geographic area.

In response to this recommendation, the Department utilized data submitted directly from the public colleges and universities into the Higher Education Information System (HEI) to produce a report of duplicative programs by regions, which will be sent to the public colleges and universities to review in early 2017. The Department has conducted research on institutional collaboration in sharing courses and programs and plans to work with Ohio's colleges and universities in encouraging this type of collaboration.

9

Recommendation 9: Joint Oversight Boards

The state should establish joint oversight boards for co-located community colleges and regional campuses of universities. The advisory board's mandate should focus on improving efficiencies and coordination among the institutions.

To further explore this recommendation, the Task Force for Creating Opportunities for Shared Governance for Co-located Campuses was established in the summer of 2016. The Task Force met several times and heard testimony from the seven co-located campuses around the state. A majority of the discussion centered around shared services. The Task Force issued several recommendations, including monitoring and tracking of shared services carried out by the co-located campuses.

10

Recommendation 10: Policy Reforms

10A: Financial Advising

Ohio's colleges and universities should make financial literacy a standard part of students' education.

No response	2
No progress toward implementation in 2016	2
Planning for future implementation in 2016	5
Tangible progress toward implementation in 2016	28
Percentage of colleges and universities with tangible progress toward implementation in 2016	**76%**

Highlights:

- Money Smarts is **Cleveland State University**'s financial literacy program. It brings together cost-of-attendance data with information about credit, budgeting and student loans. Outcomes include:
  - » All freshmen, while attending their *Introduction to University Life* course, receive a Money Smarts in-person presentation or instruction to access the Money Smarts online curriculum. During fall semester, 71% of CSU's freshman created an account and accessed the budget module in Money Smarts.
  - » CSU's results earned national attention when North Star Education Services profiled their freshman literacy program on a platform and called CSU a "hero" for their success.
- The **University of Cincinnati** developed a Financial Literacy Coalition. In the last three years, UC's default rate has dropped from 10.5% to 7.6%. Indebtedness upon graduation has dropped from $28,152 to $27,677 (-1.9%) for the two most recent graduation classes.
- At **Clark State Community College**, with the help of SALT, a tool for students to manage their student loan debt, and the Financial Aid office, 67% of students were brought back to good standing who were previously delinquent on their loans. More information about the tool can be found at http://www.clarkstate.edu/admissions-financial-aid/financial-aid/salt.

- **Lorain County Community College** has included financial literacy as a requirement in several courses. Through this strategy, they intend to impact more than 2,000 additional students during the 2016-17 academic year. Additionally, LCCC was successful in developing the transfer module Quantitative Reasoning. About 20 percent of the course content is devoted to financial literacy, with topics including saving money, borrowing, calculating interest, credit card basics and paying off consumer debt. LCCC anticipates that more than 350 students will enroll in the course in the 2016-17 academic year.

10B: Obstacles

The State Department of Higher Education and/or state legislature should seek to remove any obstacles in policy, rule, or statute that inhibit the efficiencies envisioned in these recommendations.

The institutions provided feedback to the Department via their efficiency reviews and implementation plans, and discussions will continue in 2017.

10C: Real Estate Sales

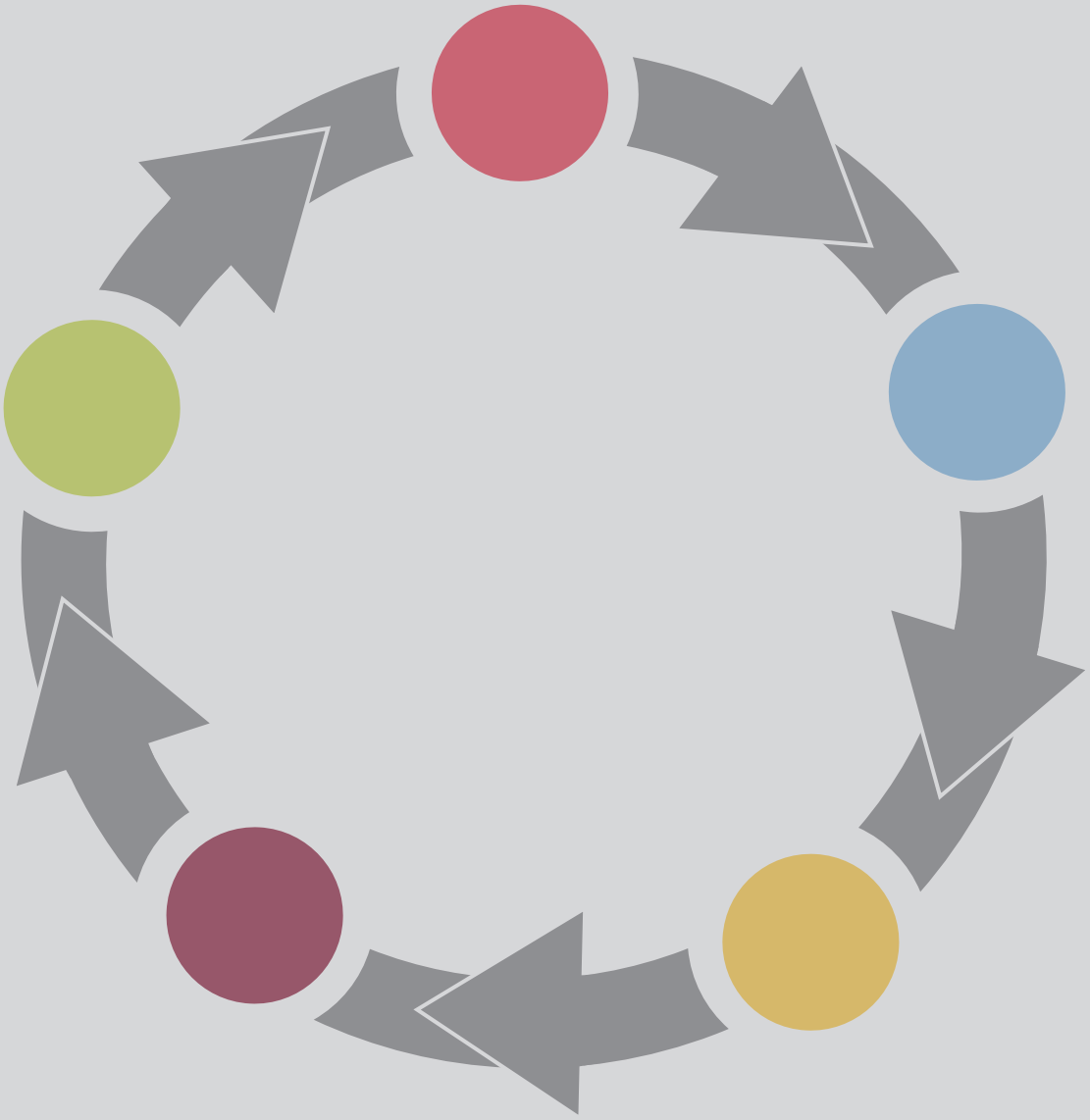
State law should streamline the process for how public colleges and universities sell, convey, lease or enter into easements of real estate. Institutions should be able to transfer property with the approval of their board of trustees and the chancellor while still ensuring legislative oversight/approval by requiring certain transactions be approved by the state Controlling Board.

No legislation was introduced during the previous General Assembly, however discussions will likely continue on the topic in the upcoming legislative session.

10D: Insurance Pools

Most state universities buy their property and casualty insurance on a group basis through the IUC Insurance Consortium. This function could be handled more effectively through a different legal framework.

Under previous law, colleges and universities were required to purchase insurance and take part in an insurance pool. However, the law lacked guidance on a governance structure that would best capture the efficiencies related to these efforts. House Bill 384 enacted by the 131st Ohio General Assembly included a provision to codify the legal liability limits when a public college or university participates in a joint self-insurance pool.



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