

Meeting materials are online at ohiohighered.org/ae

Ohio Task Force
on **Affordability** and **Efficiency**
In Higher Education

Sept. 2, 2015

Members

- **Chair:** Geoff Chatas, Senior VP and CFO, Ohio State University
- Patrick Auletta, president emeritus, KeyBank
- Rep. Mike Duffey, R-Worthington
- Senate President Keith Faber, R- Celina
- Pamela Morris, President and CEO, CareSource
- Rep. Dan Ramos, D-Lorain
- Mark T. Small, Senior VP and CFO, Cleveland Construction
- Sen. Sandra Williams, D-Cleveland

Agenda – Sept. 2, 2015

1. Opening

- Progress report and goals for today

Presentations

2. Administrative efficiencies

3. Technology opportunities

4. Best practices for co-located campuses

Review and discussion

5. Draft recommendations

Our Charge

Recommend solutions based on three key needs:

1. Be more efficient both in expense management and resource generation
2. Offer an education of equal or higher quality
3. Decreasing costs to students and their families

Report deadline: Oct. 1



JOHN R. KASICH
GOVERNOR
STATE OF OHIO

Executive Order 2015-01K

Establishing the Ohio Task Force on Affordability and Efficiency in Higher Education

WHEREAS, Ohio's future economic growth depends upon a well-educated workforce and college graduates; and

WHEREAS, national figures show that the costs to students and their parents associated with higher education have increased substantially over the last 35 years, rising several times higher than the general rate of inflation over the same period of time; and

WHEREAS, the substantial rise in higher education tuition prices has led to a similar rise in student loan debt. In 2013, outstanding student loan debt nationally was well over \$1 trillion, surpassing—for the first time ever—the amount of outstanding credit card debt (then \$857 billion); and

WHEREAS, increasing operational efficiency in our state-sponsored institutions of higher education can lower their costs of providing post-secondary instruction, which in turn should help them provide an even higher quality of education at a more affordable cost to Ohioans;

NOW THEREFORE, I, John R. Kasich, Governor of the State of Ohio, by virtue of the authority vested in me by the Constitution and the laws of the State of Ohio, do hereby order and direct that:

1. The Ohio Task Force on Affordability and Efficiency in Higher Education (the "Task Force") is hereby established to review and recommend ways in which state-sponsored institutions of higher education, including four-year universities and two-year community colleges, can be more efficient, offering an education of equal or higher quality while at the same time decreasing their costs. This can be done only if institutions of higher education become more efficient and productive in the use of their assets, personnel and resources. The Task Force shall provide me with a report with recommendations regarding how our state institutions of higher education can operate more productively and efficiently, so that, over the long term, tuition prices remain affordable.

Administrative efficiencies

See presentation:

Spotlight:
Cost Savings Strategies

Technology

Survey: Educational technology

Two questions:

- What action steps could Ohio's public colleges and universities take to expand the offerings of high-quality, affordable electronic textbooks?
- How should Ohio institutions work together on technology solutions that would lower costs for students?

9 responses

- 5 from universities
- 4 from community colleges

Responses: Electronic textbooks

What action steps could Ohio's public colleges and universities take to expand the offerings of high-quality, affordable electronic textbooks (and related course materials)?

Most common responses

- Open educational resources
- Common materials for gateway courses
- Support for BYOD (Bring Your Own Device) policies

Responses: Educational IT

What action steps could Ohio's public colleges and universities take to expand the offerings of high-quality, affordable electronic textbooks (and related course materials)?

Most common responses

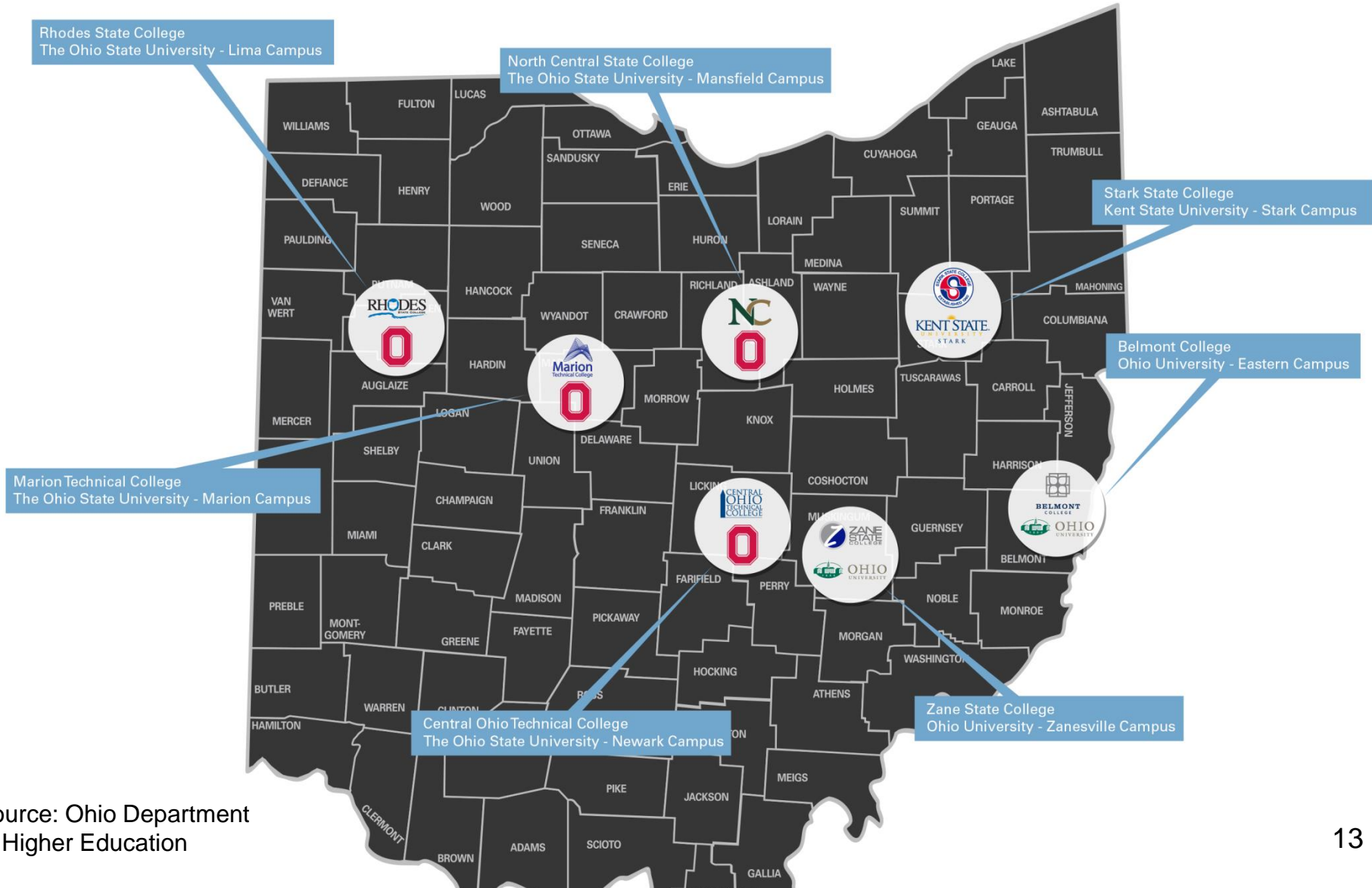
- Shared learning consortium
- LMS and online instructional tools
- Shared IT support departments
- Cloud-based data center

See presentation:

Moving IT Forward

Co-location

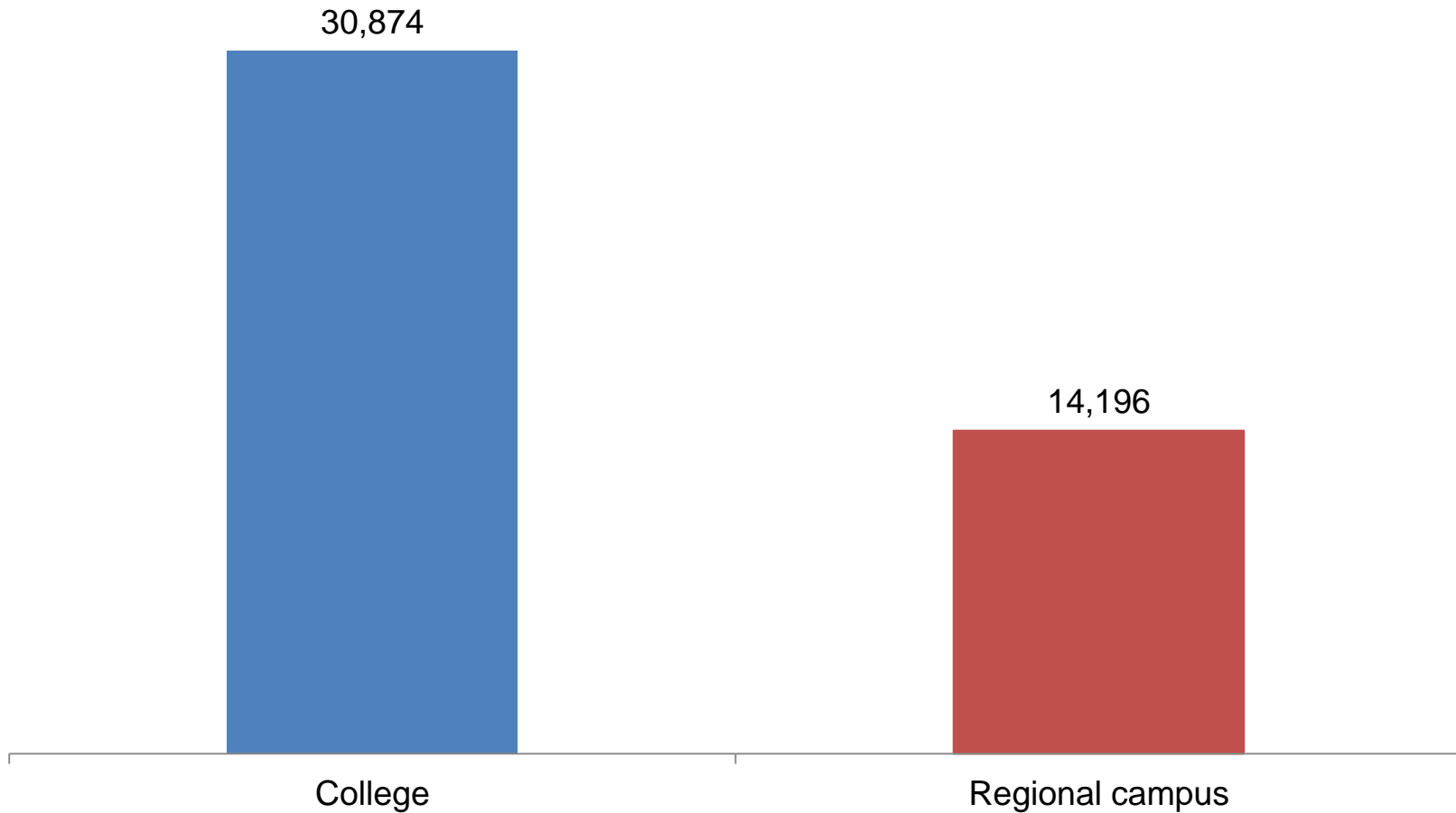
Co-location in Ohio



Source: Ohio Department of Higher Education

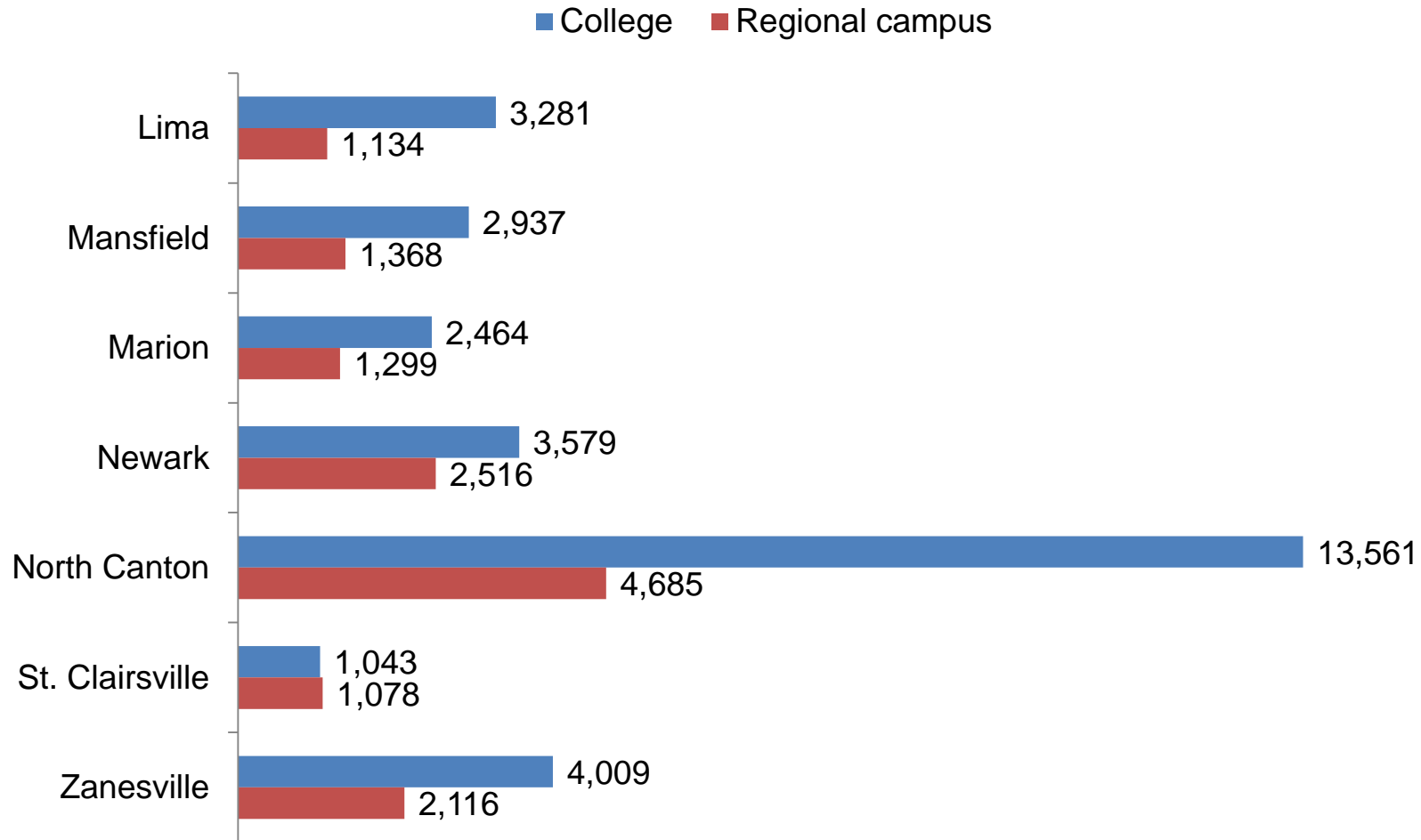
Enrollment comparison

Enrollment at co-located campuses, Autumn 2014



Enrollment comparison

Enrollment at co-located campuses, Autumn 2014



Co-location: Community college perspective

See presentation:

Co-location perspective
Ohio Association of Community Colleges

Co-location: Regional campuses perspective

See presentation:

Co-location perspective
Ohio University Zanesville

See presentation:

Co-location perspective
Ohio State University at Marion

Developing our recommendations

Task Force update

- June 23: Priority-setting and data review
- July 21: Procurement and time to degree
- Aug. 17: Assets, academic efficiencies and productivity
- **Sept. 2: Administrative efficiencies, IT, co-location**
- Sept. 23: Finalize recommendations

Oct. 1: Final report due

Our Process

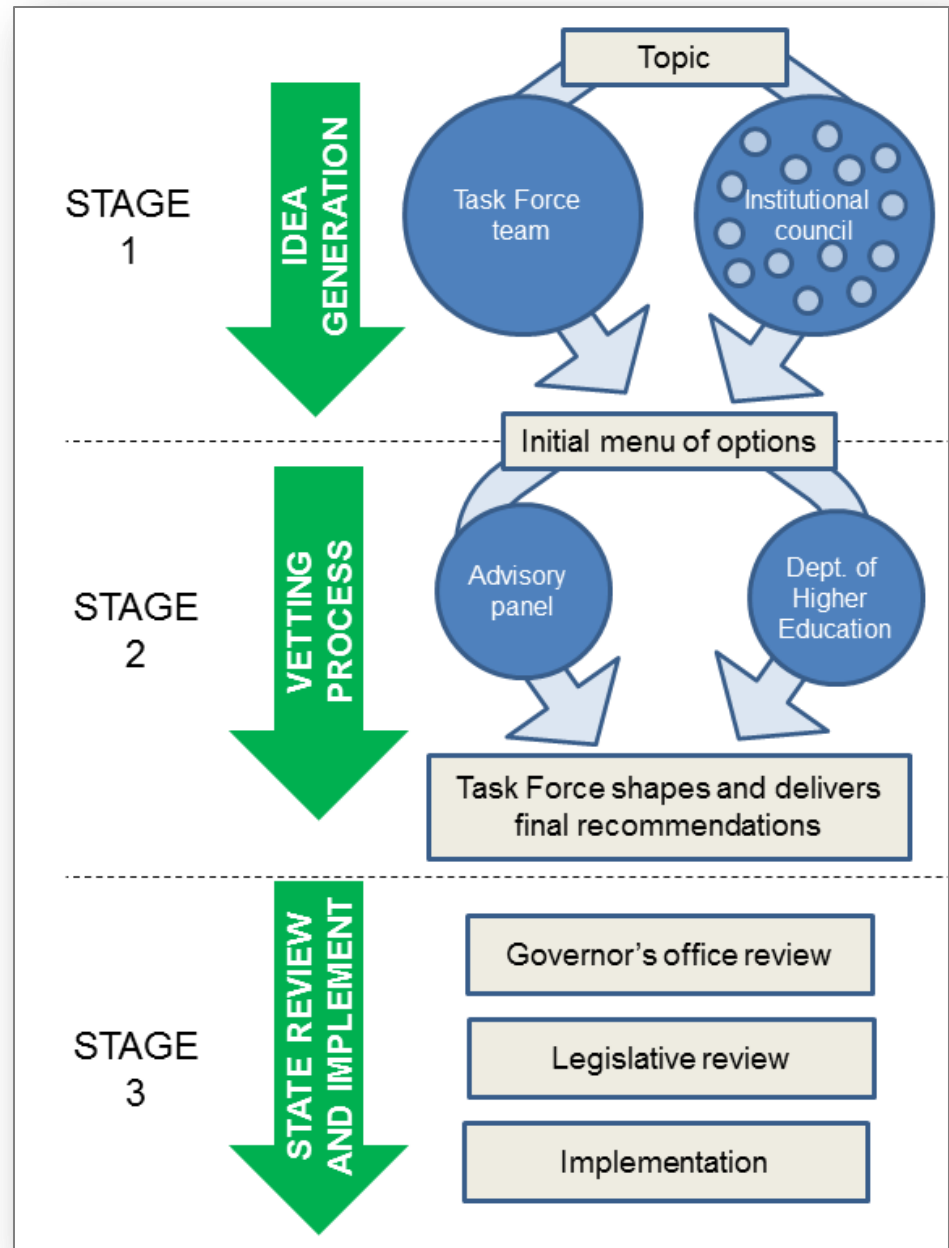
Statewide collaboration

Institutional councils

Each college and university asked to form group to generate ideas

Advisory panel

Associations (IUC/OACC) to coordinate work of leaders from Ohio public institutions



Topics under consideration

- Use of savings
- Institutional goals for savings and revenue generation
- Joint procurement
- Assets and operations
- Administrative cost reforms
- Textbook affordability
- Time to degree
- Duplicative/low-enrollment programs

Ideas 1&2: Foundational concepts

- How do we ensure savings benefit students: cost and quality?
 - **Idea 1:** Require that (all or a portion of) savings from these recommendations be used to directly reduce student costs

- Re-setting institutional priorities on affordability & efficiency?
 - **Idea 2B:** Each school sets 5-year targets for expense reduction and revenue generation, with dollars to be used to reduce cost and increase quality.
 - **Idea 2B:** Responsibility lies with board of trustees
 - **Idea 2C:** Annual reports required.

Idea 3: Procurement

- **Idea 3A:** Each institution should require that their employees use existing contracts/preferred vendors
- **Idea 3B:** New or expanded joint contracts:
 - Natural gas
 - Copier/printers
 - Computer hardware (standard office use)
 - Travel agency services
 - Outbound shipping
 - Scientific lab equipment
 - Office supplies

Idea 4: Asset and operations

- **Idea 4:** Review opportunities to dispose, outsource, collaborate or find private partners
 - Dining
 - Facility maintenance
 - Housing
 - IT help desk
 - Janitorial
 - Landscaping
 - Real-estate management
 - Student health insurance

Idea 5: Administrative cost reforms

- **Idea 5A:** Institutions should undertake a cost diagnostic, and a statewide group should establish a standard productivity measure.
- **Idea 5B:** Review organizational structure to identify opportunities to streamline and reduce costs
- **Idea 5C:** A working group should study how to collaborate on reducing healthcare costs.
- **Idea 5D:** Co-locate data centers
- **Idea 5E:** Optimize building utilization

Idea 6: Textbook affordability ideas

- **Idea 6A:** Professional negotiators should help faculty work out deals for textbooks and instructional materials. Cost should be a factor.
- **Idea 6B:** Institutions should encourage departments to choose common materials for gateway courses
- **Idea 6C:** Institutions should be part of a consortium to develop digital tools and materials, including open educational resources

Idea 7: Time to degree

- **Idea 7A:** State education campaign to encourage 15 credits per semester to graduate on time
- **Idea 7B:** Consider graduation incentive program, if appropriate, to encourage on-time graduation.
- **Idea 7C:** Encourage programs to set 60/120 credit hours for a degree, with exceptions for quality
- **Idea 7D:** Develop plans to evaluate summer utilization rates and increase productive activity
- **Idea 7E:** implement predictive analytic systems and proactive advising

Idea 8: Duplicative/low-enrollment programs ideas

- **Idea 8:** Evaluate low-enrollment and duplicative programs, particularly at nearby or co-located campuses

Budget provision

- Review of all courses and programs based on enrollment and student performance
- Jan. 2016, repeating every five years
- Consider collaboration with nearby institutions

Review of ideas

1. Savings devoted to directly reduce student costs.
2. 5-year targets for efficiencies/revenue generation
3. Expand joint procurement, including in 7 target areas
4. Review non-core assets and operations
5. Seek administrative cost reforms:
 - A. Cost diagnostic and productivity measure
 - B. Organizational structure review/shared services
 - C. Health care benefits review
 - D. Cloud-based data center
 - E. Space utilization review

6. Textbook affordability measures

- A. Professional negotiators to help reduce cost
- B. Standardize materials for gateway courses
- C. Develop digital capability

7. Time to degree initiatives

- A. Education campaign: 15 credits to complete
- B. Consider graduation incentive
- C. 60/120 credit hours for completion
- D. Increase summer utilization
- E. Data-driven advising

8. Review low-enrollment and duplicative programs

Upcoming meeting

- Sept. 23 (3 p.m. – 5:30 p.m.)
Riffe Center, 77 S. High St., 31st floor, Rooms South B & C
Columbus

- Oct. 1
Deliver report

Thank you