Strategic Planning for Universities

College Business Management Institute

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Presented by:

Dr. Jairy C. Hunter, Jr., President
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“To be sure of hitting the target, shoot first - and whatever you hit, call it the target.” (No! No! No!)

“If we always do what we’ve always done, we’ll always get what we’ve always got.”

“Even if you’re on the right track, you’ll get run over if you just sit there.”
Teach the World to Plan

Source: http://www.youtube.com/watch?list=TL7-NWRPi65FQ&v=cpdPEs6r-TU&feature=player_detailpage
Strategic Planning Definitions

- Begins with the end result in mind

- Is a continuous process based on an assessment of the organization’s internal strengths & weaknesses, and the threats & opportunities existing in the external environment which allows decision-making for action about the organization’s vision, mission, goals, markets, priorities & programs

- Is a comprehensive & systematic approach to identifying institutional issues & priorities, the management of change and resource allocation

- Takes long-range planning into account, but emphasizes actions to be accomplished usually within one to three years

- Results in anticipatory decision-making
Strategic Questions

- Where are we now?
- Where are we going?
- How will we get there?

...also...

What Not?
What Next?
What Else?
Benefits

- Accomplishes Institutional Vision
- Builds Trust
- Opens Communication Channels
- Sets Institutional Priorities
- Identifies Competitive Advantage
- Links Planning, Budgeting and Assessment
- Requires Accountability
- Creates Sense of Urgency
- Maximizes Revenue
Essentials

- Trust
- Compelling Vision
- Visionary Presidential Leadership
- Board Support
- Clear and Consistent Communication
- Culture for Innovation and Change
- Broad-based Participation
- Alignment
- Market-Driven Data
- Systemic Review, Evaluation and Revision Process
Strategic Questions

- Where are we now?
- Where are we going?
- How will we get there?
- How will we measure outcomes and successes?
Strategic Planning Process

VISION

ASSESSMENT

OBJECTIVES/ACTION

PLANS

GOALS

MISSION
Strategic Planning Model

I. Institutional Context
II. Assumptions
III. Environmental Scanning
IV. Major Issues
V. Institutional Goals
VI. Objectives/Action Plans
VII. Institutional Effectiveness
VIII. Contingency Plans
IX. Implementation/Evaluation/Revision
X. Executive Summary
I. Institutional Context

- **History**: Date established, description, location, etc.

- **Demographics**: Enrollment, finances, other data

- **Mission Statement**: Purpose/Reason for existing

- **Vision Statement**: Desired future/Strategic intent

- **Distinctives**: Programs, services and characteristics that provide strategic leverage

- **Public/Private**: 2/4 Year
I. Institutional Context

Mission Statement

Criteria:

• Identifies purpose

• States reason for being

• Describes the institution’s values and core beliefs

• Engenders commitment
I. Institutional Context

Mission Statement Examples

McDonalds, “To be the world’s best quick service restaurant experience”

Coca-Cola, “To benefit and refresh everyone who is touched by our business”

IBM, “To be the best service organization in the world”

Wal-Mart, “To give ordinary folk the chance to buy the same thing as rich people”
I. Institutional Context

Mission Statement Examples (contd.)

“NYZ University’s purpose is to promote excellent teaching, research and public service. Marine Science is our signature academic program, and our laboratory is the Atlantic Ocean”

“The South Carolina Technical College System provides the educational opportunity to continued prosperity of our state”

“Cardinal Stritch University is a renowned Catholic institution of higher education, rooted in the liberal arts tradition and committed to Franciscan values, preparing diverse student populations to be critical thinkers, ethical decision-makers, and life-long learners by guaranteeing personal attention, innovative and challenging programs, and exemplary teaching”
I. Institutional Context

Vision Statement

Criteria:

- Defines the ideal institution; (Desired future)
- Includes “dreamlike” qualities, future hopes
- Provides a positive and inspiring statement describing the organization’s future
I. Institutional Context

Vision Statement Examples

**The Man on the Moon Vision:** “I believe that this nation should commit itself to achieving the goal, before the decade is out, of landing a man on the moon and returning him safely to earth.” (President John F. Kennedy)

**Belmont Abbey College** will excel in educating men and women as community leaders with competency, conscience, and compassion. We will realize this vision by combining scholarship and high quality instruction, an integrated liberal arts education in the Benedictine tradition, and a commitment to our students. Our success will result in increased recognition of Belmont Abbey College as the Catholic College of the Carolinas, and a greater ability to attract the students, faculty and resources we seek. In developing our character as a Catholic college, Belmont Abbey College will follow the principles and guidelines set down in “Ex Corde Ecclesiae,” the Apostolic Constitution on Catholic Universities of John Paul II.”
I. Institutional Context (Contd.)

Vision Statement Examples

“The South Carolina Technical College System will lead the nation in delivering relevant and effective programs that advance workforce development, promote economic development and ensure attainment of student learning goals”

“California State University, Sacramento, is a learning community where teaching and learning infuse and motivate all that we do. Our University is a place of importance in the lives of students, faculty, staff, alumni, and citizens of the region. It is a place where quality achievement is recognized and rewarded, where collegiality and collaboration are valued, and where all persons are respected. Our learning community works together to prepare educated citizens who will contribute to the well-being and development of the capital region and the state. CSUS will become the region’s premier intellectual, social economic and cultural resource”
II. Assumptions

Factors expected to affect the institution’s future.

• The population will become larger, older and more diverse
• The percentage of high school graduates attending two and four year colleges attending college arts colleges is uncertain
• The number of millennials, minorities and immigrants attending college will increase
• Growth in on-line undergraduates and graduate courses
II. Assumptions

Diversity
III. Environmental Scanning

- Distinctives
  *(What we do best?)*

- **SWOT Analysis**
  *(Internal Strengths & Weaknesses, External Opportunities & Threats)*

- Competitive Market Analysis
  *(New entrants, competitors, etc.)*
III. Environmental Scanning

Collect Clean Data

Dirty Data!
IV. Major Issues

What could you buy?

Source: http://www.youtube.com/watch?v=XBv95uMFudE&feature=player_embedded
Major Issues are activities or events, either negative or positive, that must be managed if the institution is to accomplish its mission and vision

Examples

- Personnel cutbacks in the Department of Family Medicine will occur due to loss of state funding, while service demands by low-income patients are expected to increase.

- The applicant pool of students interested in applying to Smart University is declining, while the tuition cost is increasing by 9% annually.

- The curriculum, schedule for course offerings and methods of delivering instruction remains the same at Secure University, while there is an increasing expectation among current and prospective students in distance learning and career-related education.
V. Institutional Goals (1 - 3 Years)

**Goals** are broad-based statements which move the institution toward accomplishing its vision

**Enrollment**
- Implement comprehensive enrollment management process

**Academics**
- Enhance academic quality

**Finance**
- Complete FY with budget contingency
VI. Objectives/Action Plans

• How?
• What?
• Who?
• When?
• Cost?
VII. Institutional Effectiveness

A continuous planning process that integrates institutional priorities with available/projected resources and employs assessment methods to demonstrate use of the results of the planning and evaluation process.
3.3 Institutional Effectiveness

3.3.1 The institution identifies expected outcomes, assesses the extent to which it achieves these outcomes, and provides evidence of improvement based on analysis of the results in each of the following areas:

- 3.3.1.1 Educational programs, to include student learning outcomes
- 3.3.1.2 Administrative support services
- 3.3.1.3 Academic and student support services
- 3.3.1.4 Research within its mission, if appropriate
- 3.3.1.5 Community/public service within its mission, if appropriate

Source: SACS/COC, The Principle of Accreditation
2.11.1 The institution has a sound financial base and demonstrated financial stability to support the mission of the institution and the scope of its programs and services.

The member institution provides the following financial statements: (1) an institutional audit (or Standard Review Report issued in accordance with Statements on Standards for Accounting and Review Services issued by the AICPA for those institutions audited as part of a systemwide or statewide audit) and written institutional management letter for the most recent fiscal year prepared by an independent certified public accountant and/or an appropriate governmental auditing agency employing the appropriate audit (or Standard Review Report) guide; (2) a statement of financial position of unrestricted net assets, exclusive of plant assets and plant-related debt, which represents the change in unrestricted net assets attributable to operations for the most recent year; and (3) an annual budget that is preceded by sound planning, is subject to sound fiscal procedures, and is approved by the governing board. Audit requirements for applicant institutions may be found in the Commission policy “Accreditation Procedures for Applicant Institutions.” (Financial resources and stability)

2.11.2 The institution has adequate physical resources to support the mission of the institution and the scope of its programs and services. (Physical Resources)
VII. Institutional Effectiveness

Accreditation Comprehensive Standards

• 3.10 Financial Resources

• 3.10.1 The institution’s recent financial history demonstrates financial stability. (Financial stability)

• 3.10.2 The institution audits financial aid programs as required by federal and state regulations. (Financial aid audits)

• 3.10.3 The institution exercises appropriate control over all its financial resources. (Control of finances)

• 3.10.4 The institution maintains financial control over externally funded or sponsored research and programs. (Control of sponsored research/external funds)

Source: SACS/COC, The Principle of Accreditation
VII. Institutional Effectiveness

Accreditation Comprehensive Standards

- 3.11 Physical Resources
  - 3.11.1 The institution exercises appropriate control over all its physical resources. (Control of physical resources)
  - 3.11.2 The institution takes reasonable steps to provide a healthy, safe, and secure environment for all members of the campus community. (Institutional environment)
  - 3.11.3 The institution operates and maintains physical facilities, both on and off campus, that appropriately serve the needs of the institution’s educational programs, support services, and other mission-related activities. (Physical facilities)

Source: SACS/COC, The Principle of Accreditation
VII. Institutional Effectiveness

Prioritizing/Forecasting/Budgeting/Reallocating Process

Prioritization

- President shares the institution’s vision and mission
- Strategic Planning Committee
- Departments submit
- Budget Planning Committee prepares a multi-year budget proforma, using the current fiscal year as a benchmark
- Strategic Planning Committee allocates and reallocates funds accordingly

Source: SACS/COC, The Principle of Accreditation
VII. Institutional Effectiveness

Communication

- Senior level leaders hold Strategic Planning Committee “Town Hall” meeting with all stakeholders
- Strategic Planning Committee makes necessary revisions and submits the strategic plan draft to the President and Board for confirmation and approval
VII. Institutional Effectiveness

Key Performance Indicators

- New student undergraduate enrollment
- Applicant conversion rate
- Annual comparison of inquiries, applicants, enrollees
- Attendance at Open House events
- Pre-registration rates for new students
- Undergraduate fall-to-fall retention rate
- Undergraduate 4 and 5-year graduation rates
VII. Institutional Effectiveness

Assessment Methods

**Academic**
- Peer Reviews
- Surveys
  - Faculty
  - Students
  - Boards
- Departmental Five-Year Plans
- Departmental Annual Reports

**Administration**
- Audits
- Surveys
- Monthly Key Data Reports/Summaries
  - Recruiting Status
  - Operating Statements
  - Auxiliary Services
  - Information Matrix
VII. Institutional Effectiveness

Budgeting Equation

Projected Revenue - 2018/2019 FY
less
Projected Operating Costs - 2018/2019 FY
less
Contingency - 2018/2019 FY
yields
Funds for Strategic Planning - 2018/2019 FY
VII. Institutional Effectiveness

- Budget Surplus
- Fundraising
- Allocation of Funds
- Partnership Initiatives
- Interest from Endowment
- Borrowing
- Other

2% - 5% Contingency for Strategic Priorities
### VII. Institutional Effectiveness

<table>
<thead>
<tr>
<th>Division: College of Mathematics &amp; Science</th>
<th>Program/Unit: Computing &amp; Information Sciences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsibility: Dean of College</td>
<td>Time Frame: August 2018 – May 2023</td>
</tr>
<tr>
<td>Resources Required: No additional resources currently necessary</td>
<td></td>
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<tr>
<td>University Goal: No. 4 – Enhance academic quality</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dept./Unit/Program Goal</th>
<th>Objective/Expected Outcome</th>
<th>Assessment Criteria/Procedures</th>
<th>Assessment Results</th>
<th>Use of Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare majors for entry into computer-related professions</td>
<td>Majors will show mastery of curriculum content for entry into profession by achieving 90% on each of the 5 components required in final project</td>
<td>Senior oral project defense in which 30% of majors will achieve 90% mastery in each of the 5 required components of the final project measured on the senior project grading instrument</td>
<td>20% of majors achieved mastery at the 90% level in their senior project defense. The curriculum, mastery levels may require updating to be consistent with employer expectations</td>
<td>Employer survey will be administered Fall 2018 to determine employer expectations. Results will be analyzed and recommendations developed for changes in curriculum. Benchmark study will be completed by February 2019 to determine potential areas of program change</td>
</tr>
</tbody>
</table>
The best-laid schemes o’ mice and men go astray.” (Robert Burns)

Contingency Planning:

1. Asks the question: “What If ...?”
2. Identifies probability of occurrence
3. Estimates the impact if the plan is not fulfilled
4. Develop strategies, action plans & trigger points for implementation

Contingency Planning addresses the unexpected
IX. Implementation/Evaluation/Revision

- Strategic Plan is implemented
- Goals/Objectives/Action Plans/Expected Outcome
- Evaluated
- Results of Evaluations use to revise & implement continuously
X. Executive Summary

- Institutional Context
- Goals/Objectives/Action Plans/Expected Outcomes
- Contingency Plan
• Broad-based participation is essential

• Senior level leaders and Strategic Planning Committee set strategic directions & priorities

• Planning, budgeting & assessment processes are integrated

• Assessment results are used for revisions

• Successes must be celebrated often

• Real success in planning is ________________

____________________  __________________
“Begin with the End in Mind”

An Integrated Strategic, Financial, and Assessment Plan Model

XYZ University

Five-Year Plan

2018 – 2023
“Begin With the End in Mind”

An Integrated Planning, Budgeting, and Assessment Plan Model

• Let’s walk through the process and actually see how an integrated strategic plan is developed

• The model for XYZ University also addresses recommendations provided by an accreditation team to insure reaffirmation of accreditation
Strategic Goal #1: 
*Strengthen planning, budgeting and assessment*

**Objective 1.1:** To prepare and revise annually a five-year budget proforma reflecting strategic institutional priorities for use in departmental budget planning

**Strategies/Action Plans:** Evaluate the recent financial history, develop budgetary assumptions and utilize expense and revenue trend data to build a realistic five-year budget proforma reflecting institutional priorities. Utilize institutional research for trend analysis, unit strategic plans, and outcomes assessment results. The President presents the five-year budget proforma to the Board of Trustees for approval each fall.

**Responsibility:** Senior Vice President for Finance and Treasurer, Division and Department Administrators, budget Committee (President’s Cabinet), and President of the University

**Time Frame:** Annually

**Resources Required:** Time at all levels

**Assessment:** Assess through the five-year budget proforma

**Use of Results:** To demonstrate institutional financial stability

**Related to:** Criteria Sec. 3.3, 6.3.1, 6.3.3, 6.3.4  Rec. 13, Special Committee 1
Strategic Goal #1 (contd.):

**Strengthen planning, budgeting and assessment**

**Objective 1.2:** To produce estimates and develop budget proposals annually for the fiscal year budget

**Strategies/Action Plans:** Preparation of a balanced fiscal year budget begins each December. Administrators evaluate the institution’s financial performance, the facilitation of the mission, strengths and weaknesses, success in its markets and future trends. Budget proposal forms, outcomes assessment data, five-year budget proforma, unit and institutional strategy plans, facilities master plan, faculty/staff evaluations, institutional research, and other available data are used by division and department administrators for the allocation and/or reallocation of resources

**Responsibility:** Division and Department Administrators

**Time Frame:** On-going

**Resources Required:** Administrator time

**Assessment:** Unit budget proposals

**Use of Results:** To provide a link between planning, budgeting, and assessment in forecasting the future

**Related to:** Criteria Sec. 6.3.3  Rec. Special Committee 1
Strategic Goal #2:

**Implement comprehensive enrollment management process**

**Objective 2.1:** To enhance student recruiting by increasing the total student enrollment incrementally by the year 2022-23 (i.e. including students at all university teaching sites) by 400 full-time freshmen and 140 part-time freshmen, transfer, and re-admit students, of which 175 are residential.

**Strategies/Action Plans:** Advertise with local and regional media outlets, send out timely news releases, publicize the University’s academic programs, and utilize the internet for advertisements and news. Increase direct mail to target markets, increase e-mail and tele-counseling to applicants and qualified prospects, host preview days and counselor workshops, and expand recruitment effort into more populated areas.

**Responsibility:** Dean of Admissions and Admissions staff

**Time Frame:** By fall semester 2018, 335 students; by fall 2019, 370 students, by fall 2020, 400 students, by fall 2022, 400 students

**Resources Required:** $400,000 annually

**Assessment:** Compare enrollment reports from each semester; advertisements and news releases

**Use of Results:** To improve office efficiency and to improve or modify what is or is not effective in student recruitment

**Related to:** Criteria Sec. 4.2.1 Rec. 14
Strategic Goal #2 (contd.):

**Implement comprehensive enrollment management process**

**Objective 2.2:** To enhance student recruiting by identifying new markets and distributing quality recruitment materials that accurately portray the University each academic year.

**Strategies/Action Plans:** Form a marketing committee; identify new markets; follow guidelines for ensuring accurate information by the Publications Committee; follow established timelines for the production of recruitment materials meeting SACS expectations; review latest research on what students want when choosing a college, and work with printing companies to incorporate information into materials; develop and maintain a comprehensive website for the university. Increase recruitment of international students, increase recruitment outside our primary 100-mile radius recruitment area, and focus academic scholarship money on residential population.

**Responsibility:** Dean of Admissions and Admissions staff

**Time Frame:** Each academic year

**Resources Required:** $60,000 per year

**Assessment:** Track through minutes of marketing committee, publications and statistics, housing reports and weekly admissions report

**Use of Results:** To increase student enrollment

**Related to:** Criteria Sec. 4.2.1, 4.2.2, 4.4, 4.7  Rec. 15, 16, 18, 22, 23, 26
Strategic Goal #3: **Enhance academic quality**

**Objective 3.1:** Achieve and maintain SACS/other program accreditations.

**Strategies/Action Plans:** Meet SACS accreditation requirements; secure applicable professional approval for programs in athletic training, education, medical technology, nursing, social work, and veterinary technology; secure state approval for programs in education (both graduate and undergraduate) and in nursing

**Responsibility:** Academic Affairs Council

**Time Frame:** On-going

**Resources Required:** $30,000 annually (in Academic Unit budgets)

**Assessment:** SACS accreditation; Program accreditation: Commission on Accreditation of Allied Health Education Programs (athletic training), National Accrediting Agency for Clinical Laboratory Sciences (medical technology), National League for Nursing Accrediting Commission (nursing), Council on Social Work Education (social work), American Veterinary medical Association (veterinary technology); State approvals: Council on Higher Education, State Department of Education, (education), State Board of Nursing (nursing)

**Use of Results:** To improve educational programs

**Related to:** Criteria Sec. 3.1   Rec. none
Strategic Goal #4: Expand and improve campus facilities

**Objective 4.1:** Provide proper planning for adequate facilities by updating the Facilities Master Plan annually

**Strategies/Action Plans:** Determine additional facilities and grounds needs as dictated by campus growth, change, physical needs, and as educational program needs dictate. The Facilities Master Plan will be updated on a regular basis with the formal document being reproduced annually. The President’s Cabinet will review the Facilities Master Plan on a regular basis. The President’s Cabinet will conduct an on-going assessment of the adequacy and the effective and efficient operation of the university’s on-campus and off-campus facilities.

**Responsibility:** Vice President for Administration, Director of Custodial Services, and Office of Campus Operations

**Time Frame:** Annually by August 31

**Resources Required:** Service Master annual budget and campus operations annual budget contain the necessary funds

**Assessment:** Review and assessment of Facilities Master Plan; Plan for Safety and Security; Student surveys; Plan for Water and Wastewater; Reports from visits to off-campus teaching sites

**Use of Results:** Continue to determine additional facilities and grounds needs as dictated by campus growth, change, physical needs, and as educational programs needs dictate

**Related to:** Criteria Sec. 6.4.4  Rec. 54
Strategic Goal #4 (contd.):

**Expand and improve campus facilities**

**Objective 4.2:** Provide an updated plan that will provide for proper campus safety and security

**Strategies/Action Plans:** Regular evaluation of the institution’s Comprehensive Safety and Security Plan to ensure that it is accurate and current in relation to any changes on campus. The Comprehensive Safety and Security Plan must continue to include specific provisions for the appropriate handling and disposal of hazardous waste in addition to other safety concerns. The plan must be evaluated and revised on an as-needed basis as well, with a new document being produced annually. The Comprehensive Safety and Security Plan will continue to provide for emergency measures for responding appropriately to a disaster.

**Responsibility:** Vice President for Administration

**Time Frame:** As situations warrant and annually by September 30

**Resources Required:** Comprehensive Safety and Security Plan, evaluation and incident reports, cost included in departmental budget

**Assessment:** Compare the Safety and Security Plan each year with the previous year’s plan to monitor improvements

**Use of Results:** To continuously improve the Comprehensive Safety and Security Plan and make the campus safer

**Related to:** Criteria Sec. 6.4.3  Rec. 53
Strategic Goal #5:
Maximize Technology

Objective 5.1: Evaluate and upgrade faculty and staff computers annually based on needs assessment survey and inventory management

Strategies/Action Plans: Survey faculty/staff needs and inventory existing equipment, assess equipment needs, purchase necessary equipment, upgrade and/or redistribute existing equipment according to needs assessment. The Academic Computer Support team will work with faculty and staff to determine computer equipment needs and develop a maintenance/upgrade schedule

Responsibility: Academic Compute Support Team, faculty and staff

Time Frame: 2018-19 – Complete faculty/staff survey, inventory computer hardware/software, access needs, document a schedule for maintenance and/or upgrade, assure that every full-time faculty (and key staff members) have a personal computer that meets their academic or work needs; 2018-19 – begin replacing older computers based on schedule developed in 2019-20 to replace 1/3 of older computers; 2020-21 – follow schedule to replace 1/3 of older computers; 2021-22 – follow schedule to replace 1/3 of older computers; repeat annually

Resources Required: $50,000 in year 2018-19; $30,000 per year annually projected throughout the five-year budget proforma

Assessment: Utilize Computer Use survey, Computer Hardware/Software Inventory, Software License Agreements, Price Quotes, Academic Computer Services User files, Requisitions/Purchase Orders to assess progress

Use of Results: To assure faculty/staff access to innovative technology so they can achieve their educational requirements criteria

Related to: Criteria Sec. 5.3 Rec. none
Strategic Goal #5 (contd.):  

Maximize Technology

Objective 5.2: Enhance the Student Technical Assistant (STA) Program by hiring and training new STAs each year.

Strategies/Action Plans: Seek faculty recommendations for 2 additional STAs and train the new STA’s at the Annual STA Training sponsored by ACA; enhance the STA program by developing technical support skills of current STAs; implement an STA web page containing FAQ, Help Desk tracking and documentation.

Responsibility: Academic Computer Support Team, STA employees, faculty, staff and students.

Time Frame: 2018-19 add 2 additional STAs, participate in STA training, begin developing STA web page; 2019-20 replace STAs who graduate and add additional STAs as necessary, maintain STA web page, participate in STA training, continue process annually with evaluation and documentation.

Resources Required: Wages for STAs; $5,000 for STA training materials in years 2018-19; evaluate cost annually.

Assessment: Review of STA applications, faculty recommendations, training records, request for computer support records, email, phone logs, time cards, STA evaluation forms.

Use of Results: To provide additional technical support to faculty members who utilize technology in the classroom.

Related to: Criteria - Sec. 5.3  Rec. - none
Strategic Goal #6: 

*Enhance external resources*

**Objective 6.1:** Increase unrestricted giving by building a broad base of annual support with a minimum of $250,000. Note time frame for future years

**Strategies/Action Plans:** University Advancement will identify and cultivate 400-500 donors with the ability to give unrestricted gifts of $100 to $25,000 annually; start with the Board of Trustees and ask that every Board member give an unrestricted gift every year; ask every alumnus for a gift, ask every University Advancement staff member to make a gift each year; increase membership in the President’s Club (unrestricted gifts of $1,000 or more given annually); provide training on “Asking for a Gift” to departments outside of University Advancement; i.e. Library staff, Athletics, Cabinet and Trustees

**Responsibility:** Primary responsibility of University Advancement staff with support from the President, Board of Trustees, Alumni Board of Directors, faculty, staff and students

**Time Frame:** 2018-19 - $350,000; 2019-20 - $400,000; 2019-20 - $450,000; 2021-22 - $500,000; 2022-23 - $550,000 (estimate)

**Resources Required:** $100,000 year one; $45,000 year two; average same for years three - five
(Note FASBE, CASE cost for raising money)

**Assessment:** Review call reports at weekly staff meetings; go active with online giving June 2018, review and compare online weekly giving reports with direct mail and phone-a-thons; review LYBUNT and SYBUNT reports quarterly

**Use of Results:** To impact current operating revenue

**Related to:** Criteria - Sec. 6.2.2 Rec. - 52
Smart College Case Study

• Exercise
Smart College Case Study

Planning Assumptions

In developing the strategic plan, certain assumptions and factors that are expected to impact the institution must be taken into account. The following factors, among others, are pertinent to Smart College:

The population will become larger, older, and more diverse. The percentage of high school graduates attending college will increase, while the percentage of students enrolling in four-year liberal arts colleges is uncertain. Minorities and immigrants will increase as a percentage of the population.
Proprietary institutions and corporate universities will compete with higher education. There will be a significant increase in partnerships between business and education. Higher education revenue will not increase proportionally to the needs for education, and federal funds to support higher education will not continue to grow at previous rates.

The delivery of education through the Internet and video will require a restructuring of the curriculum and teaching strategies. The rapid advancement of technology will require significant investment in technology infrastructure and equipment.
Background

Smart College (SC), an independent, church-affiliated institution, was founded in 1965 on a 1,500-acre campus located near an urban center with a population of one million. Even though the mission of the college appears to be preparing leaders for the 21st century, neither the denomination nor the greater community has a clear sense of the institution’s direction.

The campus has excellent access to the turnpike, and is surrounded by a hospital and retirement home operation. All of the buildings were constructed between 1965-1975, including 1,000 residence hall spaces. No major refurbishing has taken place since the campus was originally constructed. The current appraised value of the campus land and buildings is $75 million. Recent student surveys indicate a critical need for an up-to-date music building and a student center. Students have requested these facilities for several years as a means of enhancing student life on campus. Students and music faculty have also expressed interest in the formation of a marching band.
Background cont.

At the time SC was established, Elite College (with an enrollment of 500 students) was the only other four-year independent college within a 100-mile radius. In the early 1970’s, Elite College became state funded. Elite College currently enrolls 20,000 students and offers graduate programs in business, education, and other liberal arts areas. Because of state assistance, Elite College’s tuition is approximately 50% less than that of SC. Also, located within 5 miles of SC is an aggressive community college enrolling 25,000 students.

The regional economy is uncertain because the Federal Government has determined that the local Civil Service Operations will be discontinued and 30,000 jobs will be eliminated by the year 2008. Steel production, although unstable, is the second largest industry in the area. On the positive side, the area enjoys continued growth in tourism because of its proximity to a seashore resort area. The region is also becoming increasingly popular as a corporate headquarters center for high tech, sales, and marketing companies.
Governance/Organizational Scheme

The SC Board of Trustees consists of 30 members who are elected by the denomination. Approximately 50% of the Board are ministers, and the other members represent a variety of backgrounds. The denomination’s financial support for Smart College has declined during recent years and, at present, SC receives the lowest amount given to any of the denomination’s five colleges. There is speculation that support for SC will decline to zero within the next decade because of the direction of the college.

One year ago, the Board forced the Vice President for Academic Affairs and the Vice President for Business to resign because of the college’s deteriorating image, confused direction, and mismanaged finances. The current Vice President for Students and Vice President for Development all came to the school 10 years ago from a small, private high school. The President is 67 years old, holds a Ph.D. in Linguistics, and has coached tennis. Neither the VP for Students nor the VP for Development has a graduate degree, but they are well-liked throughout the community. A copy of the current organizational scheme is reflected in Attachment I. The Board expresses continued interest in keeping the institution afloat; however, development reports for last year show that only 10% of the unrestricted gifts were provided by Trustees.
Enrollment Management

Smart College’s recent enrollment history is shown in Attachment II. Full-time students range in ages from 18-21, and part-time students range in ages from 17-80. The full-time student retention rate from freshman to sophomore year is 32%, and the four-year graduation rate is 29%. The average SAT Score of SC students is 900, and the average ACT Score is 19.

The number of student inquiries for admissions has declined significantly in recent years. Within the past five years, enrollment has declined from 2,000 to 1,500 students. Morale on campus is low among the faculty, staff, and students.

Ninety percent of the full-time students receive institutional aid and in recent years the tuition discount rate has been fluctuating. The college operates an NCAA Division II athletic scholarship program that includes scholarship football.
**Academic Programs**

Smart College offers a variety of liberal arts and pre-professional programs as well as masters programs in education, criminal justice, and business. Fifty percent of the faculty hold terminal degrees in their teaching disciplines and 70% have tenure.

Majors are offered in the following areas:

<table>
<thead>
<tr>
<th>Art</th>
<th>History</th>
</tr>
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<tbody>
<tr>
<td>Biology</td>
<td>Mathematics</td>
</tr>
<tr>
<td>Criminal Justice</td>
<td>Music</td>
</tr>
<tr>
<td>Chemistry</td>
<td>Music Education</td>
</tr>
<tr>
<td>Computer Science</td>
<td>Philosophy</td>
</tr>
<tr>
<td>Counseling</td>
<td>Physical Education &amp; Health</td>
</tr>
<tr>
<td>Economics/Business Administration</td>
<td>Political Science</td>
</tr>
<tr>
<td>Elementary Education</td>
<td>Sociology/Anthropology</td>
</tr>
<tr>
<td>Geology</td>
<td>Sports Medicine</td>
</tr>
</tbody>
</table>

Each full-time faculty member has a minimum workload of four 3-hour classes per week. The library, once recognized as a model for colleges with student enrollments of 1,000 to 2,500, has in recent years become somewhat outdated by technological advancements.
Technology

The College has an AS-400 computer with 10 ports that is used for administrative and academic computing. There is one computer lab in the library for student and faculty use. The College plans to purchase a new administrative computer system and provide interactive computing when funds are available. Auxiliary Enterprises include Housing, Food Services, Bookstore and Vending. Everyone believes that all auxiliaries have growth potential.
Finances

Smart College’s fund-raising ability is limited because alumni are young and have not been involved with the school after graduation. The College has been running an operating budget deficit in recent years, and has an accumulated current operating budget deficit of nearly $2.3 million. A copy of the current operating budget for the current year and three previous years is presented in Attachment II.

SC’s endowment totals $700,000, of which $400,000 has been used to meet current operating expenses. The long-term capital debt totals $10 million, with an additional amount of short-term, high-interest bank notes of $4 million. Student accounts receivables total $1.1 million, and the student default rate on federal loans is 24% – three times the accepted rate.

All buildings are financed at 3% for a 30-year term through the U.S. Department of Education.
Accreditation

Recently, a visiting team from the Accreditation Association made its 10-year reaffirmation visit to Smart College. The visiting team provided numerous recommendations to which the College must respond within 9 months. Among the most critical recommendations are the following:

1. That SC establish clear mission and vision statements.
2. That SC establish an appropriate organizational scheme and fill vacant positions.
3. That SC review the curriculum, academic majors, and course offerings to ensure compatibility with the institution’s mission and vision statements.
4. That SC develop a plan to ensure financial stability, a balanced budget and liquidation of the accumulated operating budget deficit.
5. That SC develop and implement an integrated planning, budgeting, and assessment process.
6. That SC provide appropriate administrative and academic technology.
### Multi-Year Budget Pro Forma (Attachment II)

<table>
<thead>
<tr>
<th></th>
<th>Previous Year 3</th>
<th>Previous Year 2</th>
<th>Previous Year 1</th>
<th>Current FY Actual</th>
<th>FY 1 Proj.</th>
<th>FY 2 Proj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition - Full-Time Per Year</td>
<td>$10,000.00</td>
<td>$10,400.00</td>
<td>$10,920.00</td>
<td>$11,575.20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition - Part-Time Per Credit Hour</td>
<td>$200.00</td>
<td>$208.00</td>
<td>$218.40</td>
<td>$231.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Room &amp; Board</td>
<td>$4,000.00</td>
<td>$4,160.00</td>
<td>$4,368.00</td>
<td>$4,630.08</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Full-Time Students</td>
<td>1,210</td>
<td>1,180</td>
<td>1,100</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Resident &amp; Boarding Students</td>
<td>800</td>
<td>600</td>
<td>550</td>
<td>550</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average Part-Time Students (Average student takes 6 hours)</td>
<td>700</td>
<td>600</td>
<td>550</td>
<td>500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition Increases - FT and PT</td>
<td>0%</td>
<td>4%</td>
<td>5%</td>
<td>6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Room &amp; Board Increases</td>
<td>3%</td>
<td>4%</td>
<td>5%</td>
<td>6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Revenues:**

<table>
<thead>
<tr>
<th></th>
<th>Previous Year 3</th>
<th>Previous Year 2</th>
<th>Previous Year 1</th>
<th>Current FY Actual</th>
<th>FY 1 Proj.</th>
<th>FY 2 Proj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>FT Students Tuition &amp; Fees</td>
<td>$12,100,000</td>
<td>$12,272,000</td>
<td>$12,012,000</td>
<td>$11,575,200</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PT Students</td>
<td>$840,000</td>
<td>$748,800</td>
<td>$720,720</td>
<td>$694,512</td>
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<td></td>
</tr>
<tr>
<td>Federal Grants</td>
<td>$1,500,000</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denominational Support</td>
<td>$975,000</td>
<td>$950,000</td>
<td>$900,000</td>
<td></td>
<td>$700,000</td>
<td></td>
</tr>
<tr>
<td>Auxiliary Enterprises*</td>
<td>$4,000,000</td>
<td>$3,276,165</td>
<td>$3,129,673</td>
<td>$3,207,701</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted Gifts &amp; Grants</td>
<td>$575,000</td>
<td>$550,000</td>
<td>$500,000</td>
<td></td>
<td>$300,000</td>
<td></td>
</tr>
<tr>
<td>Endowment Income</td>
<td>$13,000</td>
<td>$12,000</td>
<td>$11,000</td>
<td></td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$7,000</td>
<td>$6,500</td>
<td>$6,000</td>
<td></td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$20,010,000</strong></td>
<td><strong>$19,815,465</strong></td>
<td><strong>$19,279,393</strong></td>
<td><strong>$18,492,413</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Expenditures:**

<table>
<thead>
<tr>
<th></th>
<th>Previous Year 3</th>
<th>Previous Year 2</th>
<th>Previous Year 1</th>
<th>Current FY Actual</th>
<th>FY 1 Proj.</th>
<th>FY 2 Proj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education &amp; General Instruction</td>
<td>$3,000,000</td>
<td>$3,150,000</td>
<td>$4,244,500</td>
<td>$3,406,725</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library</td>
<td>$500,000</td>
<td>$450,000</td>
<td>$450,000</td>
<td></td>
<td>$450,000</td>
<td></td>
</tr>
<tr>
<td>Student Services</td>
<td>$685,000</td>
<td>$750,000</td>
<td>$685,000</td>
<td></td>
<td>$685,000</td>
<td></td>
</tr>
<tr>
<td>Operations &amp; Maintenance</td>
<td>$1,200,000</td>
<td>$1,236,000</td>
<td>$1,273,080</td>
<td>$1,311,272</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Administration</td>
<td>$3,000,000</td>
<td>$3,150,000</td>
<td>$3,244,500</td>
<td>$2,406,725</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Institutional Student Aid</td>
<td>$7,000,000</td>
<td>$6,500,000</td>
<td>$5,000,000</td>
<td></td>
<td>$6,000,000</td>
<td></td>
</tr>
<tr>
<td>Athletic Operations &amp; Scholarships</td>
<td>$900,000</td>
<td>$920,000</td>
<td>$975,000</td>
<td></td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Mandatory Debt Service</td>
<td>$800,000</td>
<td>$800,000</td>
<td>$800,000</td>
<td></td>
<td>$800,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total E&amp;G Expenditures</strong></td>
<td><strong>$17,085,000</strong></td>
<td><strong>$16,956,000</strong></td>
<td><strong>$16,672,080</strong></td>
<td><strong>$16,059,722</strong></td>
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</tr>
<tr>
<td>Auxiliary Enterprises Expenditures</td>
<td>$3,000,000</td>
<td>$3,180,000</td>
<td>$3,370,800</td>
<td>$3,573,048</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditures &amp; Transfers</strong></td>
<td><strong>$20,085,000</strong></td>
<td><strong>$20,136,000</strong></td>
<td><strong>$20,042,880</strong></td>
<td><strong>$19,632,770</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Funds Available for Strategic Planning**

<table>
<thead>
<tr>
<th></th>
<th>Previous Year 3</th>
<th>Previous Year 2</th>
<th>Previous Year 1</th>
<th>Current FY Actual</th>
<th>FY 1 Proj.</th>
<th>FY 2 Proj.</th>
</tr>
</thead>
<tbody>
<tr>
<td>($75,000)</td>
<td>($320,535)</td>
<td>($763,487)</td>
<td>($1,140,357)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Room, Board, Bookstore, Vending  

**Assumptions:**
Strategic Planning Case Study Guidelines

Class Exercise

I. Develop a Mission Statement:

____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

II. Establish a Vision Statement:

____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________

III. Prepare SWOT:

IV. Identify Two Major Issues:
1. ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________
2. ________________________________________________________________
   ________________________________________________________________
   ________________________________________________________________

V. Develop one goal, with one objective, and an action plan for the objective.
ENVIROMENTAL SCANNING SWOT

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1.</td>
</tr>
<tr>
<td>2.</td>
<td>2.</td>
</tr>
<tr>
<td>3.</td>
<td>3.</td>
</tr>
<tr>
<td>4.</td>
<td>4.</td>
</tr>
<tr>
<td>5.</td>
<td>5.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1.</td>
</tr>
<tr>
<td>2.</td>
<td>2.</td>
</tr>
<tr>
<td>3.</td>
<td>3.</td>
</tr>
<tr>
<td>4.</td>
<td>4.</td>
</tr>
<tr>
<td>5.</td>
<td>5.</td>
</tr>
</tbody>
</table>