

Innovative Institutional Leadership:
*Student Academic Success and
Results Oriented Management*

Legislative Finance Committee

May 7, 2014

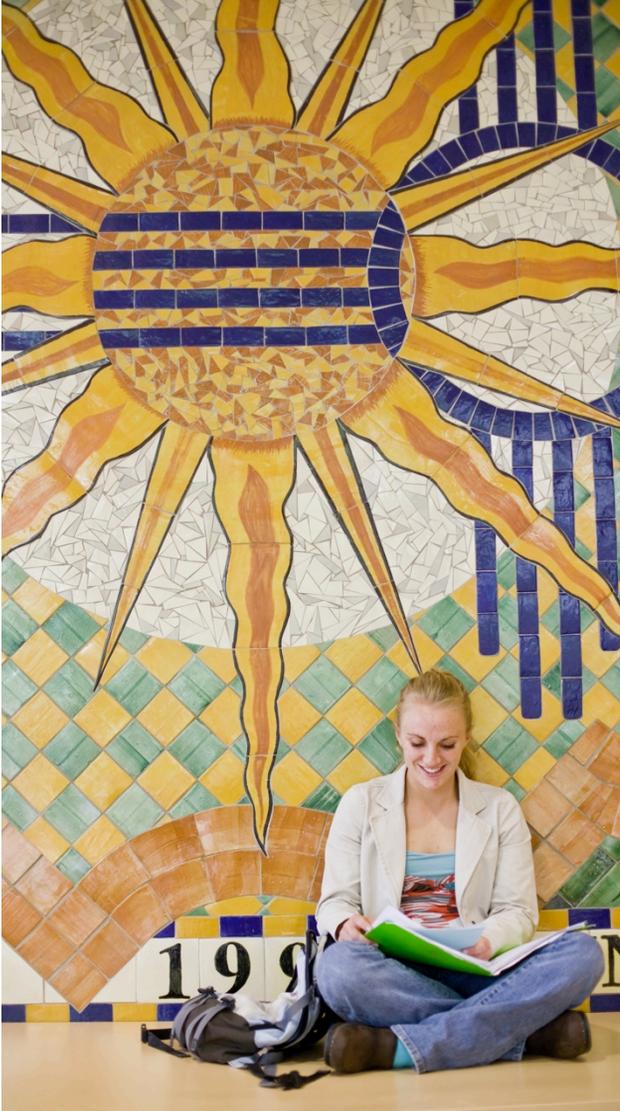


Innovative Institutional Management

- Student Academic Success at UNM
 - Why don't students succeed, and what is UNM doing to address this challenge
- Budget Reform through UNM's Results Oriented Management model
 - Increase efficiency of business units and instructional offerings
 - Generate funding for internal reinvestment
 - Better leveraging of tuition and state funding



Prestigious Programs



- Nationally high ranking programs (US News)
 - #2 in Rural Medicine
 - #5 in Nursing-Midwifery
 - #5 in Photography
 - #7 in Family Medicine
 - #9 in Primary Care
 - #11 in Law Clinical Training
 - Many other highly ranked Engineering, Science, Humanities, and Arts Programs.
- Nationally respected faculty
 - Latest Member of National Academy of Science Professor Patricia Crown
 - Winner of 2011 US Teacher of the Year - Professor Ursula Shepherd

Research University

UNM Ranked by the Carnegie Foundation as:

- Doctorate-granting University, RU/VH – Research University (**Very High Research Activity**) Only 64 such Public Universities in US.
- Only RU/VH in New Mexico
- 1 of 8 RU/VH in the southwest
- 1 of 4 RU/VH designated “Hispanic Serving”
- UNM Brings in \$300 Million/year in research expenditures from out of state sources.



The Why and What

- **Why Don't Students Succeed?**
 - Not prepared academically
 - Path to graduation too confusing
 - Financial reasons
 - Social reasons
- **What are we doing to make them succeed?**
 - Pre-institutional interventions
 - First year intervention
 - Continuous monitoring and intervention (academic and social)
 - Clarifying path (degree maps, 120 SCH)
 - Need-based financial aid
 - Challenge and reward (honors, innovation academy)
 - Extended Universities, Distance Learning, MOOCs for non-traditional Students.

What can we learn from High Performing Universities?

Learning From High-Performing and Fast-Gaining Institutions (The Education Trust, Jan. 2014)

What do high performing schools have in common?

1. Their **leaders** make sure student success is a campus-wide priority.
2. They collect **data** on student success, and they act upon it.
3. They create **clear** student pathways to success.
4. They don't hesitate **to demand** and **require**.
5. They take on introductory and **developmental** classes.

UNM is acting on all of these.





Pre-College & In-College Interventions

- Transition to College
 - Introductory Studies – “Remediation”
 - Compass Placement
 - Early Start Programs
- Curriculum
 - 120 Student Credit-Hour Minimum for Degrees
 - Degree Maps (degrees.unm.edu)
 - More Freshmen Learning Communities (FLCs)
 - Writing-Intensive Courses
 - Center for Teaching Excellence
 - Math MaLL



Connecting Students with Resources & High-Impact Practices

- LoboAchieve
- Advising Redesign
- Student Success Center (Students.unm.edu)
- Lobo Reading Experience
- Undergraduate Research
- Service Learning
- Themed Residence Floors
- Out-of-Classroom Experiences
- Academic Coaching

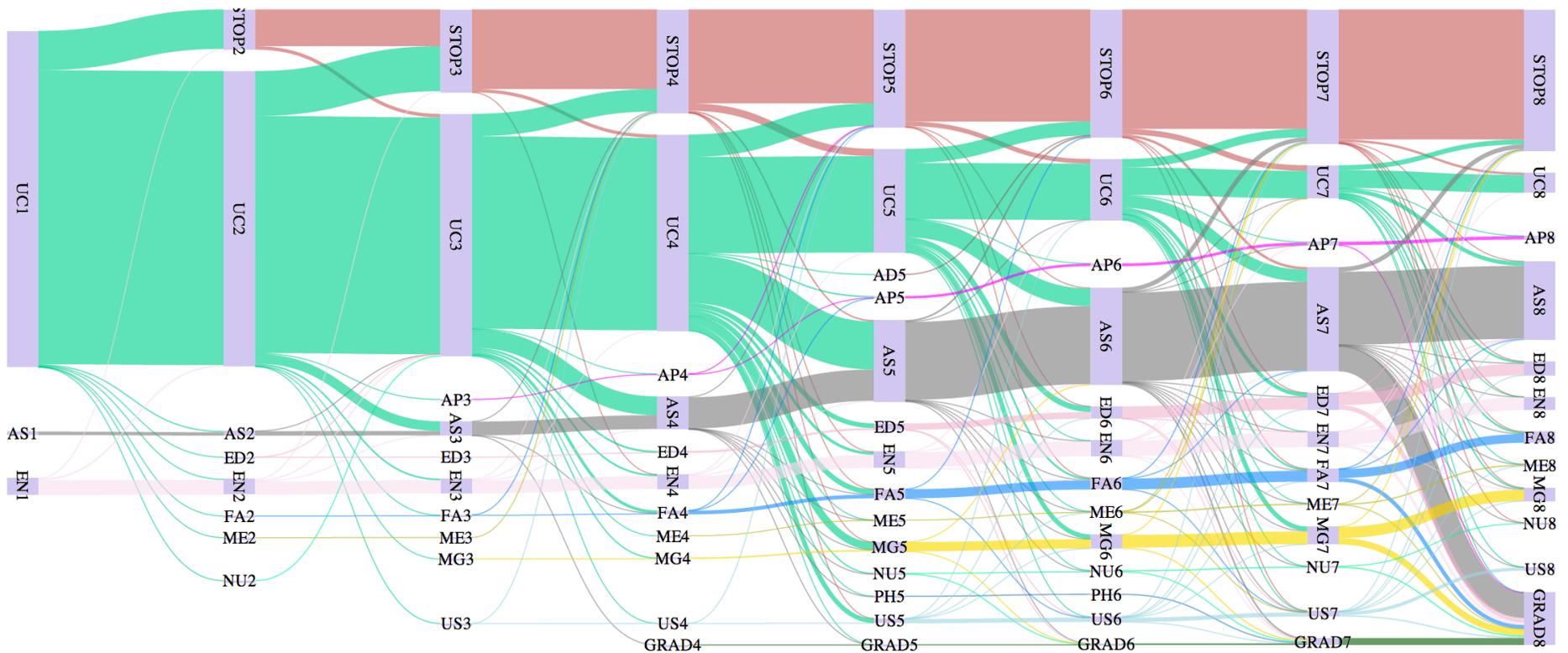
These have added more than \$3 Million/year to our cost of delivering education



Big Data – Sankey Diagrams

The University of New Mexico – Network Flow

The flow of students from the 2007 first-time full-time freshman cohort through the UNM system:



Myths Busted with Sankeys

- Student progress at our institution is hampered by the student swirl related to so many of them changing majors.
- Student progress at our institution is hampered because so many pre-professional students lose heart and drop out when they realize attending a professional school is not in their future.
- We have too many undecided students, and they take a lot longer to complete their degrees.
- Our college (unit/department) is not the problem, we do great . . . once we admit students into our programs.

Clear Pathways to Success

Exploration (degrees.unm.edu):

Arts & Culture

Have you been interested in how humans and societies interact with each other from a perspective of race, ethnicity, gender and nationality? Does the intersection of arts, culture and the world stimulate you to think critically? UNM prides itself on its diversity and by majoring in an arts and culture area, you will emerge with a dynamic mindset of inquiry to delve deeper into these topic areas.

Learn More ▶



Explore By Interest:

Arts & Culture

Teaching & Learning

Life Sciences, Health & Healthcare

Social Science & Transformation

Business, Finance & Economics

Energy & Environment

Humanities & Languages

Physical Sciences

Computing & Cyberspace

Engineering & Mathematics

Infrastructure, Construction & Design

Policy & Politics

Creative Expressions

Exploratory & Interdisciplinary

Law & Social Justice

Technology & Science

Explore By College:

Explore By Keyword:



UNM's Most Crucial Courses

- The 10 most crucial courses at UNM are all mathematics courses:

<i>Course</i>	<i>C_i</i>
ISM 100: Algebraic Problem Solving	596
MATH 101: Intermediate Algebra Part 1	590
MATH 102: Intermediate Algebra Part 2	589
MATH 120: Intermediate Algebra	589
MATH 103: Intermediate Algebra Part 3	588
MATH 121: College Algebra	587
MATH 118: Algebra	586
MATH 150: Pre-Calculus Mathematics	570
MATH 123: Trigonometry	557
MATH 162: Calculus I	547



120 Credit Hour Degrees

- UNM took a curriculum reform leadership role in New Mexico by reducing the minimum number of credit hours required for a baccalaureate degree from 128 to 120:
 - A number of UNM programs have already created 120 credit hour degrees that preserve or even **enhance** program quality.
 - This will result in 4-year graduation rate improvements in the next few years.
 - And it does help in keeping the Lottery support and changes (15 CR/semester for 4 years).



UNM is not Hesitating to Demand and Require

Advising Reforms

- We know that:
 - The majority of UNM undergraduates who stop out do so during their **first three semesters**.
 - Most colleges at UNM had not been responsible for their intended majors during this time period.
 - The worst advising ratios occur for the majority of our student during this time period.
- We Have:
 - Created a system of shared responsibility for student success that includes **faculty, staff, administration** and extends to every student throughout their time at UNM.
 - Provided a more formal accounting of the advising services a student receives, along with more rigorous tracking of progress aligned with effective interventions.



Advising Reforms

- We have created an advising structure wherein:
 - University College houses BIS, BLA, health-affiliated, undecided and students in transition.
 - Intended majors interact **extensively and meaningfully** with **faculty and advisors** in their intended colleges, beginning at New Student Orientation, if not sooner.
 - **Transition advisors** are available to promptly assist students in transition.
 - Student support services and programs are more tightly **integrated** with the academic units.



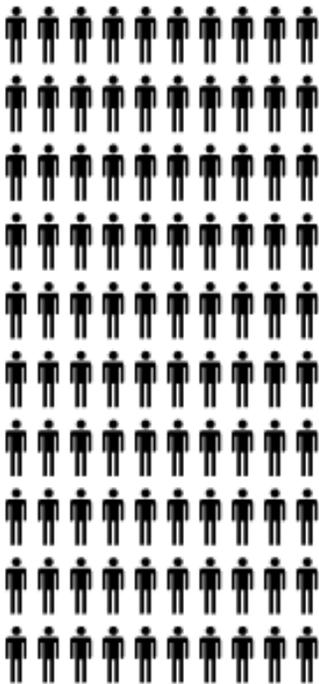
More Initiatives as of May 2014

- Data Transparency (completed)
 - <http://degrees.unm.edu/>
 - <http://dashboard.unm.edu/>
- Four-Year Undergraduate Degrees Completion (ongoing)
- UNM Coaching (ongoing)
- Early Start Program (ongoing)
- Articulation agreements online (ongoing)
- New Tuition Model (ongoing)
- Graduation Express & Summer programs (ongoing)
- Financial Aid Strategies (ongoing)



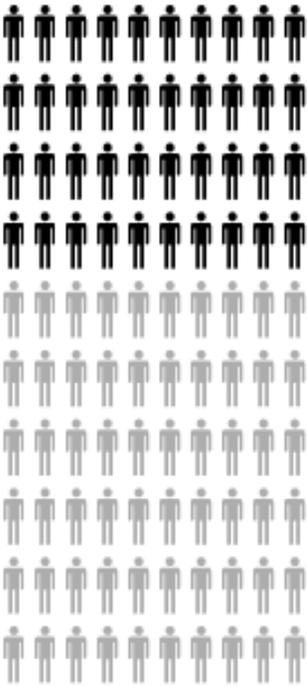
Use of Financial Aid Should be Strategic

Everyone Gets the Same Amount



■ No Need, No Merit - \$1,000

Based on Need Only



■ All Need-based - \$2,500

■ Unfunded

Good Strategy Allows More Aid for Some Students and Less for those Who Don't Need It



■ Merit - \$1,500

■ Grant, GPA-based \$1,000 to \$1,200

■ Grant, Need-based \$1,000 to \$1,200

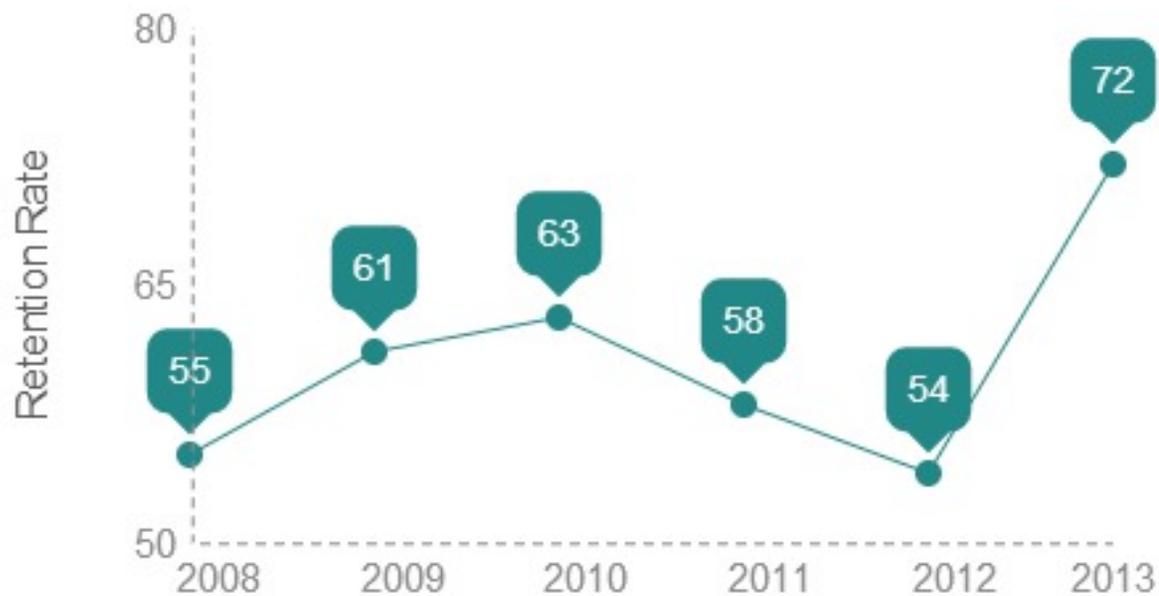
■ Unfunded



Example of Success from this Strategy:

Run With the Pack Grant Awarded to
Pell Students Who Missed Lottery Scholarship Criteria

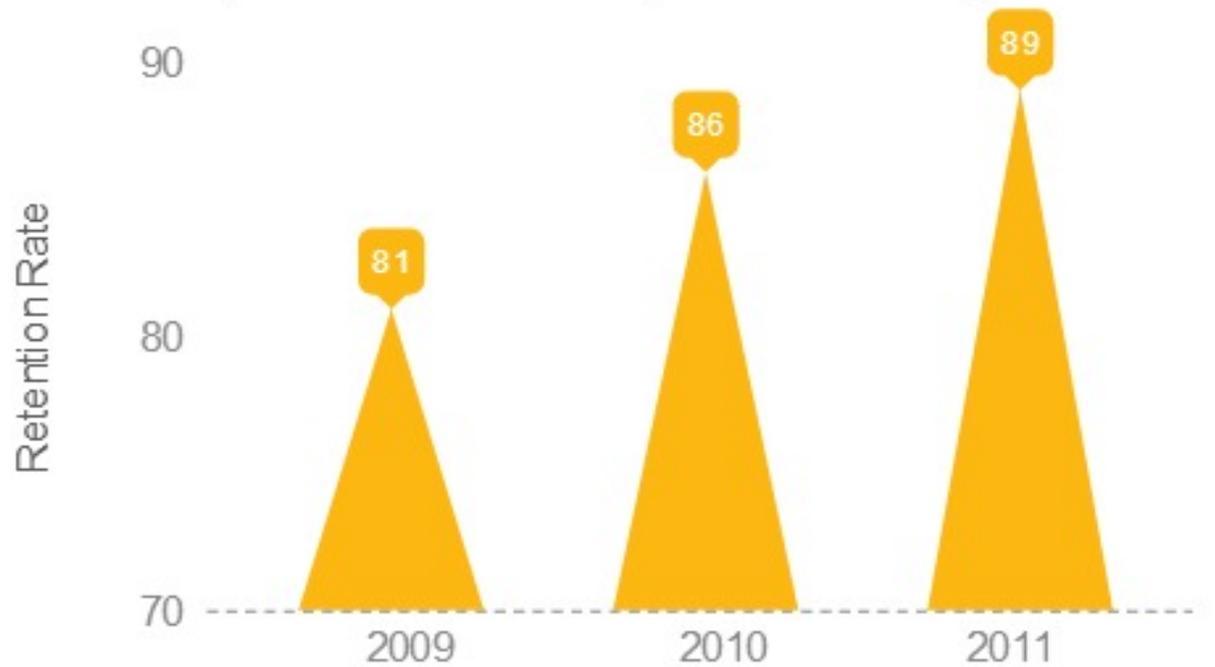
Persistence of Pell Students Provided Supplemental Grant



3rd Semester Retention of Pell Students Not Receiving the Lottery Scholarship

Give Students a Better Chance to Succeed

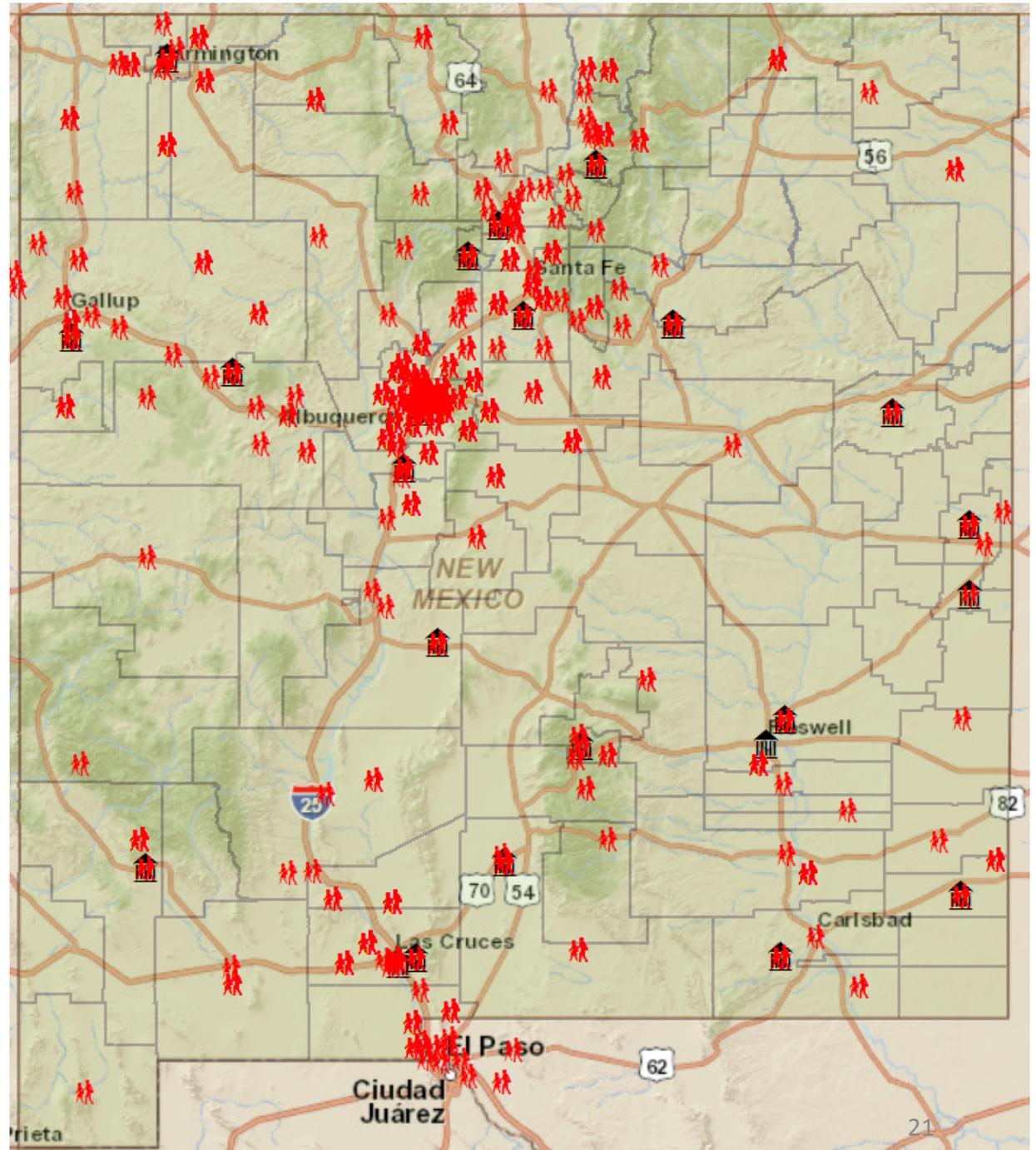
SDSU Implements Early Start Program 2009



San Diego State University Retention After Implementing Early Start Program

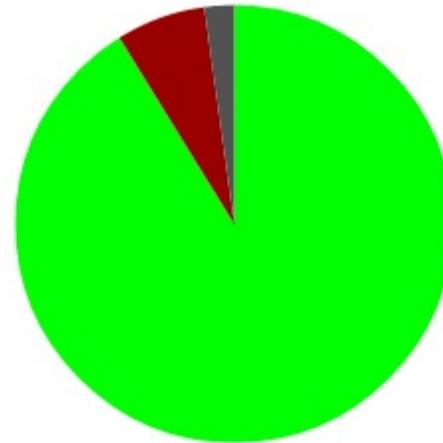
Early Start requirements can be provided by any NM college or university.

This ensures access and affordability as well as a connection to local institutions.



Limit Remedial Enrollment by Providing Support in Credit Bearing Classes

Success Rates in the English Stretch Program are Very High



■ Passed (91%) ■ Failed (7%) ■ Withdrew (2%)

Course Outcomes of English Stretch Pilot

All Students Will Have Credit Bearing English Courses Beginning Fall 2014

Enrollment in Remedial English Will Drop to 0 in Fall 2014



Fall Enrollment in Remedial English Courses

Results as of May 2014

- Six-year graduation rate of **48.2 %** for the year 2013 (the highest ever in UNM's history). For universities with UNM demographics (40% PELL), the 6-year rate is 45%.
- Third semester retention rate increasing 1.2 percentage points (matches the highest in UNM history and exceeds the UNM 2020 goal).
- Allocating **20%** of all new tuition funds to financial aid.
- **Honors and incoming class numbers** – beginning freshmen growth of 3% and higher quality preparation evidenced by significantly fewer freshmen requiring remedial courses (11 percentage point decrease).
- Using Learning Assessments: UNM participates in the Collegiate Learning Assessment (**CLA+**) in order to determine the amount and quality of learning at UNM, as opposed to simply focusing on the number of graduates.
- **Every Single Intervention costs more in the short term but pays off in the long term!**



The Long Term

- **Institutionalize successful practices**
 - Engage and reward faculty, staff, and units for student success
 - Fund intervention programs
 - Evaluate programs and units based on student success
 - Advocate and educate that this is a university-wide effort and responsibility.
- **The cost of student success vs the cost of not doing it**
 - Increasing costs on new student advising, new faculty, new software, new summer school.
 - Our ROI using graduation rates metrics.
 - Focus on the long term!
- **Going forward: Measuring and improving quality.**

The best time to plant a tree was 25 years ago. The second best time is today!



Funding our Student Success Efforts

- Over the past two years, we have invested over \$10M in new funding to the Provost's Academic Plan and Student Success Efforts
- \$2.3M allocated to additional need-based aid over the past two years (\$716K in FY13, \$1.6M in FY14)
- We must maintain this level of increased investment to maintain our positive momentum and continue progressing toward our student success goals



State Funding Formula

- Lack of clarity for the past few years
- Must finalize the new funding formula
 - We strongly recommend a predictable and stable funding mechanism
 - Clear ties between performance criteria and funding allocations
- We embrace the process of placing \$ at risk and allocating funds based on performance

Tuition and Fees

- 0% increase in base tuition and fees in FY15
 - Only school in the state with no base tuition increase
 - Possible because of legislature's continued strong support of higher education
- We expect modest net tuition growth
 - Consistent pressure to keep tuition increases low
 - Need a forward-looking strategy on tuition that focuses on modest and predictable increases
 - Student success initiatives will increase enrollments thereby generating new tuition revenues



We Cannot Rely Solely on Traditional Funding Sources

- Budget Reform
 - Development of a new internal budget and allocation model
 - Increase efficiency of business units and instructional offerings
 - Link budget allocations to performance outcomes

Incremental Budgeting vs RCM

- Incremental Budgeting
 - Opaque, historical process
 - No link between revenue generation and resource allocation
- Responsibility-Centered Management
 - Transparency is paramount
 - Delegated responsibility for revenue and expense
 - Incentive alignment to drive financial performance

Why Change? Why RCM?

- External constituencies have pushed for a change
 - 2010 LFC Evaluation
 - President Frank's Listening Campaign
 - Outcome-based state funding formula
- Transparency in budgeting
- Accountability for revenue generation and cost management

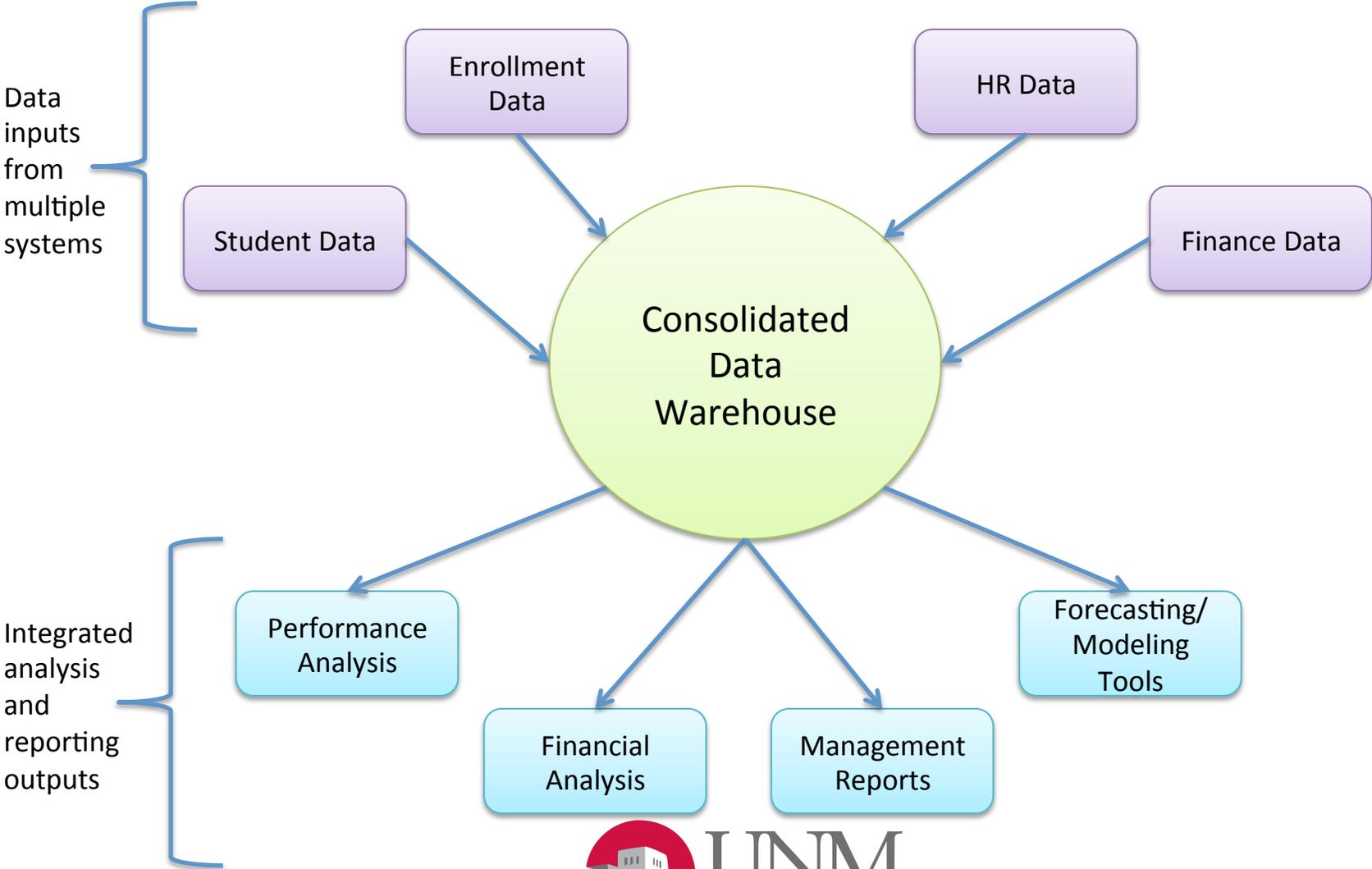
RCM to ROM: Results Oriented Management

- Hybrid approach unique to UNM
- Incorporates principles of RCM with focus on performance:
 - Transparency
 - Performance Incentives
 - Management of Revenue and Cost
- Aligns responsibility with authority
- Facilitates Continuous Improvement
- Drives performance through \$ at risk



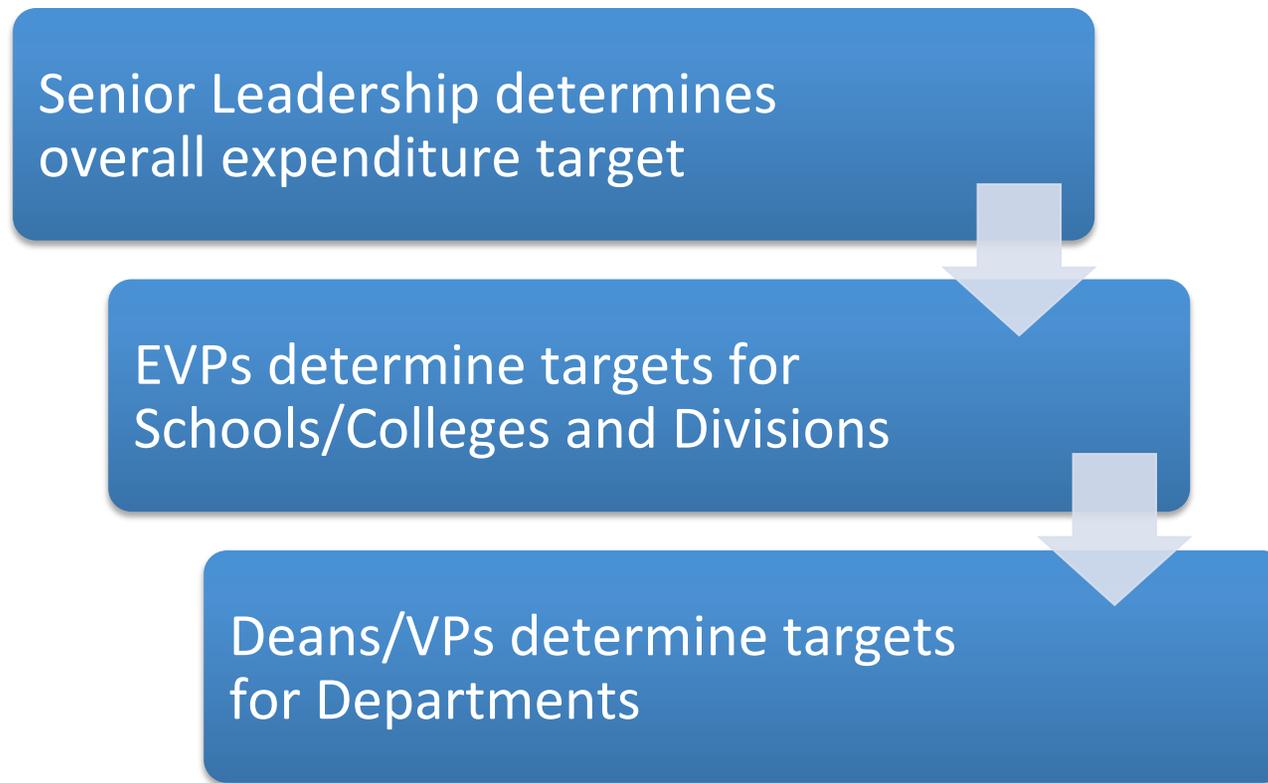
ROM Data Project

Information to Increase Effectiveness and Measure Performance

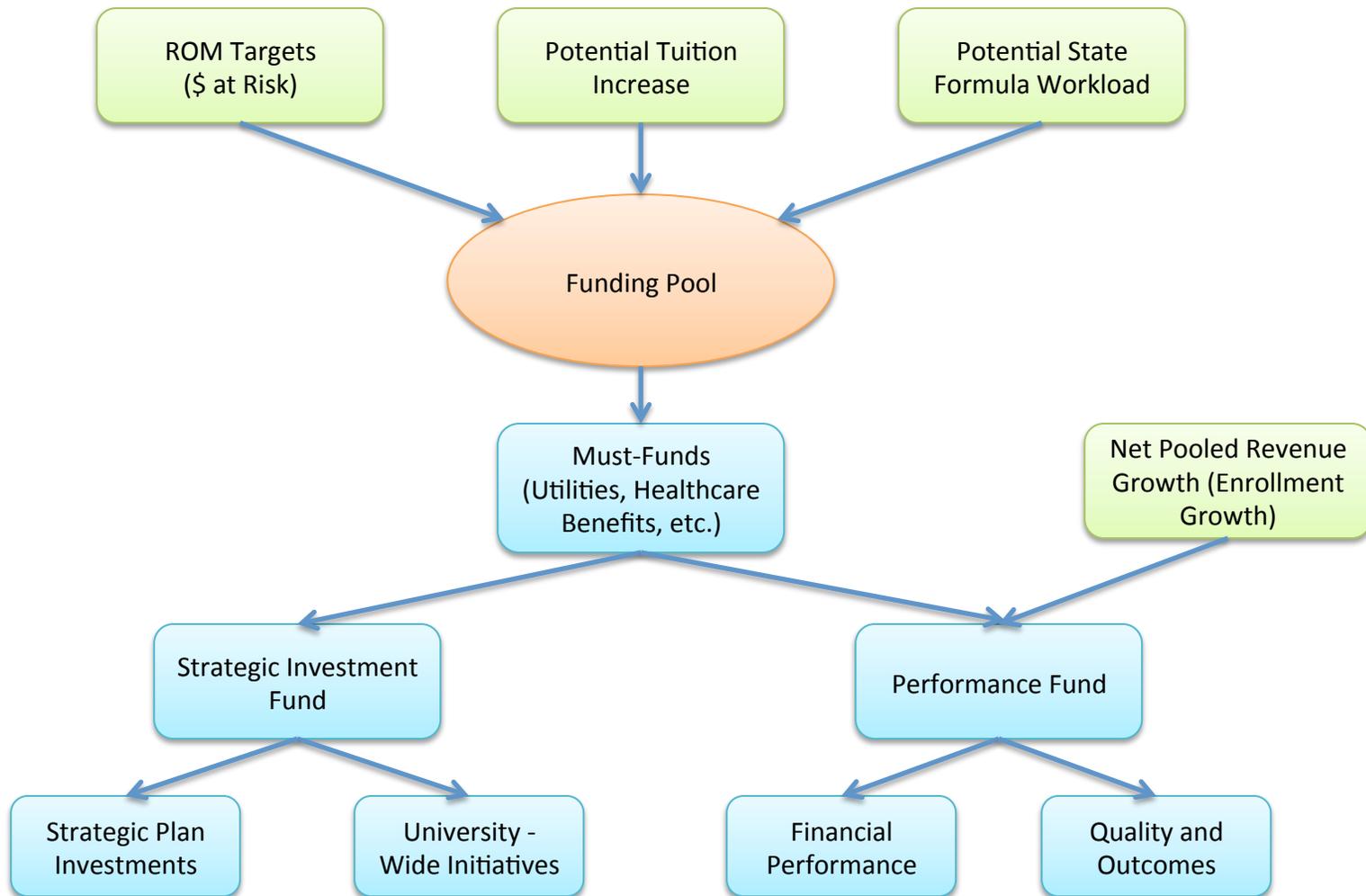


Expenditure Targets - \$ at Risk

Expenditure targets are implemented through an initial reduction to the base I&G budget allocation



ROM at UNM: How It Works



ROM for FY15

- \$2.939M in internal expenditure reductions
 - 1% of overall I&G budget allocations
- Funding allocated to create pools for compensation
 - 3% pool for faculty, 2.5% pool for staff
 - Many departments created wide ranges for merit and performance

ROM for FY15

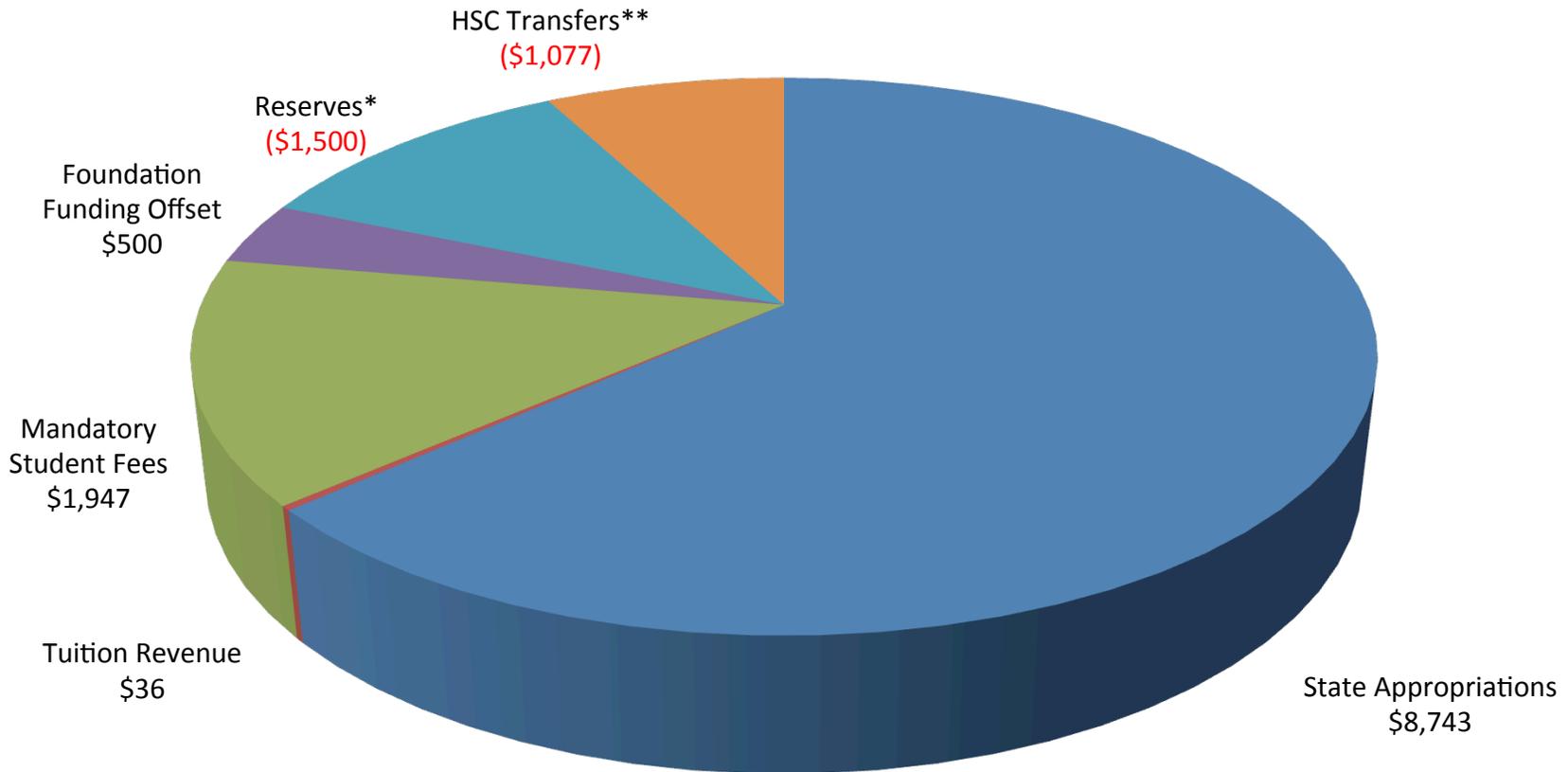
- Prioritize Strategic Investment Fund allocations
- Finalizing performance metrics for FY15
 - Will be used to allocate the Performance Fund in the FY16 budget
 - All departments will have performance metrics:
 - Academic
 - Student Credit Hours
 - Degree Completion
 - Research Expenditures
 - Scholarly Productivity
 - Student Success Outcomes
 - Support
 - Processing Time/Turnaround Time
 - Customer Satisfaction
 - Financial Efficiency Ratios

FY15 Main Campus Budget Details

	Fiscal Year 2014 Starting Base	Change	Fiscal Year 2015 Proposed
Revenues			
State Appropriations	\$179,863	\$8,743	\$188,606
Tuition Revenue	\$133,971	\$36	\$134,007
Mandatory Student Fees	\$30,256	\$1,947	\$32,203
Reserves	\$3,000	(\$1,500)	\$1,500
Foundation Funding Offset		\$500	\$500
Subtotal Revenues	\$347,090	\$9,726	\$356,816
Health Sciences Center Transfer	(\$16,426)	(\$1,077)	(\$17,503)
Total Sources of Funds	\$330,664	\$8,649	\$339,313
Expenses			
Expenditure Base	\$330,664	\$0	\$330,664
Current Year Adjustments/Commitments	\$0	\$558	\$558
1% ROM Reallocation	\$0	(\$2,939)	(\$2,939)
3% Faculty and 2% Staff/GA/TA Compensation Increases	\$0	\$6,635	\$6,635
Academic Plan Commitments & Fixed Cost Increases	\$0	\$4,395	\$4,395
Total Use of Funds	\$330,664	\$8,649	\$339,313

FY15 Main Campus Incremental Revenue

Change from FY 14 to FY15
(in thousands)



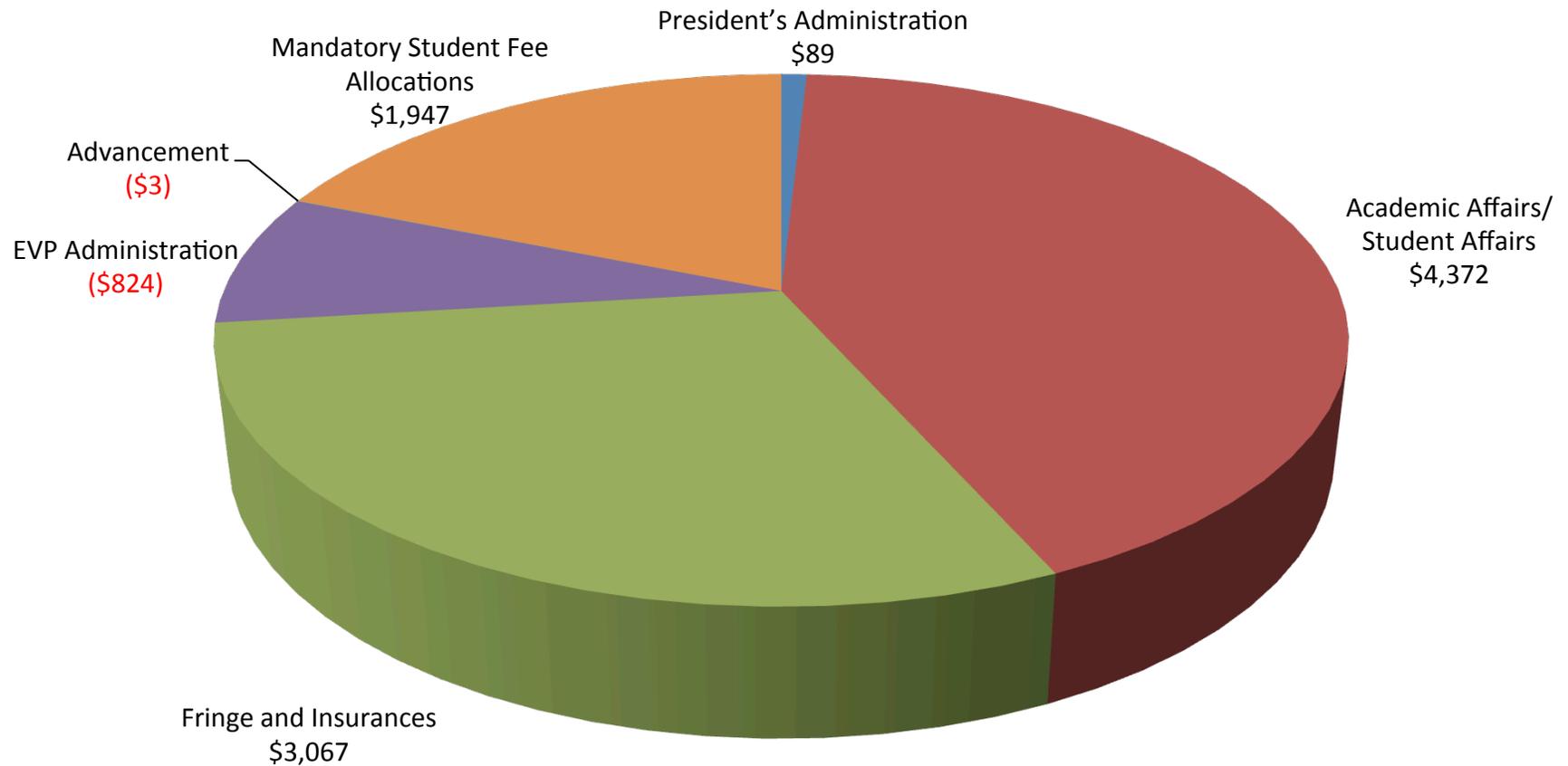
* \$1.5M reduction in revenue represents the elimination of \$1.5M in non-recurring reserves being used to fund the recurring I&G budget

**\$1.077M reduction in revenue represents the transfer to the HSC for HSC formula outcomes



FY15 Main Campus Incremental Expense

Change from FY 14 to FY 15
(in thousands)



FY15 Main Campus Expenditure Detail

	FY2014 Starting Base	Current Year Adjustments	1% ROM Reallocation	Compensation	Acad. Plan Commitments & Fixed Cost Increases	FY2015 Proposed	Net Change	% Change
President's Administration	\$7,571	\$28	(\$76)	\$137	\$0	\$7,660	\$89	1.2%
Academic & Student Affairs	\$168,504	\$300	(\$1,688)	\$3,870	\$1,890	\$172,876	\$4,372	2.6%
Fringe & Insurances	\$51,196	\$0	(\$553)	\$1,855	\$1,765	\$54,263	\$3,067	6.0%
Administration	\$61,542	\$229	(\$619)	\$773	(\$1,207)	\$60,719	(\$824)	-1.3%
Advancement	\$321	\$0	(\$3)	\$0	\$0	\$318	(\$3)	-0.9%
Non-HSC Transfers	\$11,274	\$0	\$0	\$0	\$0	\$11,274	\$0	0.0%
Student Fees	\$30,256	\$0	\$0	\$0	\$1,947	\$32,203	\$1,947	6.4%
Total Use of Funds	\$330,664	\$558	(\$2,939)	\$6,635	\$4,395	\$339,313	\$8,649	2.6%