



# Memorandum

**To:** Ronald M. Berkman, President  
**From:** Geoffrey S. Mearns, Provost and Senior Vice President for Academic Affairs  
**Date:** January 19, 2012  
**Re:** Budget Advisory Task Force Recommendation -- Program Prioritization Process

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I send this memorandum in my capacity as co-chair of the Budget Advisory Task Force.

After extensive discussions and deliberations, the task force has decided to recommend that the University engage in a comprehensive program prioritization process. The recommendation of the majority of the task force is described in a memorandum that is attached. Two members of the task force disagreed with this recommendation, and one member of the task force, Professor Brian Ray, was not present at the meeting when the task force's final vote was conducted. Two staff members of the task force, Ms. Bonnie Kalnasy and Ms. Nancy Leahy, did not participate in the vote.

The task force unanimously recommends that you consult with University faculty, specifically, the Academic Steering Committee and Faculty Senate, before you decide whether and how to proceed with the recommended process.

Attachment

## RECOMMENDATION ON COMPREHENSIVE PROGRAM PRIORITIZATION

### PRESIDENTIAL BUDGET TASK FORCE

#### OVERVIEW

When President Berkman met with the Presidential Budget Task Force in August 2011, he charged the Task Force with investigating models for review and prioritization of university programs. In developing budget targets last year to meet the projected 15% reduction in state subsidy, the President and the Task Force recognized the need for a more comprehensive, objective and transparent mechanism for allocating resources and prioritizing programs within the University. At the same time that state support has diminished in recent years, the University has experienced substantial growth in enrollment and increased tuition revenues. We also have embarked on a series of significant academic, community engagement and infrastructure initiatives. The kind of comprehensive prioritization process we recommend below will permit the University collectively to take stock of these substantial changes and develop a set of consistent criteria for determining where and how to invest future resources.

While we aspire to be an outstanding institution of higher education, we cannot realistically pursue excellence in each and every program at the same time. It is unlikely that we could do so, even with unlimited resources; with finite resources, it is clearly not feasible. Yet we do have outstanding programs, and others that could achieve excellence with additional resources. To ensure that we use our resources to further institutional goals, we must make decisions based on a thoughtful and systematic analysis, not anecdotal evidence; and should make them for the benefit of the institution as a whole and its various constituents, rather than on the basis of individual desires. A deliberate strategy will result in a stronger and more focused institution, with the potential for growth in enrollments and reputation that will benefit all of us in the future.

With these objectives in mind, the Task Force established a subcommittee to develop a draft recommendation for a prioritization process. The subcommittee met several times over a period of six weeks to consider models for accomplishing this. It also reviewed relevant published literature on the topic, including a monograph by Robert C. Dickeson<sup>1</sup> that has provided the framework for conducting such reviews at other colleges and universities. In addition, we corresponded with and/or had telephone interviews with faculty and administrators from several institutions that had carried out similar review processes.<sup>2</sup> A summary of the information we received from these institutions is appended. The Task Force met several times to develop our final recommendation.

The Task Force recommends that the University engage in a comprehensive prioritization of all campus programs (what the literature calls “program prioritization”).<sup>3</sup> This process differs significantly from the

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<sup>1</sup> Dickeson, Robert C. (2010). *Prioritizing Academic Programs and Services: Reallocating Resources to Achieve Strategic Balance* (San Francisco, CA: Jossey-Bass).

<sup>2</sup> Colleges and universities who engaged in program prioritization whose processes we initially examined included: Indiana State University, IN; Pennsylvania State University, PA; University of Hawaii-Manoa; University of Regina, Saskatchewan, CA; Washington State University. Those with whom we spoke or corresponded for additional feedback included Ohio State University, OH (PhD programs only); Humboldt State University, Humboldt, CA; Drake University, Des Moines, IA.

<sup>3</sup> Eight members of the Task Force voted in support of the recommendation. Two members did not support it, two staff representatives abstained, and one member was absent at the time of the final vote.

cycle of Program Review CSU has followed, in that instead of completing a handful of programs each year over a cycle of 5-7 years, all programs will be reviewed at the same time.<sup>4</sup> Below we provide more detailed recommendations regarding who should conduct the prioritization, the process, and information on timeframes used by other institutions. These are the core elements of the process we recommend:

1. **Both academic and non-academic programs should be prioritized.** One purpose of conducting prioritization is to more effectively allocate resources. Any part of the institution that is supported from the operating budget, therefore, should be evaluated for relevance, effectiveness, and alignment with the institution's priorities.
  - a. The purpose of the process is to provide a complete assessment and prioritization of all of programs and activities funded by the operating budget. Using a single committee to make final recommendations for all programs and activities is the most effective and transparent way to ensure that the process provides comprehensive data on where the operating budget is spent; that the prioritization criteria are consistently applied; and that no program or activity is singled out for preferential treatment.
  - b. While the overarching prioritization criteria should be the same for both academic and non-academic programs, they will be applied somewhat differently to each. Recognizing this distinction, the Task Force recommends that the Prioritization Committee establish a subcommittee principally drawn from the administration with some faculty and deans. The subcommittee's charge would be to make recommendations to the Prioritization Committee for adapting the criteria and developing a process for prioritization of non-academic programs and activities. That subcommittee should also conduct the initial assessment of non-academic programs which the Prioritization Committee will review.
  - c. The potential outcomes of the prioritization, for all programs, should be a recommendation to (a) enhance; (b) maintain; (c) restructure; or (d) suspend.<sup>5</sup>
2. **The President and Faculty Senate should determine the structure and membership of the Prioritization Committee, but its membership should consist of at least half faculty members.** Prioritization of academic programs and the potential impact of any recommendations affect core faculty governance responsibilities that require full faculty involvement at all stages.
3. **Prioritization is a difficult, time-consuming process in which efficiency and thoroughness are in tension.** Institutions that have completed this process varied both in the amount of time they allowed for conducting the reviews and their success. Of those we investigated that *successfully* completed a review and used the data to re-allocate resources, the shortest time frame was 9 months from the start of the review process to submission of the committee's report to the final decision-making body (and this review involved only PhD programs); the longest was

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<sup>4</sup> More information about the traditional cycle of Program Review, how this process differs, and why the Task Force recommends it, is included in the Appendix.

<sup>5</sup> A recommendation to either restructure or suspend an academic program would trigger the existing program change process.

approximately 17 months. Additional time (in some cases a significant amount) was required for implementation.

4. **Transparency and open communication throughout the process are critical.** Open discussion of the process needs to take place so that its purpose, its benefits to the institution as a whole and its potential outcomes are acknowledged and considered. Several institutions held regular town-hall type meetings with campus constituents throughout the process. All stakeholders should have input and be given an opportunity to express their views at each stage.

## **PRIORITIZATION PROCESS**

There are several key decisions that CSU must make to develop a comprehensive program prioritization process. These include the composition of the task force or committee charged with conducting prioritization; the criteria and the data to support them; the format and content of reports; the timeline; and the outcome. In recommending the following elements, we have been guided by the experiences of other institutions that have successfully implemented review processes.

### **1. Prioritization Committee**

**We recommend that the President and the Faculty Senate establish an independent committee to carry out review and prioritization of programs. The President and Senate should jointly decide the composition of the committee.**

- a. Prioritization of academic programs encompasses core faculty-governance functions including curriculum development and assessment of program quality. Faculty input and substantial participation are therefore critical for the legitimacy and success of prioritization.
- b. Given the unique nature of a comprehensive review and prioritization, there is generally no standing committee that has the mandate or authority to carry out the process; most institutions therefore establish one.
- c. Several models have been used successfully at other institutions, and the President and Faculty Senate will ultimately determine the composition of the committee. We recommend a committee of nine with five faculty members nominated by the Faculty Senate Steering Committee in consultation with the President, and four administrators, including two academic deans, selected by the President in consultation with the Faculty Senate Steering Committee.<sup>6</sup>

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<sup>6</sup> Some institutions reviewed had used other models for the committee structure/composition. One university reported using a three-committee structure (one committee to review academic programs, a second to review non-academic programs, and the third to review the recommendations of the other two). This bifurcated structure might result in different ratings from the two committees, however. At least one institution we reviewed used a single committee made up of administrators and faculty representatives *appointed by each college*. Since the presumption of the review is that all who participate will prioritize the needs of the institution as a whole rather than advocate for their own areas, however, this process was deemed to be unnecessarily cumbersome.

- d. The Prioritization Committee should establish a subcommittee to recommend criteria and weighting for non-academic programs and to conduct the initial prioritization of those programs.

## **2. Criteria**

The majority of institutions whose processes we reviewed used some or all of the 10 criteria proposed by Dickeson (outlined below). The criteria for non-academic programs will track these as closely as possible but with some modifications.

- a. Framing the process using the strategies that have been used elsewhere will allow us to build on their experiences.
- b. The 10 criteria outlined by Dickeson and used in whole or part by most institutions that have completed comprehensive reviews, include:
  - History, development and expectations of the program
  - External demand
  - Internal demand
  - Quality of program inputs and processes
  - Quality of program outcomes
  - Size, scope and productivity of the program
  - Revenue and other resources generated by the program
  - Costs and other expenses associated with the program
  - Impact, justification, and overall essentiality of the program
  - Opportunity analysis of the program
- c. Variations on this data collection and outcomes model have been used elsewhere and thus provide useful templates for CSU. Some institutions have used all 10 criteria; some have used as few as 3.
- d. Using more criteria to assess programs produces greater variability and multi-dimensionality in the resulting reviews, but requires additional time both from the programs who initially collect and report the data, and the review committee who must then assess it. Less time is needed at all stages of the process if fewer criteria are used, but using too few will produce less detail about program performance and quality.
- e. Our recommendation is to use at a minimum 5 criteria, to allow for as much flexibility as possible in the reviews, without unduly slowing down the process.

## **3. Data**

To enable careful assessment, the prioritization committee must make comparisons using the same measures. It is therefore critical that all programs, to the extent possible, provide the same data, using the same definitions and measures. Since CSU has an Office of Institutional Research, using its official data will help ensure that all programs are assessed on the same basis.

## **4. Format and Content**

Programs should write their own reports and be encouraged to emphasize quality, unique characteristics, etc. They should do so, however, in the context of accurate and comprehensive

information; and each program should include the same information in order to produce comparable reports.

- a. To ensure sufficient consistency in reports, other institutions have developed structured templates that identify what specific data should be included, and in what format.
- b. Several also provided detailed instructions on page limits, what kinds of additional materials can be submitted, and other measures to ensure that reports can be assessed fairly and accurately, using the same criteria.

## 5. Timeline

Some of the campuses we looked at completed comprehensive prioritizations in a relatively short time frame (as short as a single semester); however, those institutions were either small, private ones with few programs to evaluate, or under extreme financial pressure. For most, the process required multiple stages that spanned several semesters.

The timeline for successful processes that we investigated ranged from 9 months to approximately 17 months for the review stages, with implementation separate. We are not recommending a specific time-frame. But we recommend that the process follow some version of this sequence:

- a. **First phase:** Task Force convenes and decides on process, criteria and weight, and template for internal program review; campus and alumni stakeholders are consulted and program representatives are trained on the prioritization rubric.
- b. **Second phase:** Programs conduct internal reviews using prioritization rubric.
- c. **Third phase:** The prioritization committee (and, often, other entities) review and score program reviews; programs have an opportunity to respond; prioritization committee ranks programs and finalizes recommendations.
- d. **Implementation:** Following completion of the review and recommendations, administrative action, revision, and implementation were carried out separately in accord with institutional policies and procedures.

## 6. Outcome

The programs we investigated adopted some version of Dickeson's ranking system in which each program is assigned to one of four categories: (a) enhancement; (b) maintenance; (c) restructuring; or (d) suspension. Some institutions required that the committee (and other ranking bodies) assign a set percentage of programs to each category.<sup>7</sup> We recommend that the committee adapt Dickeson's system. We do not recommend imposing a set percentage requirement.

The ultimate goal of the process is to identify areas of excellence, where growth can occur with additional resources; and to identify where those resources can be freed up through internal re-

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<sup>7</sup> The method for completing this process varied. At one institution, the reviews were completed over the summer, with the committee reviewing a few each week. Committee members read the reports individually, and then assigned a "plus," "minus," or "neutral" rating, indicating that the program was above average overall, below average, or approximately average. Committee members then met to discuss and finalize a committee recommendation based on their collective reviews.

allocations. Those we spoke to acknowledged that this was a time-intensive, difficult, and sometimes painful process. Institutions that were successful reported a strengthened university with a clearer focus.

By contrast, at one of the institutions we investigated, the process resulted in significant antagonism between faculty and the administration, provoking a no-confidence vote by the faculty. This illustrates the need for complete transparency, substantial and repeated consultation with all areas of the university and careful planning in this process.

Presidential Budget Task Force:

Bette Bonder, Professor, Health Sciences and Psychology, COSHP  
William Bowen, Professor, Urban Studies  
Bonnie Kalnasy, Director, Budget and Financial Analysis  
Teresa LaGrange, Vice Provost for Academic Planning  
Nancy Leahy, Assistant Director, Fiscal Operations, Academic Affairs  
Joel Lieske, Professor, Political Science, CLASS  
Timothy Long, Associate Vice President, Finance and Technology  
Stephanie McHenry, Vice President for Business Affairs and Finance  
Geoffrey Mearns, Provost and Senior Vice President, Academic Affairs  
Brian Ray, Associate Professor, Cleveland-Marshall College of Law  
Robert Scherer, Dean, Monte Ahuja College of Business  
George Walker, Vice President for Research and Graduate Studies  
Sajit Zachariah, Dean, COEHS

Subcommittee on Academic Review:

Bette Bonder  
Teresa LaGrange  
Brian Ray

## **APPENDIX I: Comparison to Traditional Program Review Process.**

### ***Program Reviews***

CSU has conducted traditional Program Reviews on a 5-7 year cycle:

- Regular, scheduled reviews are required both by the Ohio Board of Regents and the Higher Learning Commission/North Central Association.
- The review is intended to acquaint faculty with the status of their programs, curriculum, students, staff, and resources.
- Reviews provide a basis for administration to assess program strengths and weaknesses, and determine resource needs.

### ***Differences between Program Review and proposed prioritization process:***

- For the purposes outlined in this proposal, the normal review cycle is unsatisfactory as a basis for effective and fiscally sound resource allocation. This is due in part to the 5-7 year cycle, and also to the protracted timeline required to complete the review process itself (approximately 18 months); in addition, each review is conducted in isolation, without reference to other programs either in the same unit or elsewhere on campus.
- A need for additional resources identified and deemed critical for the individual program is not placed within a context of wider campus priorities, because there is no mechanism for evaluating it in relation to other equally-critical demands in other units. Each unit therefore identifies its needs separately, creating a collective need that, in aggregate, far exceeds the resources available.
- To provide useful comparative data on program strengths and weaknesses and the resources necessary to address them, all programs need to be reviewed within the same time frame, rather than sequentially over a period of several years.



## **APPENDIX II: Overview of Prioritization Process at Institutions We Investigated**

After gathering easily accessible, public information from several institutions that had used some version of Dickeson's prioritization model, the subcommittee identified four institutions to investigate more carefully: (1) Humboldt State University; (2) Drake University; (3) University of Hawaii at Manoa; and (4) The Ohio State University. We chose these institutions for the following reasons: (1) HSU published detailed information about the process on its website, conducted the review as a planning measure rather than in response to an imminent budget crisis, and appeared to have successfully completed and implemented the process; (2) A senior administrator involved in the process at Drake had published two articles describing the successful results and details from the prioritization; in addition, like HSU, Drake initiated its process as a planning measure; (3) OSU is a peer public institution in Ohio and received an award for its process at a national convention; (4) Media reports suggested that the process at Hawaii was a failure that resulted in significant faculty opposition, and we concluded a counter-model would be useful to identify potential pitfalls that CSU could seek to avoid. At the suggestion of Provost Mearns, we also spoke with two representatives from Florida International University regarding its review process.

Among those institutions, we obtained detailed information through direct interviews with individuals involved in the prioritization process from HSU and Drake. We also spoke to a faculty member who was familiar with, but did not participate in, the process at OSU and learned that OSU's process was limited to PhD programs and conducted through the existing graduate college. Hawaii did not respond to our requests for more information. We determined that the FIU process, which was driven by an imminent budget crisis, was not as robust or effective as the HSU and Drake processes and did not seek any more information.

While we believe that both HSU and Drake offer potentially useful models for the committee to consider, it is important to note that both of these institutions are significantly smaller than CSU—HSU has nearly 1/3 fewer and Drake has nearly 50% fewer students than CSU—and both had fewer programs than CSU when these processes were conducted.

### ***Humboldt State University (HSU)***

HSU is a small, public university in a rural area of Northern California. It has total enrollment of under 8000 and only 3 colleges (with about 80 programs). Brian Ray spoke with Dale Oliver (former Chair) and Elizabeth Watson (member) of the HSU prioritization task force.

**Timeline:** the actual process began in January 2008 and ended in February 2009 (this did not include implementation). The process was initiated by the Provost, but the 7-member committee itself consisted of mostly faculty and a few administrative members who were described as former "well-respected" members of the faculty. The Provost put the committee together in the Fall of 2007, so the entire process was roughly 1.5 years exclusive of implementation.

**Process:** substantial details are available from the committee's report, which is available online. A summary of the process: Each program (after submitting its own report using the detailed guidelines the committee provided and the metrics it developed in consultation with faculty, deans and staff) was reviewed and scored by two teams consisting of 3-4 faculty and staff and the committee. The dean of each college was also asked to provide a score but that score was not counted and only used at the end

as a quality-control check. All three scores were averaged, but the committee's score was given more weight. Each individual scoring team only scored about 3-4 programs and there were around 30 teams total. The process was arduous and incredibly time-consuming but both Dale and Elizabeth emphasized the need for each program to have adequate opportunities to make its case and feel that it has been objectively reviewed.

The committee held a series of town hall meetings throughout the process and emphasized that transparency and consultation, although time-consuming, were key

**Results/Implementation:** the committee was not responsible for implementing its recommendations. A new curriculum committee was created in part as a result of a parallel restructuring process and it was given responsibility for receiving and deciding how to implement the recommendations. There were no faculty terminations as a result of the process and Dale and Elizabeth said that, although there were no formal assurances from the administration that termination was not an option, it was never really considered a possible outcome.

**Lessons Learned:** (1) good institutional data, especially on the financial metrics, are key. One flaw in their process was the recognition that they did not have strong data and many programs had to make up their own; (2) to work and be credible, the process must be faculty driven; (3) transparency and communication throughout the process is essential.

### ***Drake***

Drake is a private institution in Des Moines Iowa with a current total enrollment of 5,617 students and 70 programs. Teresa LaGrange spoke with Victoria Payseur, Drake's Vice President for Budget and Finance. Drake's review process took 12 months, from launch in January 2000 to release of the President's final report and recommendations to the Board in January the following year. The implementation took significantly longer. But on the other hand, they estimated that the re-allocations resulted in a fairly substantial savings (about \$4 million in permanent budget).

**Timeline:** The process began in January 2000. The Review Committee spent a little over three months meeting regularly to select criteria, decide on weighting, and develop format and content of a rating template. The format, content, and instructions were released the first week in April. The Committee met with those who wished further explanation. Reports were due back by June 1 (two months for each unit to do the report).

Once all of the reports were received, the Committee established a calendar, with a specific number of reports scheduled for review at each meeting. The Committee met twice a week until the end of August (two months). Once they began reviewing reports, strict confidentiality was maintained (open meetings were held up until that time, and discussion was encouraged). Prior to each scheduled meeting, individual committee members would read the reports scheduled for review, and would assign a rating of "plus," "minus," or neutral. The rankings would then be discussed at each meeting; the committee as a whole would decide whether to: a) enhance; b) maintain; c) reduce; or d) eliminate. They didn't try to establish any type of percentile categories, or set a proportion that needed to go into each one, because they felt that would impose too much restraint on the qualitative evaluations.

They issued their report to the President in mid-September. The President reviewed it and consulted with his senior staff; then he issued (publicly) his recommendations in mid-October.

There was a great deal of campus discussion and debate for about two months; after weighing, a final report was prepared and taken to Board in January 2001. Once the Board ratified the recommendations, the implementation process started; this process took approximately 2 years.

### **Additional Institutions That Prioritized Programs**

We also reviewed online documents posted by other universities that had conducted academic prioritization. These included Washington State University, a large public university in Pullman, Washington (enrollment of approximately 26,000 undergraduate, graduate and professional students). The review process was completed in 9 months (October 2007 – July 2008); implementation began in FY 2009. Indiana State University (enrollment of approximately 10,600) also engaged in a similar review, closely modeled on the Dickeson process. A precise timeline was not posted, but based on available documents was initiated in October 2005 with convening of a Task Force; the Task Force issued its final recommendations in September, 2006. Indiana State had approximately 214 programs at the time of the review; based on the recommendations of the Task Force, the university planned to reduce the number to approximately 150.