PROGRAM PRIORITIZATION
Overview & Request for Feedback

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Hi, I'm John Wiencek, the Provost and the Executive Vice President of The University of Idaho. On behalf of the Institutional Planning and Effectiveness Committee (often called IPEC in this presentation), I want to use this opportunity to give the university community an overview of the what's, why's, and how's of The University of Idaho's program prioritization process. I also hope to solicit your feedback and advice on certain aspects of the process. At the end of the presentation, I'll tell you how to submit this feedback.

WHAT IS PROGRAM PRIORITIZATION?

Program Prioritization is the <u>process</u> used by an academic institution to assess and prioritize programs, departments and services in order to ensure the strategic allocation of current university funding and resources.

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First, what is program prioritization? Basically, program prioritization is a process by which academic institutions assess and prioritize programs, departments and services in order to ensure that they're making the best use of their resources.
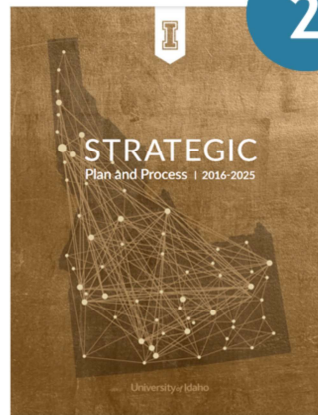
Why are we doing this, or how does program prioritization fit into the bigger picture of the university?

Well, there are two reasons. The first is quite simply because we have to: the Idaho State Board of Education has mandated that all state universities in Idaho report yearly on the program prioritization process. Because the State Board now requires program prioritization as part of the annual budget process, the university needs to develop a sustainable model.

However, the second reason for program prioritization is to better use our resources to achieve the goals of the University's Strategic Plan, which aims to grow the university and make it evolve.
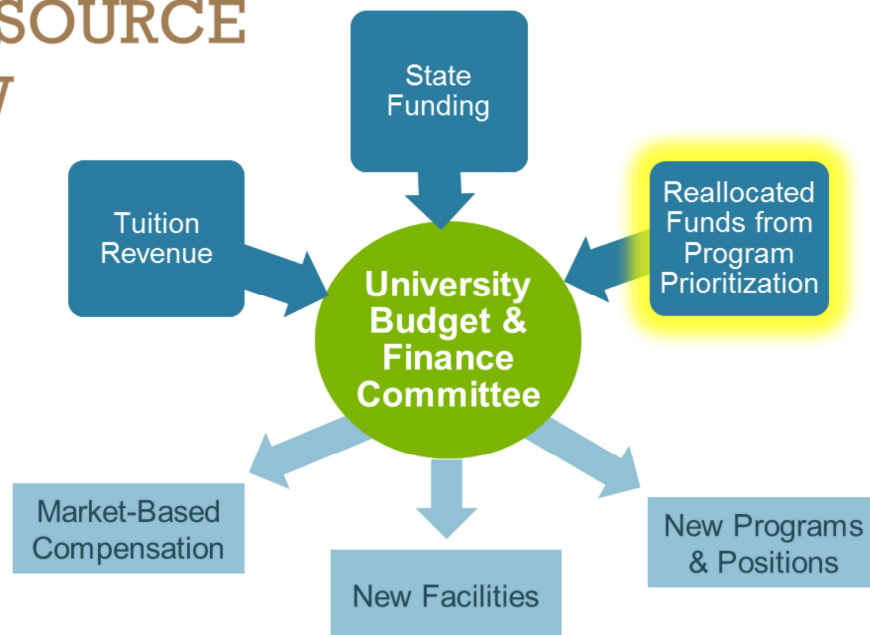
Our objective for program prioritization is to promote institutional excellence by directing resources to high priority needs, as framed within the strategic plan and guided by the University Budget and Finance Committee (also known as UBFC).

The UBFC is a shared governance committee - it's a subcommittee of Faculty Senate that includes both faculty and staff members, and is representative of the overall university constituents. As this graphic shows, the UBFC plays a central role in reallocating resources to help achieve the goals outlined in the strategic plan. These include things like increasing faculty and staff salaries through our market-based compensation plan, new facilities, and new programs and positions, among other initiatives, like those included in the cascaded plans submitted by the academic departments and support units.

REALLOCATED FROM WHERE?

One-Time (27th Payroll, Capital Outlay) 1.60%
Capital Outlay 3.77%
Operating 21.26%
Salaries & Benefits 73.36%
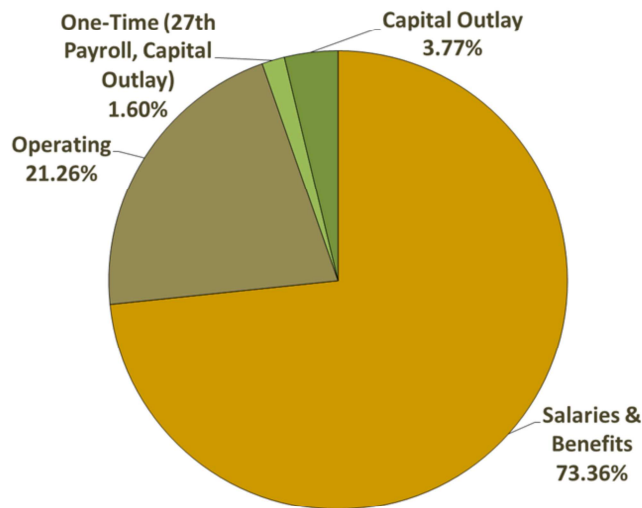
FY 2017 Budgeted General Education Expenses

So where will the resources to fund these initiatives come from? Some may come from increased tuition revenue from enrollment growth, and other sources of revenue, like gifts. But some of the revenue must come from within the university itself - and since we can't move large swaths of money around, we'll take marginal incremental amounts and move it to higher priorities. As this pie chart shows, since almost three quarters of university resources are tied up in salaries, a process called position control becomes the natural mechanism by which we can move money around without serious disruptions to university operations.

WHAT IS POSITION CONTROL?

- Position control is the process by which the university creates, funds, maintains, and monitors faculty and staff employment (positions) at the University of Idaho.
- Position control is nothing new: vacancies in positions at UI have always required review.
- Positon control **does not** end existing employment, but rather encourages deliberate discussions about investments during natural position turnover.
- In the program prioritization process, there will be no layoffs or wholesale department closures. Instead, resources will slowly migrate from low to high priority areas giving units the opportunity to improve their priority within the adopted criteria.

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What is position control? Position control is the process by which the university creates, funds, maintains, and monitors faculty and staff employment (positions) at the University of Idaho.

Position control is nothing new: already, any time a vacancy naturally occurs in a department, whether it's because someone has retired or left for another job, it has always required approval to refill. The program prioritization process simply formalizes this.

In the program prioritization process, each academic department and support department will be ranked based on a set of criteria, and placed in one of five quintiles: Quintile 1 departments will be those that score in the top 20% based on the established criteria whereas Quintile 5 departments will be those that score in the bottom 20% of departments. The quintile will determine how resources from vacant positions in that academic department or support department will be reinvested.

In the program prioritization process, there will be no layoffs or wholesale department closures. Instead, resources will slowly migrate from low to high priority areas as positions naturally turn over. This gradual reallocation will allow time for units to improve or transform their operations so as to improve their performance and ranking.

HOW POSITION CONTROL WORKS

- Positions are assigned to departments inside the financial software system (Banner). Each department will be ranked using evaluation criteria.

- Departments will request authority to refill positions as they are vacated (resignation, retirement etc.).

- Before approval to refill vacancies is granted, relative department ranking will be reviewed.

  ➢ Units performing in the top 20% overall will be approved to refill vacancies immediately.
  ➢ Units performing in the bottom 20% overall will not be able to refill vacancies but may make a case for reinvestment in new approaches or positions via the UBFC process.

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All employees at The University of Idaho are assigned to positions defined in Banner, the university's financial software system. These positions are paid from Banner-defined departments. Thus, a department head in the context of this presentation is anyone who is a supervisor of a group of people in a Banner-defined department. Even the President's Office is coded as a department within Banner and the president's team will be subject to this same departmental based position control process. Depending on where a given Banner-defined department is ranked via the program prioritization process, that department will have varying levels of authority to refill positions that have been vacated due to retirements, resignations, etc. Some or all of the money from vacated positions in departments in the lower quintiles will return to the University Budget and Finance Committee, where it will be reinvested to support the University's highest priorities.

E.G.: POSITION CONTROL FOR GEN ED

Quintile 1: Unit can refill position with available funds

Quintile 2: Available funds reallocated to dean or mid-level director

Quintile 3: Available funds reallocated to Vice President

Quintile 4: 50% of available funds reallocated to Vice President, 50% to UBFC/central

Quintile 5: All funds reallocated to UBFC/central

*Exceptions and clarifications for tenure denials, temporary vacancies and dismissal for cause are included in guidelines. See www.uidaho.edu/program-prioritization

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As an example, let's look at how position control will work for academic departments funded by General Education funds. In Quintile 1, the unit will be able to retain the funds and refill the position with available funds. In Quintile 2, we're trying to encourage discussions within departments and between the dean and departments about the effectiveness of current operations. In Quintiles 3 and 4, the additional discussions will also include the provost or vice president. For Quintile 4, half of the funds from vacated positions will be directed to UBFC for reinvestment. And in Quintile 5, all base funding for those positions will be rolled back to the UBFC to fund other university priorities.

WHAT TO EXPECT

- Funding from vacancies in lower priority area units (Quintile 5) will be reinvested in higher priority areas (note: 18 months of temporary funding will be provided).

- Process will be reviewed and adjusted annually to respond to unanticipated outcomes.

- If enrollment grows, the amount of reallocation may change depending on the university's finances.

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So what should you expect as we roll this out? Well, if your department is in Quintile 5 and a vacancy occurs, you will not be approved to refill the position. This funding will be reinvested in higher priorities, and those higher priorities will be determined by the University Budget and Finance Committee, guided by the goals of the Strategic Plan. Quintile 4 departments may be permitted to refill the position but this is not assured. This process will be reviewed annually and adjusted as necessary. And if enrollment grows, this may allow us to scale back on the amount of position reallocation conducted in a given year.

WHAT TO DO IF YOU ARE Q5

1. **Don't panic**. If a department loses an employee, temporary funding continues for 18 months to allow time to adjust and seek alternative ways to improve the department's evaluation ranking.

2. **Study the assessment data**. Departments will need to understand why they are not ranked higher on the priority list and identify ways to improve.

3. **Develop and implement improvement plan**. Departments may decide to stop doing some things right away and redirect resources to higher priorities. Units should redeploy and rethink how to fulfill their missions in a manner consistent with evaluation criteria.

4. **Monitor progress annually**. Dashboards and data will be helpful here.

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What would you do if you were in Quintile 5? First of all, don't panic. If your department loses an employee, you'll have 18 months of temporary funding. This will be the time to have discussions with department and university leadership about how to adjust. Second, I would encourage everyone to study their assessment data. All departments need to understand where they are, and how to improve their ranking. You might develop and implement an improvement plan, maybe having conversations about discontinuing some activities or programs that are damaging your overall operation and quintile ranking. Ideally, if this process works well, people will be proactive about internally reallocating resources. And finally, I would encourage you to monitor your progress annually.

HOW DEPARTMENTS ARE RANKED

- Two workgroups assigned by Faculty Senate and Staff Council
  - ➤ Academic Department Prioritization Workgroup: 15 faculty, 5 staff
  - ➤ Support Department Prioritization Workgroup: 15 staff, 5 faculty
- Consultant trained workgroups who developed draft evaluation criteria and relative weights for assigning department quintiles.
- Criteria are draft - **NOT** FINAL- seeking UI community input on criteria.
- For academic departments, the separate academic degree programs will be individually assessed on appropriate metrics and then the rankings for each individual program will be averaged to yield an academic department quintile.

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Two separate work groups developed a draft of the criteria, weights, and measures for ranking departments. Both of these workgroups were jointly appointed by Staff Council and Faculty Senate. The Academic Unit Prioritization Workgroup consisted of 15 faculty and 5 staff, and the Support Unit Prioritization Workgroup consisted of 15 staff and 5 faculty. Both workgroups received training and guidance from a nationally recognized expert and have developed a draft set of criteria and weights. To reiterate, we consider these criteria to be in draft format: we are now seeking your input on these criteria, weights, and measures. This is the key aspect of the program prioritization process for which we need your ideas and feedback. The final objective is to rank the Banner-defined departments and place them into quintiles. For academic departments, this outcome will be achieved by evaluating academic degree programs on appropriate metrics individually and then averaging those results to yield an overall quintile for the department.

CRITERIA FOR RANKING

Academic Units

- External demand (10%)
- Internal demand (10%)
- Quality, productivity, and scope (40%)
- Effectiveness/efficiency of resources (20%)
- Impact and overall essentiality (20%)

Support Units

- External demand and mandates (20%)
- Internal demand and mandates (20%)
- Quality (15%)
- Cost Effectiveness (10%)
- Impact, justification, and overall centrality (35%)

See www.uidaho.edu/program-prioritization to download specific definitions and descriptions of these criteria and weightings.

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The workgroups completed their work in late January and forwarded their draft criteria and measures to IPEC at that time. The draft criteria for academic and non-academic, or support, units are summarized here. For definitions and more specific weightings, please go to the link listed here and download the criteria in PDF form. Both workgroups have recommended the use of quantitative as well as qualitative data. For academic departments, the workgroup proposes quantifiable data for most of the criteria, and these metrics are consistent with our strategic plan institutional metrics. For non-academic or support departments, the workgroup proposes mainly qualitative assessments on the other hand. We will be asking you specific questions about these criteria in the feedback portion of the process.

OUR REQUEST OF YOU….

- We want campus-wide input on the draft criteria before March 8, 2017.
- Departments should meet to watch the video; the department head should use the PDF survey to capture feedback from the department and enter the info on the sli.do poll.
- Individuals may fill out the evaluation poll as well.

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Our request of you is simple. Watch this video and give us feedback. Since each department will be placed into quintiles as a whole, we are asking the department head to call a meeting for the entire department to watch this video. We have a survey instrument which will be used to capture the department's feedback on the proposed criteria. The department head can use the printed version of the poll to take notes during the department meeting. After the department has concluded its discussion, the department head will log on to SLI.DO and enter the data for use by the Institutional Planning and Effectiveness Committee as well as the faculty/staff workgroups. Individuals will also be able to fill out the same survey instrument which will be monitored and assessed by Faculty Senate and Staff Council and eventually forwarded to the IPE committee in summary form.

The deadline of March 8 will allow IPEC to summarize the feedback and provide recommended modifications to the working groups. The working groups will meet in mid March with the goal of finalizing their recommendations for the President. IPEC will work closely with the working groups and also be in communication with the President as needed or requested. The goal is the have the criteria finalized and approved by President Staben by the beginning of April. After the criteria are finalized, Institutional Effectiveness and Accreditation office will develop necessary data and survey instruments and conduct the prioritization process. Formalized position control would start with the beginning of the new fiscal year on July 1, 2017. The overall process will be assessed annually and adjusted to assure that the process is helping the university to thrive and excel.

All of the materials regarding program prioritization and the draft criteria may be found at this URL. In closing, the Institutional Planning and Effectiveness Committee would like to thank you for taking the time to be part of this very important decision. We are eager to hear your thoughts, your questions and feedback so that we can make this process better together.