

**University System of Maryland  
Board of Regents  
Committee on Effectiveness and Efficiency  
Minutes of the March 13, 2013 Public Meeting**

The Committee on Effectiveness and Efficiency (E & E) of the University System of Maryland (USM) Board of Regents met in public session on Wednesday, March 13, 2013 in the Margaret Brent Room of the Adele Stamp Student Union at the University of Maryland, College Park. The meeting was convened at 11:45 a.m. Regents present were: Mr. Slater, Chair, Mr. Gossett, Ms. Michaux Gonzales, and Dr. Vance. Chancellor Kirwan was also present.

Also attending were: Dr. Boughman, Dr. Chandler, Ms. Doyle, Mr. Faulk, Dr. Foster, Ms. Hollander, Dr. Lee, Mr. Lurie, Ms. Moultrie, Dr. Passmore, Dr. Shapiro, Mr. Vivona, Dr. Zimmerman, and other observers.

### **Information Items**

#### **Dashboard Indicators**

Dr. Ben Passmore of Institutional Research within USM's Office of Administration and Finance presented the USM Dashboard Indicators (DBIs) Report, a snapshot overview of USM and its institutions on several critical measures of success in and compliance with various Board initiatives. The DBIs are organized around the USM Strategic Plan and are separated into the following categories: Student Access, Affordability, and Attainment, Faculty, Economic and Workforce Development, Stewardship, Effectiveness and Efficiency, and External Fiscal. The DBIs are meant to remain reasonably stable over time in order to provide the Regents with a ready comparison to past performance. Whenever possible, the DBIs also feature benchmarks against either peers or Board or institutional policy.

The DBIs include indicators focused on the external environment, the entire System, and each USM institution. Key issues highlighted in this year's Dashboard Indicators include:

- Positive growth towards the USM STEM degree goals,
- The continuing importance of financial aid,
- Broad success in company creation, and
- The addition of new dashboard indicators.

This year's indicators show that 9 of 12 institutions are steady or improving on 70% or more of measures. Overall, 72% of indicators are stable or improving, which is consistent with the last several years. Dr. Passmore shared that 57% of indicators met the benchmarks, three institutions met benchmarks on 60% or more of measures, and three institutions met less than 50% of the benchmarks. Overall, this is the best performance against benchmarks since 2007. He also noted that while our improvements are an indication of the hard work occurring on campuses, it is also a reflection of the fact that other institutions of higher education have struggled more than our institutions.

Other highlights include an increase in upper division STEM enrollment, a rapid increase in institutional financial aid, an increase in the undergraduate debt burden, and a decrease in undergraduates receiving financial aid. Dr. Passmore announced two candidate indicators for 2013: 1) technology transfer/research and 2) part-time faculty, including but not limited to, the percent of classes and the percent of students taught by part-time faculty. He asked for permission to examine these indicators and will include these in the next report. Regent Slater approved Dr. Passmore's request. Regent Gossett expressed concern about the way information about part-time faculty and adjuncts is reported. He asked that attention be paid to the fact that adjuncts are often concentrated in certain departments within universities and asked that the facts not be generalized as being true of entire institutions. This DBIs report will be shared with the full Board in April, institution presidents, DLS, USM staff, and council chairs.

### **Ten-Year Report on Effectiveness and Efficiency**

Mr. Joe Vivona and Dr. Joann Boughman introduced the presentation, which was written by Ms. Teri Hollander.

The USM Effectiveness and Efficiency initiative continues to be held up as a model and has attracted national attention. This recognition has enabled the System to attract external funding to leverage our resources and to disseminate the most promising practices in collaboration with the State. The report was developed to review accomplishments, provide an overview of current activities, and to look forward to the changing environment of higher education.

The driving force behind the E&E Initiative was the need, in such challenging economic times, to optimize USM resources to yield savings and cost avoidance. The original goals of the E&E Work Group remain the same: promote enhancements in effectiveness and efficiencies in the USM operating model, increase quality, serve more students, and reduce the pressure on tuition. The past decade's efforts have yielded \$356 million in cumulative savings.

Highlights from the report include:

#### ***Course Redesign***

The first phase of USM's most visible academic transformation and innovation effort was completed from 2006-2009. Results showed an improvement in the successful completion rate of "gateway" courses, and at a cost savings, the Chancellor directed funds from an award from the Carnegie Foundation to expand the number of courses to be redesigned. To date, 37 courses across the USM have been redesigned. For those institutions that have fully implemented redesigned courses, the reported average savings is 34%. USM has received funding from the Lumina Foundation to disseminate findings, and to facilitate implementation of successful strategies to all segments of higher education in Maryland. Through funding from Complete College America and the Lumina Foundations, 23 grants have been awarded to Maryland community colleges, 1 to St. Mary's College of Maryland, 2 to Morgan State University, and 5 to MICUA institutions. Sixteen additional grants have been

awarded to the third cohort. USM continues to develop models and designs of study that have been funded from extramural sources, including a project with Ithaca S+R funded by the Gates Foundation.

### ***Faculty Instructional Workload***

USM has reached its targets for faculty workload, and faculty were able to attract over \$1.2 billion in grants and other research awards.

### ***Time to Degree***

Time to degree and completion of degrees in four years are among the lowest level, 8.7 semesters, since the mid-1980s. Institutions have implemented new advising programs to support the challenges brought on by the 120-credit policy. The impact of these programs will become apparent in the next few years.

### ***Enrollment Management Strategies***

The System has realized effectiveness and efficiency through the following enrollment management strategies:

- The Board's support for targeted growth at designated "growth institutions" as part of the Enrollment Funding Initiative and additional programs and facilities at the regional centers.
- The Board's recognition of the need for, and support of, expanded access for transfer students. This goal has included a commitment to more financial aid for transfer students.
- The expansion of USM's on-line transfer articulation program (ARTSYS).
- The further development and promulgation of the Electronic Transcript platform, which is now processing over 118,000 electronic transcript requests per year at an estimated cost savings of \$1.75 million, in addition to providing improved accuracy and security of student data.

### ***Competitive Contracting***

USM has found significant efficiencies through the application of strategic sourcing strategies. Greater effectiveness has resulted from the implementation of institution centric competitive contracting policies and procedures that provide greater response time to constituent needs over a more centralized and monolithic process. For example, the Maryland Educational Enterprise Consortium, managed by the USM, conducted a procurement that will realize up to 55% discounts on computer hardware and associated services for the life of the contract for its members. Additionally, the Board of Regents' creation of two design and construction service centers has resulted in cost savings and avoidance associated with the solicitation and management of design and construction contracts.

### ***Energy Strategies***

The System engages in steps to strategically leverage USM buying power through pooled purchasing of energy as well as the implementation of cost-effective energy management strategies. Over the last ten years, the institutions have seen 10-15%

energy price reductions from the aggregation of energy and natural gas accounts because of the competition the larger quantities attract in the supply market. Another energy management program is the implementation of energy performance contracts, which allow the institutions to implement a large amount of building and system enhancements that have a resulting energy savings of approximately 20%.

Dr. Boughman noted a few challenges with E&E. Although select aspects of the cost savings associated with academic transformation are clear, the full extent of the effectiveness and efficiency associated with academic transformation may not be evident for some time. Additionally, we must consider how to capture the unintended consequences of academic transformation including, but not limited to, decreased time to graduation and corresponding cost avoidance. Dr. Boughman also noted that the System will look to the System Research Administrators' Group to help capture more E&E findings.

The Ten-Year Report also includes a timeline of E&E efforts within the System, specific cost savings information associated with the course redesign efforts at the campuses, and a chart of efficiency initiatives by general category. The System will continue to monitor all of the aforementioned efforts in order to assess the extent to which they contribute to effectiveness and efficiency.

The Committee's June meeting is currently tentative. In an effort to identify possible agenda items, Regent Slater inquired as to whether there will be anything to report on the progress of the CIELT. Dr. Boughman noted that it would depend on when the new director could start, but she believes this could be a focus of the next meeting. However, Dr. Boughman noted that information on Ithaca and other academic transformation efforts will not be available until the fall or early 2014. Regent Slater noted that it would be helpful if academic transformation-related cost savings could be quantified and described in a brief report.

The regents also proposed the possibility of updates on MPower, STEM, and/or research and economic development during the June meeting.

### **Adjournment**

Regent Gossett moved to close the meeting. The motion was seconded by Regent Michaux Gonzales and unanimously approved.

Respectfully submitted by:  
Regent Tom Slater