

FY 2019 Budget Topics

Institution Name: University of West Georgia

List the top three to five strategic topics for discussion at the FY 2019 budget hearing. It will be important to discuss serious challenges facing the institution, but equally important to discuss major successes.

Below, in outline format, aligned with our strategic plan and key performance indicators, we provide the strategic topics for discussion in presentation of our FY19 budget hearing. Organizationally, we will focus on two overarching topics - successes and challenges themed to align with the Chancellor's three priorities, **Degree Attainment; Affordability; and Efficiency**. We believe these are intrinsically tied together as we navigate the future of our institution. Extensive detail is found in the full budget narrative document and completed tables but these topics will serve as our presentational script for the budget presentation.

University of West Georgia – Strategic Topics – FY19 Budget Hearing Successes and Challenges

UWG Successes –

DEGREE ATTAINMENT:

- **Results** – Record enrollment 13,520 students (16%) in 4 years – 2020 goal of 15,000); Record entering average freshman GPA (3.21); Record degrees conferred (2,610); Record 4 & 5 year grad rates (**4 year - 21.29%; 5 year – 37.08%; 6 year 40.44%**), **6 year grad rate 2012 cohort will be a record next year estimated at 44%**.
- **Relevant quality academic programs** (5 top 100 US News); Leadership in innovative models, e.g. eCore, eMajor, PLA and CLEP as part of the Adult Consortium; record MOWR (fall 2017 = 680); 9th in Georgia average student salary upon graduation; record Newnan enrollment – 961 headcount.
- **K-16 Educational Collaborative** – UWG is leading the state in collaborative student success partnerships within a single system school house, K-16, approach to student success outcomes – enrolled, employed, or enlisted! Now expanding to Coweta, Heard, Haralson, Troupe, and Douglas Counties.

AFFORDABILITY:

- **Lowest tuition and fees in comprehensive sector** (10th overall in USG for total undergraduate tuition and fees); Graduate tuition is currently 9% below VSU, 18% below GA Southern, and 21% below KSU; below average student debt upon graduation (\$21k); low student debt default (8.8%).
- **Savings to Students** - \$6.3M identified - Tuition Support \$3.69M not including waivers; Supplemental Support \$322K; Course Modality \$602k; Book/Course Material Costs \$1.75M: **THIS DOES NOT INCLUDE \$3.9M** in estimated text book savings for the nearly 13,000 students in the USG taking eCore courses; Reduced eCore tuition to \$159 per credit hour; Focused philanthropic efforts to increase need based, GAP and merit scholarship support – Capital Campaign focused on scholarships – currently providing \$1.42M up 50% in four years; SSC intrusive advising; 15 to finish freshman averaging

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14.3ch in fall 2017 shortening time to degree and saving student's dollars.

EFFICIENCY (Effectiveness):

- **UWG is committed to creating a culture of high performance**, evidence-based leadership, and accountability – guided by a Strategic Plan, KPIs, Leadership Scorecards, LDIs, Engage West! – Award Winning (AACSB and 2015 USG Institution of the Year), committed to developing leaders – People, Purpose, Action.
- **UWG models strategic aligned budgeting process** documenting redirection of resources, nearly \$1.1M, based on strategic need and transparent budget allocation process that evidences transparency and accountable for internal and external constituents.
- **Record Fundraising (\$32M); Good stewards of allocated and earned funds** - Clean audits, fiscally stable, 3:1 current ratio; 8 LLCs comprised of 9 PPV projects are overall healthy; housing at 93% occupancy and hopes to be part of P3 housing phase II; Bookstore is a breakeven operation but continues to be a challenge (we have some ideas...); Food Services Dine West is having an excellent second year; Parking and Transportation and Health Services are operating within available resources; Campus Center has some operational challenges to meet the student need for programming given the six years since a fee increase; Athletics is stable and in compliance with current policy (very successful fundraising with Champion's Council).
- **Record Economic Impact** - \$564M (up \$144M in five years); Innovation; Occupational Market Alignment Study guiding direction of new and enhanced program delivery; Developing strategic partnerships for academic and operational success – Health Center, Senior Living Community, new market aligned programs and certificates; partners in economic and workforce development.
- **Comprehensive Administrative Review (CAR)** – UWG is the first institution in the Phase I to be reviewed and will provide the model engagement for this important initiative.

UWG Challenges -

DEGREE ATTAINMENT:

- **Enrollment Trends – Updated Strategic Enrollment Plan and Targeted Markets** – though we experienced record enrollment, we were down 165 students in new FTIC Freshman from Fall 2016 and 200 FTIC below our Fall 2017 projection. Assessment reports indicate the expansion of freshman classes at UGA, Ga-Tech, and Georgia State captured a greater share of the available market in the Atlanta Metro Region. We are aggressively working to recapture and fulfill our projections for the FTIC students. We believe the addition of Alabama tuition reciprocity will ensure continued growth in FTIC without displacing any qualified Georgians. In addition, we are aggressively focusing on transfer, adult completion and military markets, graduate and international students.
- **CCG-RPG** – as indicated above, we are seeing record 4 and 5-year graduation rates and overall trend improvement in progression - but – retention has experienced a five-year leveling trend (currently 72.4%). We specifically are investing in co-remediation delivery of College Algebra and Freshman English, partnering with G2C on five DFW identified courses, initiating a new First Year Program to launch our LEAP initiative, and adding student support and lower and upper division advisors. We have requested new

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funds specifically aligned to improving this student success indicator with a 2020 goal of 80% retention and implementation of these strategies.

AFFORDABILITY:

- **Undergraduate eTuition Differential Reduction Plan** – we have included a proposed 50% reduction in undergraduate eTuition differential resulting in a \$43.17 reduction in eTuition Differential to \$43.16 per credit hour for FY19, from the current rate of \$86.33. Currently, undergraduate eTuition Differential represents \$4,886,069 of recurring funding supporting 55 full-time faculty and staff dedicated to delivering online learning, innovation and development, and operations. The 50% reduction represents a decrease of \$2,433,317 in recurring funding for FY19. In "phase one" of a proposed two-year phase-out plan to reduce eTuition Differential to \$0, we have identified a preliminary list of prioritized tenure and tenure track faculty currently funded from undergraduate eTuition recurring Differential totaling approximately \$1,634,453 and have internally identified approximately \$809,000 in reduction to accomplish our phase one reduction plan of \$2,433,317

FY19 – 50% reduction: \$1,634,453 (prioritized recurring allocation) + \$808,864 UWG reduction = \$2,443,317; eTuition Differential reduced \$43.17 = **\$43.16**

FY20 – 50% reduction: \$1,600,000 (prioritized recurring allocation) + \$842,752 UWG reduction = \$2,442,752; eTuition Differential reduced \$43.16 = **\$0**

NOTE: This will be a significant challenge if enrollment growth trends don't improve as discussed above and if additional allocation and/or base tuition increases above CPI are not provided to subsidize reduction.

EFFICIENCY (Effectiveness):

- **We are monitoring carefully the fee revenue trend analysis (Auxiliaries)** particularly with eCore, UWG Online and MOWR growth – Auxiliary budgets tied to revenues based on fee revenue growth aligned with headcount growth are negatively impacted with realization of actual fee paying students. In addition, the reduction in FTIC students increase this margin. We are adjusting accordingly and seeking new market opportunities in Alabama. We see this as an opportunity to expand market and an opportunity to bolster our auxiliary budget proformas accordingly. **NOTE: The eTuition differential reduction may direct more students to online, non-fee paying programs and courses, thus exacerbating this already trending issue. Our recommendation would be to consider fee application to undergraduate online students as eTuition differential is reduced to ensure overall health of PPVs and Auxiliaries.**
- **Safety, Compliance, Risk and Assessment (unfunded mandates)** – ensuring a safe campus environment in an era of political and social unrest; Title IV investigatory processes; Financial Aid processing and distribution; ACA; ADA; Federal Policies; State Policies; Federal Policies challenged by State with educational institutions in the middle; and SACSCOC accreditation compliance and assessment.
- **Retention and Recruitment of Quality Faculty and Staff** – our commitment to funding salary equity for faculty and staff continues to ensure our ability to retain and recruit

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quality employees. Due to our continued investments, we are now seeing an overall reduction in turnover from a 12.45% turnover rate in 2014 to now 8.01%. In addition, we gauge our effectiveness in this effort by our annual Engage West! Engagement Survey. As you can guess our lowest scores have traditionally been surrounding pay and benefits. Since the implementation of our equity salary plan the overall pay indicator has improved to 3.0 out of 5, a statistical increase of over 10% since 2014. Our efforts are improving the lives of faculty and staff and, with equal importance, improving the experiences of our students – efficient and effective outcomes.

- **Facilities and Space Utilization** – with growth comes added stress on 2.2 million square feet of facilities ranging from new to 85 years old with over \$40M in critical deferred maintenance. Our current priority Facilities projects – new College of Business, Student Health Center, and inclusion in housing phase II of P3 will enable UWG to continue its growth trajectory for the near future. In addition, the new facilities provide opportunity to reclaim and renovate existing space and clear the path for additional growth.

eCore/eMajor/eCampus:

- **eCore/eMajor/eCampus** – updates and discussion!

Summary:

Considering the overall FY19 budget request of \$4,511,425 – our focus is to improve degree attainment, continue our path of growth and student success, reduce cost directly to students via a 50% reduction in undergraduate eTuition Differential, and demonstrate efficient and effective use of precious recurring resources.