University of New Hampshire
Huron Executive Summary

Resource Assessment
and

Academic Program Cost
# Project Timeline

The project followed a four-task, 14-week timeline inclusive of community interviews, document review, and quantitative data analysis with checkpoints for deliverables and Steering Committee feedback.

## Project Tasks

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<td>Task 2 - Opportunity Identification</td>
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<td>Task 3 - Hypothesis Development and Testing</td>
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<td>Task 4 - Solution Development</td>
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*Note: Huron also plans to conduct a Deans meeting on December 10*
UNH Steering Committee

Huron is pleased to have partnered with the UNH Steering Committee under the executive sponsorship of President James Dean and Provost Wayne Jones:

Executive Team
- Wayne Jones, Provost
- Chris Clement, COO
- Cathy Provencher, Interim CFO
- P. Vasudevan, Senior Vice Provost
- Bill Poirier, CIO
- Debbie Dutton, VP for Advancement
- Scott Olinger, Faculty Senate, COLSA

Data Support Team
- Kerry Scala
- Jackie Snow

Revenue and Expenses Team
- Deborah Merrill-Sands, Paul
- Louise Griffin, Research
- Amy Wack, BSC
- David May, OBA
- Betty Schmidt, OS Representative
- Alexandra Padilla, Graduate Student

Academic Program Costs Team
- Michelle Dillon, COLA
- Sarah Connor, Provost Office
- David Matta, BSC
- Anne Broussard, HHS and ASAC
- Karen Graham, CEPS
- Ethan McClanahan, Undergraduate Student
Huron Project team

Huron’s core team included eight team members and we leveraged 12 additional team members and subject matter experts throughout the project.
Opportunity Prioritization Methodology

After identifying and presenting the 19 primary opportunities, Huron collaborated with the UNH Steering Committee to determine which business case opportunities to pursue.

58 Identified Opportunities
- 19 Primary
- 39 Additional

19 Primary Opportunities
- Financial Impact
- Service Impact
- Implementation
- Complexity
- Reputational Impact
- Cultural Impact

9 Business Case Opportunities

This presentation will detail the 9 selected business case opportunities and their associated financial impacts.

Initial Discovery
- Weeks 1 – 2
- 100+ initial opportunities
- 200+ data requests

Opportunity Identification
- Weeks 3 – 7
- 58 identified opportunities

Business Case Development
- Weeks 8-14
- 9 business cases

Note: Enrollment: FTFT Yield business case will provided at a subsequent date due to lack of data availability
Activity Assessment Survey

To assess staff effort in key areas, Huron employed a proprietary Activity Assessment, the results of which were evaluated to determine how time and labor are allocated to administrative functions across the institution.

**Assessment Objective**
- Collect effort (AA FTE) allocated to in-scope position functions to support comparative benchmarking and analysis across campus units

**Outcome**
- The Activity Assessment was completed by 285 participants, approximately 90% of all invited participants

**Activity Assessment Functions**

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1.</td>
<td>General Administration, Management, &amp; Support</td>
</tr>
<tr>
<td>2.</td>
<td>Academic Administrative Support</td>
</tr>
<tr>
<td>3.</td>
<td>Finance – General Finance, Accounting, &amp; Budgeting (Non-Grant Related)</td>
</tr>
<tr>
<td>4.</td>
<td>Finance – Procurement &amp; Travel &amp; Expense</td>
</tr>
<tr>
<td>5.</td>
<td>Pre-Award Administration</td>
</tr>
<tr>
<td>6.</td>
<td>Post-Award Administration</td>
</tr>
<tr>
<td>7.</td>
<td>Communications &amp; Events</td>
</tr>
<tr>
<td>8.</td>
<td>Information Technology</td>
</tr>
<tr>
<td>9.</td>
<td>Auxiliaries</td>
</tr>
<tr>
<td>10.</td>
<td>Compliance &amp; Audit</td>
</tr>
<tr>
<td>11.</td>
<td>Enrollment Management</td>
</tr>
<tr>
<td>12.</td>
<td>Facilities Management &amp; Operations</td>
</tr>
<tr>
<td>13.</td>
<td>Alumni Affairs / Development / Advancement</td>
</tr>
<tr>
<td>15.</td>
<td>Libraries</td>
</tr>
<tr>
<td>16.</td>
<td>Academic Affairs &amp; Professional Education</td>
</tr>
<tr>
<td>17.</td>
<td>Student and Campus Services</td>
</tr>
<tr>
<td>19.</td>
<td>Board of Trustees Support &amp; Engagement</td>
</tr>
<tr>
<td>20.</td>
<td>Legal Affairs</td>
</tr>
<tr>
<td>21.</td>
<td>Intellectual Property &amp; Economic Development</td>
</tr>
<tr>
<td>22.</td>
<td>External Relations</td>
</tr>
<tr>
<td>23.</td>
<td>Other</td>
</tr>
</tbody>
</table>

**Audience/Scope**
- Huron has worked with UNH leadership to ensure that this assessment was taken by individuals with in-scope position functions

Examples of functions:
- e.g., Billing and Receivables
- e.g., End User Support
- e.g., Personnel Transactions
1

Financial Review and Resource Assessment (FY19 data)
Inventory of Business Case Opportunities

The table below outlines the primary opportunities for cost savings that have surfaced to date, collectively representing $10.58 - 20.04 M in annual bottom-line improvement for UNH.

<table>
<thead>
<tr>
<th>Category</th>
<th>Opportunity</th>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Savings Opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilities</td>
<td>Operations</td>
<td>4</td>
<td>4</td>
<td>$1,044,000</td>
<td>$2,295,000</td>
</tr>
<tr>
<td>IT</td>
<td>End User Computing Support</td>
<td>3</td>
<td>4</td>
<td>$430,000</td>
<td>$837,000</td>
</tr>
<tr>
<td>IT</td>
<td>ERP Support</td>
<td>4</td>
<td>4</td>
<td>$830,000</td>
<td>$1,964,000</td>
</tr>
<tr>
<td>Library</td>
<td>Expenditure Alignment</td>
<td>4</td>
<td>3</td>
<td>$2,150,000</td>
<td>$3,700,000</td>
</tr>
<tr>
<td>Procurement</td>
<td>Strategic Sourcing</td>
<td>4</td>
<td>4</td>
<td>$1,350,000</td>
<td>$2,220,000</td>
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<tr>
<td>Research</td>
<td>F&amp;A Recovery</td>
<td>3</td>
<td>3</td>
<td>$1,850,000</td>
<td>$4,600,000</td>
</tr>
<tr>
<td>University-wide</td>
<td>BSCs/Internal Transactions</td>
<td>4</td>
<td>4</td>
<td>$1,500,000</td>
<td>$2,100,000</td>
</tr>
</tbody>
</table>

**Cost Savings Subtotal**

<table>
<thead>
<tr>
<th>Financial Impact (1-4)</th>
<th>Service Delivery (1-4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 = $0-299,999</td>
<td>1 = Little to No Change</td>
</tr>
<tr>
<td>2 = $300,000-599,999</td>
<td>2 = Moderate Change</td>
</tr>
<tr>
<td>3 = $600,000-999,999</td>
<td>3 = Significant Change</td>
</tr>
<tr>
<td>4 = $1,000,000+</td>
<td>4 = Transformative Change</td>
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</table>

**Revenue Enhancement Opportunities**

<table>
<thead>
<tr>
<th>Enrollment*</th>
<th>First-Time Full-Time Yield*</th>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>3</td>
<td>$1,500,000</td>
<td>$3,500,000</td>
</tr>
</tbody>
</table>

**Revenue Enhancement Subtotal**

**Total Financial Impact**

Based on FY 19 data

Note: *Enrollment: FTFT Yield was postponed for business case development due to data unavailability
Business Case Overview

Huron's business cases are structured proposals that outline the benefits and considerations of an opportunity, adding informational and analytical value to decision-making.

Illustrative Business Case

Strong business cases draw conclusions based on current state assessment; benchmarking, gap analysis, and option evaluation; and cost benefit analysis.
UNH Benchmark Institutions

Unless otherwise noted, any references to benchmark institutions throughout this presentation refers to the following list of UNH selected benchmark institutions.

UNH Selected Benchmark Institutions

- Bentley University
- Boston University
- Northeastern University
- Quinnipiac University
- Rutgers University-New Brunswick
- University at Buffalo
- University of Connecticut
- University of Delaware
- University of Maine
- University of Massachusetts-Amherst
- University of Rhode Island
- University of Vermont
## Additional Benchmark Institutions

When ABC (Academic Benchmarking Consortium) or Sightlines benchmarks are referenced, the following institutions were chosen by UNH and Huron for the purpose of comparison.

<table>
<thead>
<tr>
<th>ABC Benchmarks</th>
<th>Sightlines Benchmarks</th>
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<tbody>
<tr>
<td>Auburn University</td>
<td>Bowling Green State University</td>
</tr>
<tr>
<td>Florida State University</td>
<td>University of Connecticut</td>
</tr>
<tr>
<td>Oregon State University</td>
<td>University of Maine</td>
</tr>
<tr>
<td>University at Buffalo</td>
<td>University of Massachusetts-Amherst</td>
</tr>
<tr>
<td>University of Delaware</td>
<td>University of Rhode Island</td>
</tr>
<tr>
<td>University of Massachusetts-Amherst</td>
<td>University of Vermont</td>
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<tr>
<td></td>
<td>Virginia Commonwealth University</td>
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</tbody>
</table>
Facilities: Operations

Huron’s review of Facilities at UNH revealed high spend in comparison to benchmarks; opportunities for reorganization represent up to $2.1M in annual savings.

Case for Change

- Huron focused its analysis on the largest of the seven divisions of central Facilities: Facilities Services
- Separate from the central Facilities unit, there are 13 decentralized units with staff across UNH
- While spend is high in comparison to benchmarks for in-house staff, UNH’s outsourced employees are cost-effective
- Coverage and supervision at UNH also do not align with benchmark institutions
- By pursuing facilities reorganization and consolidation opportunities, UNH can save approximately $1.0-2.1M annually

Spend Analysis and Opportunity Overview

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Savings (Low)</th>
<th>Savings (High)</th>
</tr>
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<tbody>
<tr>
<td>Maintenance Consolidation</td>
<td>$0.31M</td>
<td>$0.82M</td>
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<tr>
<td>Grounds Consolidation</td>
<td>$0.21M</td>
<td>$0.48M</td>
</tr>
<tr>
<td>Facilities Custodial Outsourcing</td>
<td>$0.06M</td>
<td>$0.16M</td>
</tr>
<tr>
<td>OBA Custodial Consolidation</td>
<td>$0.14M</td>
<td>$0.27M</td>
</tr>
<tr>
<td>Decentralized Unit Realignment</td>
<td>$0.25M</td>
<td>$0.39M</td>
</tr>
<tr>
<td>Total</td>
<td>$0.97M</td>
<td>$2.12M</td>
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</tbody>
</table>

Financial Impact | Service Delivery | $ Low | $ High |
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<thead>
<tr>
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<tbody>
<tr>
<td>4</td>
<td>4</td>
<td>$970,000</td>
<td>$2,120,000</td>
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</table>

Source: Academic Benchmarking Consortium; UNH Facilities; UNH decentralized facilities data; UNH ABM Contracts
Note: Decentralized facilities units include 6 subdivisions of Business Affairs
IT: End User Computing Support

Standardizing End User Computing Support across the university could offer cost savings and service quality opportunities for UNH.

Case for Change

- **Highly distributed** End User Computing Support indicates an opportunity to standardize services, increasing efficiencies and effectiveness through training and specialization.

- Achieving higher levels of savings will require a higher percentage of **Best-in-Class attributes**, including:
  - Web based self-service
  - Limited set of models with standard images
  - Patch, deployment and provision automation
  - Defined and enforced software policies

- Standardizing service will increase effectiveness and generate $430-837K in annual savings

Support Ratios and Savings

<table>
<thead>
<tr>
<th>State</th>
<th>Savings</th>
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<tr>
<td>Future High</td>
<td>$430K</td>
</tr>
<tr>
<td>Future Low</td>
<td>$837K</td>
</tr>
<tr>
<td>Current</td>
<td>-</td>
</tr>
</tbody>
</table>

End User Computing Support Model

- Current State
- Future Low
- Future High
- Cross-Industry Best-in-Class

<table>
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<tr>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>$ Low</th>
<th>$ High</th>
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</thead>
<tbody>
<tr>
<td>4</td>
<td>4</td>
<td>$430,000</td>
<td>$837,000</td>
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</tbody>
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Source: UNH IT Horse Blanket, Huron Proprietary Data
IT: ERP Support

Aligning UNH Enterprise Resource Planning (ERP) customization to benchmarks will allow for more efficient information and application support and lead to cost savings for the university.

- UNH appears to have highly customized ERP systems relative to peers
- The ERP system has been heavily customized with over 257 custom modifications to baseline and 1,695 additional custom objects – indicating a high level of custom development
- Projects are managed in an ad-hoc manner and lack prioritization; the primary driver for projects is the management and maintenance of custom development/custom objects, which account for >20% of customization of the baseline ERP system
- UNH should standardize the ERP platform and improve ERP operations and resource management
- ERP standardization and operational improvements could lead to $0.83-1.96M in savings for the university

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<tr>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>$ Low</th>
<th>$ High</th>
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<tr>
<td>4</td>
<td>4</td>
<td>$830,000</td>
<td>$1,964,000</td>
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</table>

Source: UNH IT Horse Blanket, Huron Proprietary Data
Library Expenditure Alignment

UNH measures used to benchmark financial and service level activity are similar to smaller research universities; however, library spend in key areas is significantly higher.

- Opportunities to reduce UNH Library costs exist as Huron’s analysis demonstrates the cost per faculty and student are well beyond the median values of 181 research universities.
- When considering Key User Metrics, UNH’s Library spend per metric exceeds the benchmark groups in 5 of 6 measures.
- UNH reports significantly fewer electronic resource requests than ARL institutions.
- Aligning Library spend to the benchmark median would result in cost reductions between $2.1-3.7M annually.

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<tr>
<th>Library Expenditures Ratios per Key User Metric by Benchmark</th>
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<tr>
<td>Expenditure Per:</td>
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<tr>
<td>Non-ARL</td>
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<tr>
<td>Faculty</td>
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<tr>
<td>All Students</td>
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<tr>
<td>PhDs Awarded</td>
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<table>
<thead>
<tr>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>$ Low</th>
<th>$ High</th>
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<tbody>
<tr>
<td>4</td>
<td>3</td>
<td>$2,150,000</td>
<td>$3,700,000</td>
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</table>

Source: Association for Research Libraries (ARL); National Center for Education Statistics (2017-18); UNH General Ledger
Note: UNH is not a member of ARL; however, Library staff completed the ARL Questionnaire for this project;
Using the ARL Benchmarking Methodology, Huron developed Key User Metrics to compare library services based on populations typically associated with Library utilization (e.g., Faculty)
**Procurement: Strategic Sourcing**

Preliminary categorization and analysis of UNH FY19 spend indicates savings opportunities for spend and vendor base consolidation through centrally-guided sourcing initiatives to leverage total university spend.

- **Case for Change**
  - Huron cleansed, standardized, and categorized UNH’s FY19 operating ledger vendor spend of ~$193M to first identify **addressable vs. non-addressable spend**
  - $150M in addressable spend was then further normalized by category to better highlight UNH’s spend profile
  - Interviews with UNH staff indicate campus views **Procurement as a barrier** to quick procurements rather than as a strategic partner
  - Interviews further reveal that sourcing activities often are siloed by campus, allowing for missed opportunities for spend consolidation and strategic negotiations
  - Procurement utilizes GPO and State agreements but can further develop a **full complement** of negotiated contracts
  - Based on Huron’s experiences in Higher Education, Huron estimates **$1.35-2.22M** in addressable spend **savings** opportunities through strategic initiatives

- **Est. FY19 Spend Categorization Overview ($M)**
  - **Addressable**
    - Facilities: $150.6M (78%)
    - IT: $19.0M (10%)
    - Food Service: $23.8M (12%)
  - **Non-Addressable**
    - Addressable Spend by Huron Category Level I ($150.6M Total)
      - Facilities: $80.5M (53%)
      - IT: $17.4M (12%)
      - Food Service: $10.2M (7%)
      - Prof. Services: $8.3M (6%)
      - Science & Med.: $8.1M (5%)
      - Library Res.: $7.5M (5%)
      - Travel: $7.3M (5%)
      - Finance Svc.: $5.6M (4%)
      - Administration: $5.1M (3%)
      - Edu. & Athletics: $0.6M (<1%)

- **Financial Impact**
  - $ Low: $1,350,000
  - $ High: $2,220,000

Source: FY19 UNH Operating Ledger - Actuals
Note: Filtered data to include Equipment and Plant Activity, Goods & Services, Library Materials, Travel, and Utilities; Removed Grant-Indirect Cost Charge transactions from data set
Research: F&A Recovery

Research administration at UNH is highly distributed, resulting in sizeable research administration costs that negatively impact the university’s capacity to leverage and maximize F&A funding strategically.

- Total sponsored expenditures at UNH for FY18 were ~$110 million, with the **US Government being the largest sponsor**
- In FY18, total F&A expenses summed to ~$45 million with ~$21 million being recovered in F&A resulting in a ~$24M under-recovery
- Despite a Federal 26% cap on F&A recovery, **UNH is spending 36% and 41% on Organized Research and Other Sponsored Activities, respectively**
- UNH’s effective rate of return is **23.6%** overall, materially less than its negotiated rate of **50.5%**
- Through efforts to reduce F&A expenses and improve F&A recovery, UNH could generate **bottom line improvement of $1.5-2.5M**

**Case for Change**

<table>
<thead>
<tr>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>$ Low</th>
<th>$ High</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>4</td>
<td>$1,850,000</td>
<td>$4,600,000</td>
</tr>
</tbody>
</table>

**Quantitative**

- **F&A Under-recovery**
  - $1,138,524
  - $2,999,818
  - $8,574,397
  - $10,203,638
  - $1,320,810

Source: FY18 F&A Cost Rate Proposal
Huron conducted a directional, internal benchmarking analysis using the Activity Assessment data to understand variations in staffing levels across current BSC portfolios.

The portfolio of responsibilities vary widely across each individual BSC; specifically Finance & Budgeting effort ranges from less than 10% of Activity Assessment FTE (AA FTE) to over 40% AA FTE.

Huron recommends moving to a balanced model where operational activities are aligned to maximize resources and increase transactional efficiencies.

The future state will allow for current BSC Directors to shift focus toward strategic efforts and reduce current operational expenditures by $1.5-2.1M annually.

### Financial Impact

<table>
<thead>
<tr>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>$ Low</th>
<th>$ High</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>4</td>
<td>$1,500,000</td>
<td>$2,100,000</td>
</tr>
</tbody>
</table>

Source: BSC Director Workshop held on October 9, 2019
Note: Results currently include 11 of the 13 BSCs with Information Technology and Academic Services not participating in the workshop.
Enrollment: First-Time Full-Time Yield

While UNH will face increasing pressures from demographic trends, there is an opportunity to increase yield rates for current enrollment markets.

- While application volume has increased by roughly 9% since 2014, yield rates have decreased by more than two percentage points in the same period.

- The 2018 yield for the FTFT population was 19.6%, roughly 2% less than 2014, resulting in a decrease in the incoming FTFT cohort of about 200 students.

- Since 2014, Non-Resident FTFT yield has decreased by two percentage points and Resident FTFT yield rates have decreased by 3 percentage points:
  - Non-matriculants cite campus location and total cost to attend after scholarships as top reasons for not-enrolling.

- Benchmarks suggest Admissions staffing is on par with national averages.

- Assuming a 1% increase in FTFT yield (about 150 students), UNH could generate ~$3.5M in revenue.

Financial opportunities subject to change per business case development.

<table>
<thead>
<tr>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>$ Low</th>
<th>$ High</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>3</td>
<td>$1,500,000</td>
<td>$3,500,000</td>
</tr>
</tbody>
</table>

Source: NCES, UNH UG Admissions Data, UNH Non-Matriculant reports, EAB EM Staffing Survey.
**Additional Opportunity Inventory**

The table below outlines the additional primary opportunities that were not selected for business case development, collectively representing $10.6-20.6M in annual bottom-line improvement for UNH.

<table>
<thead>
<tr>
<th>Category</th>
<th>Opportunity</th>
<th>Financial Impact</th>
<th>Service Delivery</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Savings Opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Academic Affairs</td>
<td>Supplemental Pay</td>
<td>3</td>
<td>4</td>
<td>$250,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Communications</td>
<td>Personnel Centralization</td>
<td>4</td>
<td>3</td>
<td>$1,000,000</td>
<td>$2,100,000</td>
</tr>
<tr>
<td>Facilities</td>
<td>Motor Pool</td>
<td>1</td>
<td>4</td>
<td>$165,000</td>
<td>$369,000</td>
</tr>
<tr>
<td>HR</td>
<td>403B (HR/USNH)</td>
<td>4</td>
<td>4</td>
<td>$2,600,000</td>
<td>$6,100,000</td>
</tr>
<tr>
<td>University-wide</td>
<td>Franklin Pierce School of Law</td>
<td>4</td>
<td>3</td>
<td>$1,200,000</td>
<td>$2,200,000</td>
</tr>
<tr>
<td>University-wide</td>
<td>UNH at Manchester</td>
<td>4</td>
<td>3</td>
<td>$1,750,000</td>
<td>$2,750,000</td>
</tr>
<tr>
<td><strong>Total Cost Savings Financial Impact</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$6,965,000</strong></td>
<td><strong>$14,019,000</strong></td>
</tr>
<tr>
<td>Revenue Enhancement Opportunities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advancement</td>
<td>Alumni Engagement</td>
<td>4</td>
<td>2</td>
<td>$950,000</td>
<td>$1,800,000</td>
</tr>
<tr>
<td>Advancement</td>
<td>Institutional and Parent Gifts</td>
<td>3</td>
<td>2</td>
<td>$400,000</td>
<td>$800,000</td>
</tr>
<tr>
<td>Enrollment</td>
<td>Credit Hour Threshold Adjustment</td>
<td>4</td>
<td>3</td>
<td>$1,800,000</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Enrollment</td>
<td>Retention</td>
<td>3</td>
<td>2</td>
<td>$500,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Total Revenue Enhancing Financial Impact</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$3,650,000</strong></td>
<td><strong>$6,600,000</strong></td>
</tr>
<tr>
<td><strong>Total Financial Impact</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$10,615,000</strong></td>
<td><strong>$20,619,000</strong></td>
</tr>
</tbody>
</table>

**Financial Impact (1-4)**

1 = $0-299,999  
2 = $300,000-599,999
3 = $600,000-999,999  
4 = $1,000,000+

**Service Delivery (1-4)**

1 = Little to No Change  
2 = Moderate Change
3 = Significant Change  
4 = Transformative Change

Note: *Enrollment: FTFT Yield was postponed for business case development due to data unavailability*
## Financial Impact/Implementation Difficulty

The 19 opportunities below are categorized by level of financial impact and perceived implementation difficulty. Opportunities chosen for Business Cases by the Steering Committee are in bold.

### Lower Financial Impact/Higher Implementation Difficulty
- Academic Affairs: Supplemental Pay
- Facilities: Motor Pool

### Higher Financial Impact/Higher Implementation Difficulty
- IT: End User Computing
- IT: ERP Support
- Facilities: Operations
- HR/USNH 403(b)
- Research: F&A Recovery
- Library: Expenditure Alignment
- University-wide: BSCs
- Procurement: Strategic Sourcing

### Lower Financial Impact/Lower Implementation Difficulty
- Enrollment: Retention
- Advancement: Institutional and Parent Gifts
- University-wide: Internal Transactions

### Higher Financial Impact/Lower Implementation Difficulty
- Advancement: Alumni Engagement
- Communications: Personnel Centralization
- Enrollment: Credit Hour Threshold Adjustment

### Perceived Implementation Difficulty
- Lower (1)
- Higher (4)

#### Annual Financial Impact
- Lower (1)
- Higher (4)

*Note: Enrollment: FTFT Yield business case will be provided at a subsequent date due to delayed data availability.*
2

Reviewing the UNH Academic Portfolio Cost (FY19 data)
Objectives of Huron’s Engagement

Our extensive experience with academic portfolio was informed and guided by a phased format as described below; however, we refined our assessment activities to fit the unique needs of UNH.

Huron’s Scope of Work

UNH contracted with Huron to provide the following services:

- Work in partnership with academic leadership to explore the current portfolio of programs with regards to their economics and mission alignment
- Conduct an intensive analysis of institutional data focusing on the most core elements of academic cost management
- Compile and organize academic information to create a framework for data-informed, objective comparisons of the university’s academic offerings
- Focus on creating the linkage between faculty compensation and effort expended across various courses and academic programs
- Identify relevant departmental expenditures such as administrative staff, scholarships, etc. that should be included in the cost allocation
- Develop and present significant analytical findings and takeaways to academic and administrative leadership

This collaborative approach enabled academic leadership to develop an information source describing strengths and opportunities related to academic resource allocation at UNH.
College and BSC Director Interaction

Huron worked closely with Academic and Administrative leadership within the Academic RC Units to establish a preliminary Cost-to-Educate model using the data currently available within the institutional information system.

Faculty
- Faculty generally have the responsibility and authority to make curricular decisions to include courses, programs, and majors.

Chair
- Courses offered at a university are normally within the purview of a department or program chair who balances instructor availability, student need, and other factors.

Dean
- Academic Deans, through their budget authority, are typically responsible for compensation. This is especially true when considering the allocation of faculty lines to academic departments.

Administrators
- Academic and administrative support (e.g., staff, T&E, and facilities) is typically within the purview of administrators and includes direct and indirect support of instruction or research.

UNH system data limitations required Huron to manually enter data to customize coursework, payroll, and financial files utilized to develop the Cost-to-Educate Model.
UNH Academic Taxonomy

Organizationally, the University of New Hampshire curriculum is implemented through six academic colleges and one school housing ~50 departments and programs across three geographic locations.
Faculty Mix

An important consideration when analyzing an institution’s academic portfolio is to understand the faculty mix with the proportion of Tenure Track serving as a measuring stick for determining traditional scholarship.

- In total, **1,453 employees** within the seven colleges appear to have been compensated for an activity related to Tenure Track (TT), Lecturer, Clinical, or Adjunct categories.
- Approximately **2/3 of full-time faculty** (non-Adjunct) at UNH hold Tenure Track faculty positions.
- Tenure Track account for the largest proportion of CEPS faculty at nearly 58%; in contrast, Law reports the largest proportion of Adjuncts with nearly 69%.
- Clinical faculty account for approximately 20% of full-time faculty in CHHS.
- Paul and COLA have the **highest proportion of Lecturers**, with Lecturers composing nearly 21% of faculty in each college.

### Faculty Mix by College

#### Proportion of Faculty Rank by College (FY19)

- **CEPS**
- **COLSA**
- **PAUL**
- **COLA**
- **CHHS**
- **UNHM**
- **Law**

- TT
- Lecturer
- Clinical
- Adjunct

---

**Facility mix and faculty workload intertwine to inform the most strategic and efficient faculty mix for each unique college and discipline.**

Source: UNH FY19 Coursework File, UNH FY19 Payroll File
Note: Adjunct faculty include Research faculty, Post Doctoral, and PAT positions which teach courses.
Credit Hour Distribution by Type and College

Instructional workloads vary based on faculty type with Tenure Track faculty required to pursue activities such as teaching, research, and service; however, faculty with Lecturer and Clinical status emphasize teaching.

- In 2018-19, more than 482,000 credits were generated by Tenure Track, Lecturer, Clinical, and Adjunct faculty at UNH.
- Tenure Track faculty generated the largest proportion of total credits, overall producing approximately 41% in addition to required research and service.
- An additional 39% of these credits were generated by other full-time faculty, including Lecturers with 32% and Clinical with 7%.
- Just over 19% of all credits were generated by Adjunct faculty; yet proportions vary widely across colleges, from 12% in COLSA to 38% in UNHM.

Full-time faculty at UNH teach more than 82% of the credits at UNH suggesting less reliance upon Adjunct faculty when compared nationally.

Source: UNH FY19 Coursework File, UNH FY19 Payroll File
Note: Credit Hour Production is across all terms; Adjunct faculty include Research faculty, Post Doctoral, and PAT positions which teach courses
Mean Credit Hour Production by Faculty Type

An important metric used in academic efficiency studies is Credit Hour Production (CHP) per faculty member as this measure provides Deans and Chairs with information necessary to maximize pedagogical outcomes.

### Observations

- **Tenure Track (TT) faculty**, on average, produce 347 credits per fiscal year, with PAUL reporting 503 and COLA reporting 312.
- UNHM TT faculty produced an average of 324 credits which aligns with other RC Units; however, **UNHM faculty teach an average of 6.0 sections compared to 3.6 across the institution**.
- Instructors identified as **Lecturers** produce the highest number of credits compared to all other types with an average of 786 across the university.
- **Clinical** faculty are utilized in five of the RC Units and average 515 credits per instructor for FY19.
- **Adjunct** faculty produce the fewest number of credits based on the nature of their work.

### Credit Hour Production by Faculty Type

#### Average Credit Hour Production (FY19)

<table>
<thead>
<tr>
<th>Faculty Type</th>
<th>Coursework File (FY19)</th>
<th>Payroll File (FY19)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TT</td>
<td>335</td>
<td>347</td>
</tr>
<tr>
<td>Lecturer</td>
<td>1,042</td>
<td>786</td>
</tr>
<tr>
<td>Clinical</td>
<td>458</td>
<td>515</td>
</tr>
<tr>
<td>Adjunct</td>
<td>213</td>
<td>141</td>
</tr>
</tbody>
</table>

#### Observations

On average, Lecturers at UNH produce approximately three times the number of credits than TT faculty who are then able to allocate time to research and service activities.

Source: UNH FY19 Coursework File, UNH FY19 Payroll File
Note: Credit Hour Production is across all terms; Adjunct faculty include Research faculty, Post Doctoral, and PAT positions which teach courses.
## Guiding the Portfolio

Once tools are in place, programs should be guided or shifted over time and in alignment with strategic priorities through investments, contractions, consolidations, etc.

<table>
<thead>
<tr>
<th>High Cost, Enrollment Decline</th>
<th>High Cost, Enrollment Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are there any efficiencies that can be gained in the various programs to reduce costs?</td>
<td>Are these prestige programs that are critical to maintaining institutional identity?</td>
</tr>
<tr>
<td>Is there a tipping point at which the program costs would best be optimized?</td>
<td>Do these programs help to round out our offerings?</td>
</tr>
<tr>
<td>Should institutional investment be reduced?</td>
<td>Are there opportunities to reduce expenses by adjusting faculty mix?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Low Cost, Enrollment Decline</th>
<th>Low Cost, Enrollment Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can any of these programs be refined to better appeal to the student market with minimal investments?</td>
<td>Can these programs sustain their growth patterns (through class demand and/or outcomes/employability)?</td>
</tr>
<tr>
<td>How do we communicate the value of these programs?</td>
<td>Are these programs that align with the institutional mission and identity?</td>
</tr>
<tr>
<td>Are there opportunities to partner with outside entities to increase enrollment?</td>
<td>Do we need to invest additional funding in these programs?</td>
</tr>
</tbody>
</table>
Academic Cost by College

UNH is composed of seven colleges: Business, Engineering & Physical Sciences, Health & Human Services, Liberal Arts, Life Sciences and Agriculture, Manchester, and Law, with an average cost per credit hour of $208.

From FY15 to FY19, UNH experienced 1.28% annual growth in total student credit hours, largely due to strong credit hour growth in some RC units offsetting declines in others.

Source: UNH FY19 Coursework File, UNH FY19 Operating Ledger, UNH FY19 Payroll File
Maximizing academic resources across the University requires a willingness on the part of leadership to develop a common set of metrics to inform decisions necessary to improve university outcomes.

- A comprehensive planning document inclusive of program, department, and college level information creates a common understanding across all levels of the university.
- Tableau File to be developed by UNH DATA in Spring 2020
Implementation and moving forward
Next Steps/Timeline

Phase 1 (initiate Spring 2020)
- Huron Academic Cost Structure (W. Jones)
- Huron Resource Assessment
  - IT – Business and Student (ERP) (B. Poirier)
  - Libraries (W. Jones)
  - BSCs (C. Provencher/CFO)
  - RCM review (W. Jones)

Phase 2 (initiate Fall 2020)
- Enrollment Yield (P. Ellis)
- Facilities (C. Clement)
- Research/F&A (M. McCord)

Phase 3 (initiate Spring 2021)
- Motor Pool (C. Clement)
- Communications (M. Stark)

Further evaluation necessary
- 403B (HR/USNH)
- Credit Hour Rating (Provost/Faculty Senate)
- Advancement (D. Dutton)

Continuing and In Progress
- Supplemental Pay (Vasudevan)
- Retention (N. Gullace)
- Procurement (C. Provencher)
- IT – End User Support (B. Poirier)
- Law (M. Carpenter)
- Manchester (M. Decelle)