

PENNSYLVANIA'S STATE SYSTEM OF HIGHER EDUCATION



# University Integrations

# Guide to Plan Changes

DRAFT as of July 7, 2021

# University Integrations | Guide to Plan Changes

This document provides a summary of the substantive changes that have been made to the Northeast and West plans since they were originally released in April 2021. These changes stem from input received during the 60-day public comment period related to these plans.

Because both plans are slightly different in terms of page numbering, this guide provides an overview of changes based on the plan sections, which are consistent between the Northeast and the West. Not all sections of the plans required updates, so not all sections are identified in this document.

# Highlights of revisions to the plans based on input from public comments

- Extended the timeline for the curriculum integration process
- Conducted survey that shows current and prospective students (and their parents) overwhelmingly are open to taking some classes online in exchange for more access to options; report will be [posted online once final](#)
- Conducted a community impact study that shows both the West and Northeast integrations would have a greater positive economic impact than their institutions would have if not integrated ([view study](#))
- Updated financial projections with current information about 2021/22 student tuition and the availability of federal funding
- Motion to approve integrations would include language that prohibits the closure of any partner campus that was previously an independently accredited university
- Included COT structure recommendations
- Clarified the intended use of, support for, and reliance upon online modalities
- Conducted a third-party review of financial projections that verify plan assumptions are within industry standards
- Built in transitional financial protections for universities operating sustainably at integration
- Clarified integration goals and objectives
- Clarified implementation timelines including timelines for more detailed organizational information
- Clarified importance and role of advocacy for greater state funding

# Public Comment Themes

## Plan Section 5: Academic Programs, Non-Academic Units and Accreditation (1 of 3)

Topics	Action	Plan Update
Timeline for integrating the curriculum	<p>Academic curriculum is being adjusted to provide for phased-in integrated curriculum development, review, and implementation with a targeted completion by August 2024.</p> <p>Advantages include:</p> <ul style="list-style-type: none"><li>- better, more thoughtfully developed integrated curriculum</li><li>- additional time for increased faculty engagement, program specific accreditation</li><li>- greater certainty for both new and current students with clear paths to graduation</li></ul> <p>Associated milestones for key aspects of the plan will be adjusted in support of the phased-in curriculum development, review and implementation. This includes, but is not limited to, information technology and student recruitment and enrollment.</p> <p>There is no impact on the Middle States submission process, on appointment of integration leadership team or on start date of integrated entity.</p>	Yes

# Public Comment Themes

## Plan Section 5: Academic Programs, Non-Academic Units and Accreditation (2 of 3)

Topics.	Action	Plan Update
Method of Delivery	<p>Additional clarifications were added to address how the curriculum will be delivered, including through the use of online and other remote technologies, notably with regard to:</p> <ul style="list-style-type: none"><li>•the relatively limited overall reliance on online modalities for residential students;</li><li>•the perception of Zoom and/or asynchronous online as the learning tool of choice given the recent experiences resulting from the rapid transition to remote learning due to the COVID pandemic</li><li>•planned investment in faculty and staff professional development and the technology environment as required to deliver the highest quality educational experiences, ensuring the broadest possible access and the best available student outcomes.</li></ul>	Yes

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# Public Comment Themes

## Plan Section 6: Student Impacts

Topics	Action	Plan Update
Include data from the already completed NE and W student surveys in the final report	✓ Completed surveys shared with legislators and others as requested and will be included in the final report	Yes
Build on student survey data collected in the NE to assess market demand for higher ed experiences that engage online and hybrid learning to expand academic program breadth and maintain affordability	<ul style="list-style-type: none"><li>• Within this section the results of three student surveys are provided including a new survey conducted in June 2021 demonstrating that the integrated entity's reliance on online instruction is well within willingness and expectations of current and prospective students, and their parents.</li></ul>	Yes

# Public Comment Themes

## Plan Section 7: Community

Topics	Action	Plan Update
Conduct an economic impact study related to potential impacts on the community	Engaged the same firm that conducted the System's 2015 economic impact study to update the analysis and look at two areas: a) impacts of declining enrollments and resulting reduction in expenditure and workforce (FY15/16-FY 21/22), and b) impacts of integration (FY 22/23 – FY 25/26); report to be completed by end of June  Plans will be updated to show results from analysis	Yes

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# Public Comment Themes

## Plan Section 8: Governance

Topics	Action	Plan Update
Include options for future COT composition developed by leadership and governance working groups	Will include along with a discussion about what is required to implement an option (legislative action) and what will happen regarding COTs if state legislature does not act to implement	Yes
Clarify that governance of university affiliates is NOT impacted by integrations	✓ Contained within the Community section of the April plans, but will amplify in final report and add to the Governance section	Yes
Address the concern stated by some that an integrated entity can cease operations at a partner campus (effectively closing it)	✓ Reiterate in the plan that the Board has no authority to close a university; furthermore, there is no plan to close a partner campus; doing so would create a higher education desert in the region and be cost prohibitive and counterproductive to System Redesign; the Board retains authority to preclude such actions  ✓ Board resolution to approve integration will include language that prohibits a president from closing any partner campus that was previously an independently accredited university	Yes

# Public Comment Themes

## Plan Section 9: Organization

Topics	Action	Plan Update
Provide greater detail in the proposed organizational charts	Following BOG approval, more detailed organizational chart inclusive of all HR/LR and change management activities work effort will begin; <ul style="list-style-type: none"><li>• The proposed organizational structure of the division of Academic Affairs in the integrated university was shared with faculty (June 23, 2021) for feedback as part of the implementation plan activities.</li><li>• Based on the current timeline, it is anticipated that the proposed organization structure at the division levels for the remaining functions within the university will be shared in early August following the Board of Governor’s meeting.</li></ul>	Yes
Provide greater detail about the roles and responsibilities of executive leadership including President of the integrated entity and the Campus Executive role	✓ To be provided in the section on organization	Yes

# Public Comment Themes

## Plan Section 10: Financial (1 of 2)

Topics	Action	Plan Update
Conduct objective third-party review of financial projections and their assumptions	Adding results to the narrative and appendix. Assumptions found to be within the standard range for projections.	Yes
Explain financial review data to clarify at what point the West will reach positive financial standing	✓ Contained within the appendix of April plans, will amplify in final report	Yes
Explicitly identify sources of projected cost savings in both plans	✓ Adding to narrative and appendix	Yes
Include explicit information about increased state funding levels required to achieve certain specific financial goals to support broader advocacy effort	✓ Contained in Conclusion and appendix, but will update to clarify and include funding levels that <ul style="list-style-type: none"><li>- get West to net positive revenues in 2 years</li><li>- eliminate need for System cross subsidization</li><li>- achieve specific student affordability, student outcome, and DEI-related goals</li></ul>	Yes

# Public Comment Themes

## Plan Section 10: Financial (2 of 2)

Topics	Action	Plan Update
Update financial data to reflect new information	Revised projections added to narrative and appendix	Yes
Include information about potential impact of deferred maintenance costs	✓ Contained within the conclusion of April plans, will amplify in final report	Yes
Provide information about potential options associated with buildings and debt service at selected universities	✓ Working with elected officials for potential additional funding	TBD
Protecting reserves of campuses operating sustainably in advance of integrations	Provided transitional protections from various fund sources and included in financial projections	Yes
Clarify integration goals and how they will be achieved	Included a terse statement of goals and objectives	Yes

# Public Comment Themes

## Plan Section 11: Timeline

Topics	Action	Plan Update
Articulate the timeline associated with consideration of the plans	<p>The major upcoming activities to be completed over the first quarter of fiscal year 2021/2022 upon Board approval include the below. Based on the completion of these activities the timeline will be adjusted accordingly:</p> <ul style="list-style-type: none"><li>• Detailed plan for phased-in curriculum development and implementation developed</li><li>• Middle States submission of Complex Substantive Change Request (full detail is available in Section 5 of the Plan)</li><li>• Organization charts at the division level (academic organization charts were distributed to faculty for feedback and are currently under review)</li><li>• Marketing and Branding strategy</li><li>• Student facing systems' integration implementation plan</li></ul> <p>The timeline is iterative and a planning document and will be adjusted for a phase-in of integrated curriculum development, review and implementation and the associated impacts of aligning supporting systems and business functions.</p>	Yes

# Public Comment Themes

## Plan Section 12: Additional Considerations and Conclusions

Topics	Action	Plan Update
Advocacy for enhanced state funding	Clarification that integration is not a substitute but a necessary complement to greater state investment in the State System	Yes

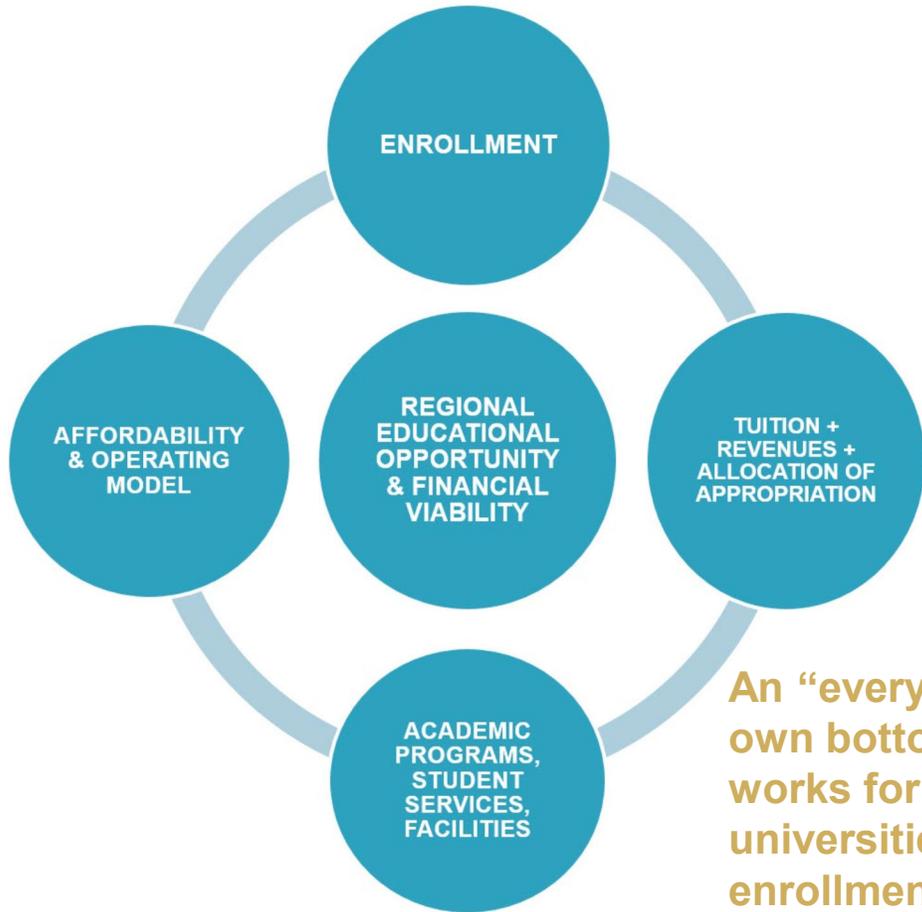
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# University Integrations

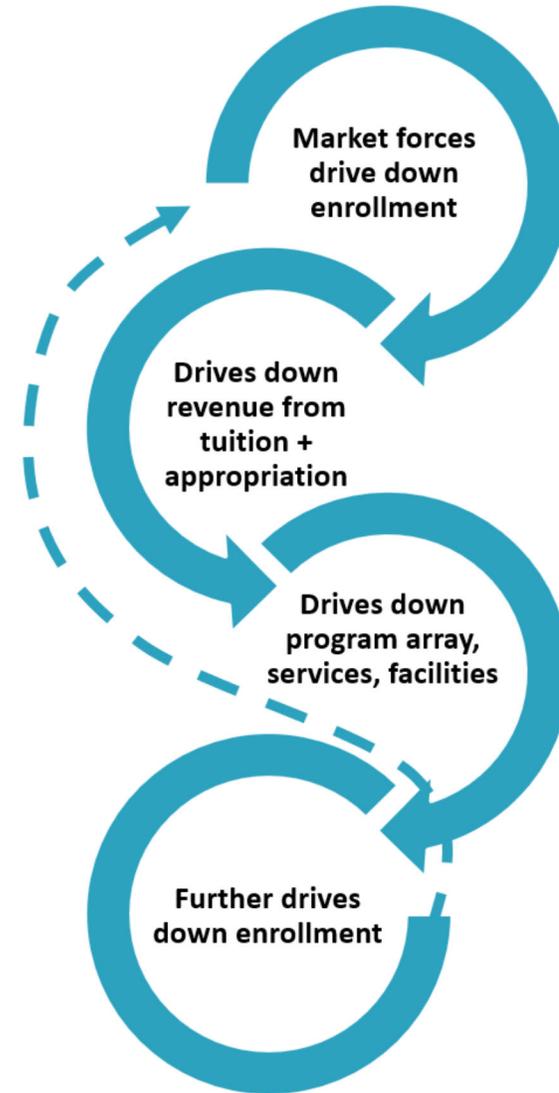


Pennsylvania's  
**STATE SYSTEM**  
of Higher Education

# WHY Integration? (1 of 3)



An “every tub on its own bottom” model works for public universities when enrollment-driven, state, and other revenues are sufficient to meet operating costs



Confronted with the combined downward pressure of declining enrollments, erosion of price advantage, and lagging state support, the model unravels, threatening a university’s financial viability—most seriously at institutions with relatively low enrollments and/or high debt loads

# WHY Integration? (2 of 3)

**Because integrating institutions can do more together than on their own**

## **REINVENT**

higher education from a student-facing perspective

## **DEEPEN**

vibrant campus relationships with the community and region

## **GROW**

enrollments, serve new populations, and meet employer needs

## **EXPAND**

experiential learning opportunities, strengthening career readiness

## **HARNESS**

the collective strengths of the institutions and leverage them to best meet student needs

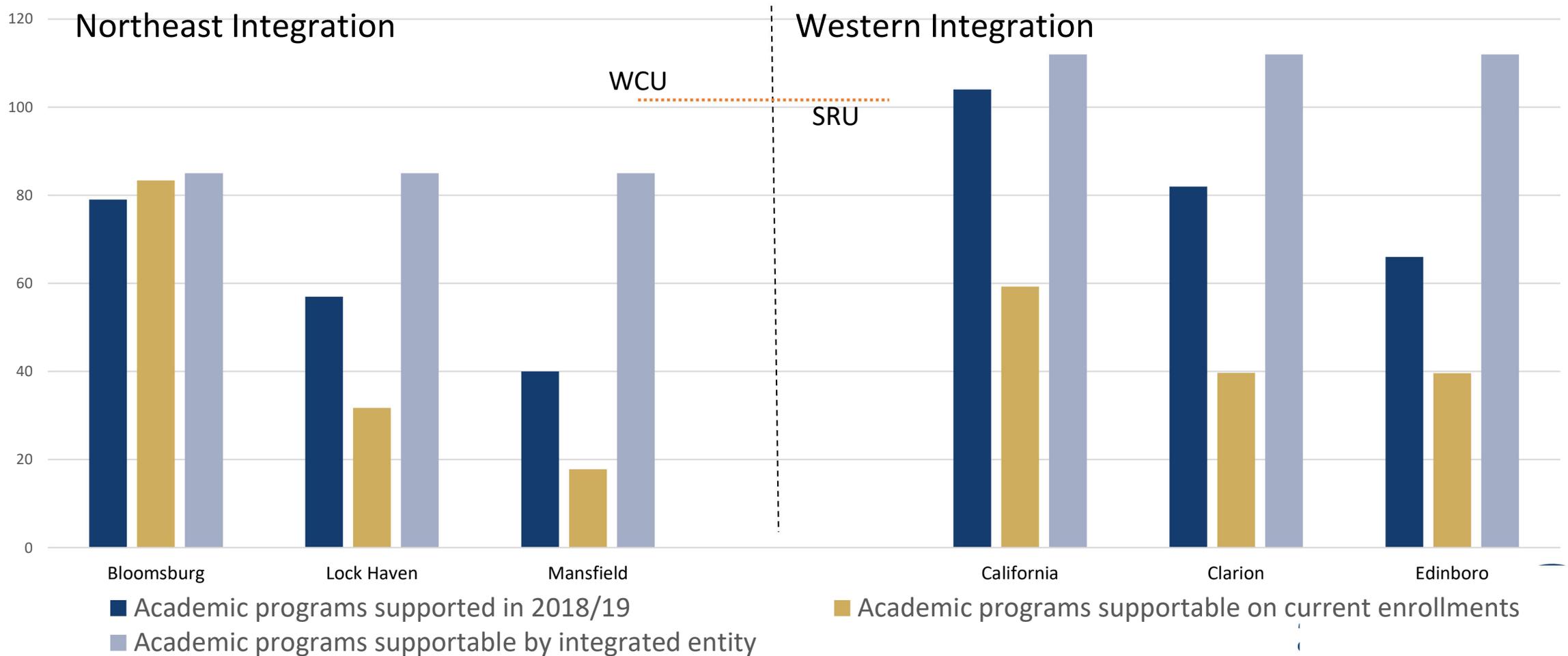
## **SUPPORT**

financially sustainable operations to ensure our mission continues

**SUSTAINABLY** operate **COMPREHENSIVE** universities that provide **ACCESS** in all regions across PA

# WHY Integration? (3 of 3)

## Academic program breadth at integrating universities



# Overview of Public Comments (1 of 4)

Made via mail, website form, Board-hosted public hearings, APSCUF-hosted reviews

## Responses by stakeholder group

Group	Count	%
Alumni	231	21%
Community member	61	6%
Faculty	482	43%
Parent	37	3%
Staff	104	9%
Student	58	5%
Other*	136	12%
<b>Grand Total</b>	<b>1109</b>	<b>100</b>

\*Legislators, and those identified using “PA resident”, “Taxpayer” or other non-descriptive label, or not supplied

## Responses by stated university affiliation, all groups

University	Count	% of those stating affiliation
Bloomsburg	38	9%
California	49	11%
Clarion	49	11%
Edinboro	37	8%
ESU	1	0%
Indiana	6	1%
Kutztown	6	1%
Lock Haven	100	23%
Mansfield	5	1%
Millersville	2	0%
Shippensburg	3	1%
Slippery Rock	2	0%
West Chester	142	32%
<b>Grand Total</b>	<b>440</b>	<b>100</b>

Including submissions from on behalf of: AFL-CIO, California University Council of Trustees, PAACC, LHU's Student Minority Retention Committee, Members of the Democratic House Caucus, PA Commission of Community Colleges, PASSHE Faculty Council, PASSHE Women's Consortium, West Chester University Faculty

# Overview of Public Comments (2 of 4)

## Commenter suggestion(s) made to the Board:

	Count	%
Delay the vote	169	15%
No positioned stated	391	35%
Oppose plan	475	43%
Support plan	74	7%
<b>Grand Total</b>	<b>1109</b>	<b>100</b>

# Overview of Public Comments (3 of 4)

## Commenter suggestion(s) made to the Board by stakeholder group:

	Delay the vote		No position stated		Oppose plan		Support		Total
	Count	%	Count	%	Count	%	Count	%	Count
Alumni	9	4%	110	48%	86	37%	26	11%	231
Community	12	20%	28	46%	19	31%	2	3%	61
Faculty	82	17%	111	23%	278	58%	11	2%	482
Parent	2	5%	20	54%	13	35%	2	5%	37
Staff	12	12%	55	53%	20	19%	17	16%	104
Student	3	5%	24	41%	27	47%	4	7%	58
Other	49	36%	43	32%	32	24%	12	9%	136
<b>Grand Total</b>	<b>169</b>	<b>100</b>	<b>391</b>	<b>100</b>	<b>475</b>	<b>100</b>	<b>74</b>	<b>100</b>	<b>1109</b>

# Overview of Public Comments (4 of 4)

## Recommendation to Board by stated university affiliation

University	Delay		No position stated		Oppose		Support		Grand Total
	Count	%	Count	%	Count	%	Count	%	Count
Bloomsburg	2	6%	8	7%	27	10%	1	5%	38
California	8	23%	25	21%	14	5%	2	10%	49
Clarion	9	26%	18	15%	15	6%	7	35%	49
Edinboro	6	17%	17	14%	10	4%	4	20%	37
ESU	0	0%		0%	1	0%	0	0%	1
Indiana	0	0%	1	1%	4	2%	1	5%	6
Kutztown	2	6%	1	1%	3	1%	0	0%	6
Lock Haven	5	14%	41	34%	50	19%	4	20%	100
Mansfield	1	3%	2	2%	1	0%	1	5%	5
Millersville	0	0%	1	1%	1	0%	0	0%	2
Shippensburg	0	0%		0%	3	1%	0	0%	3
Slippery Rock	0	0%		0%	2	1%	0	0%	2
West Chester	2	6%	7	6%	133	50%	0	0%	142
<b>Grand Total</b>	<b>35</b>	<b>100</b>	<b>121</b>	<b>100</b>	<b>264</b>	<b>100</b>	<b>20</b>	<b>100</b>	<b>440</b>

# Review of Public Comments (1 of 5)

**Asked for specific information (about a specific program or the process); advocated for a particular program**

**Expressed concerns about issues the plans already address:**

- Maintaining university identity
- Maintaining university athletics teams
- Maintaining independence of affiliate organizations
- Continuing university-based fundraising
- Leaving existing donor funds untouched
- Not closing universities
- Improving student recruitment, retention, and outcomes

# Review of Public Comments (2 of 5)

## **>200 made specific recommendations about:**

- Presentation
- Process
- Implementation
- Finance
- Improving student success, faculty and staff supports, DEI outcomes
- Enrollment management (including marketing and student recruitment)

# Review of Public Comments (3 of 5)

## At least 300 offered alternatives:

Detail	Number
Deeper structural changes <ul style="list-style-type: none"><li>- school closure, system dissolution, system centralization, deal with challenged schools individually</li><li>- leadership accountability, waste elimination, shared services, program sharing and/or differentiation</li></ul>	>150
Increase state and federal funding to maintain 14 independently accredited schools	Between 1/5 and 1/4 of responses

# Review of Public Comments (4 of 5)

Primary issues raised in public comments	How we addressed them
Extend implementation timeline	Extended timeline for curriculum integration
Concerns about community economic impact	Conducted third-party study showing integration with net positive community impact
Concerns about reliance on online learning	Clarified limited reliance on online and did market research into student/parent willingness/expectation
Concerns to protect partner universities that are already sustainable	Built in transitional financial protections
Concerns with projection assumptions	Updated financial projections; conducted third-party review verifying their alignment industry standards
Concerns about staff/faculty job losses	Working with collective bargaining units to minimize impacts of further pre- and post-integration job losses

# Review of Public Comments (5 of 5)

## **150+ comments urged delay. What would a delay mean?**

- No further work on plans or clarity from accreditors/regulators
- Cost System \$40-\$50 million per year
- Prolong uncertainty for students, faculty with negative enrollment and talent management impacts
- Increases reputational risks
- Threatens emerging partnership with, funding from, the General Assembly

# Next steps

## A vote to approve:

- **Begins (doesn't end) multi-year process**

Long, deliberative, implementation engaging stakeholders

Continued evaluation against leading indicators with opportunities to course correct

High degree of transparency and accountability

- **Is an historic opportunity to re-imagine public higher education for the 21<sup>st</sup> century**

# Ongoing review process

- Quarterly updates to the Board
- Quarterly hearings with General Assembly (Act 50)
- Regular review/reporting on
  - 18 factors outlined in Act 50, Board-approved metrics
  - Normal Board approved metrics
  - other items as requested by the General Assembly and Board

# 18 Reporting Factors Required by Act 50

- (1) An overview of the financial position of the respective universities at the time of plan approval and at the time of the report.
- (2) The operating budget and total budget for each university at the time of plan approval and at the time of the report.
- (3) The estimated amount of expenditures needed to support plan implementation at the time of plan approval and the cumulative amount of expenditures made to support plan implementation at the time of the report.
- (4) The applicable organizational charts at the time of plan approval and at the time of the report.
- (5) Full-time enrollments at the time of plan approval and at the time of the report.
- (6) Graduation outcomes at the time of plan approval and at the time of the report.
- (7) The cost of tuition, room and board and fees at the time of plan approval and at the time of the report.
- (8) The average cost of attendance at the time of plan approval and at the time of the report.
- (9) The number of faculty and nonfaculty employees at the time of plan approval and at the time of the report.
- (10) The number of faculty and nonfaculty employees by location at the time of plan approval and at the time of the report.

- (11) Each impact to faculty and nonfaculty employee staffing, including, but not limited to, separations, reductions in force, reclassifications of job responsibilities or roles or reassignments to other universities within the system. The notification under this paragraph shall include an estimated financial impact for the current and subsequent two fiscal years.
- (12) The faculty-to-student ratio and the faculty and nonfaculty employee-to-student ratio at the time of plan approval and at the time of the report.
- (13) A list of academic programs that have been terminated or consolidated and an explanation of the reasons for termination or consolidation.
- (14) A list of new academic programs that have been approved and an explanation of the need for the programs.
- (15) The number of academic programs by location at the time of plan approval and at the time of the report.
- (16) A list of property that is for sale or has been sold and the value of the proceeds from the sale.
- (17) A list of administrative service consolidations and the value of savings resulting from the consolidations.
- (18) A list outlining concerns related to the implementation of the plan on the community and affiliated organizations.