Appendix: Task Force Materials

Communication and Processes Task Force Materials

Data and Analysis for Priority Setting
Not available

Expected Impact
Improving the efficiency of communication and processes on campus will reduce costs and improve services. This will directly impact NMT’s ability to fulfill its mission.

Short Term Initiatives and Initial Progress
The Argos software has been purchased for report writing and information sharing. The Human Resources department has begun updating business practices for hiring.

Community of Scholars Task Force Materials

Data and Analysis for Priority Setting
The following sources were evaluated in the development of this strategic priority.


Expected Impact
As every member of the NMT community will be impacted by one or more of the objectives in this strategic area, this is expected to have a substantial impact on the campus.

Short Term Initiatives and Initial Progress
Preliminary efforts on improving new faculty training occurred in the fall of 2014, when new faculty participated in the teaching training run by the Center for Graduate Studies. This first training
integrating faculty with new teaching assistants was quite successful, but next year’s training is expected to be even better with the use of feedback to improve the training.

Clery Act compliance has already had major attention by a group called together to address the concerns for NMT. A new staff position is expected in the near term and policies have been or are being updated to address shortcomings of existing policies.

Preliminary work on keypad entrance to some building and the use of the voice system for fire alarm security has begun.

**Funding Task Force Materials**

**Data and Analysis for Priority Setting**

In acknowledgment of the Committee’s efforts for increased funding at New Mexico Tech, our task force committee provides a brief description from group discussion ideas/suggestions. To obviate overlap, group ideas/suggestions are listed once and are not necessarily unique to a particular group.

**Group A:**
- (1) NMT as an entrepreneurial university
- (2) Focus resources on Office of Advancement
- (3) Creation of Advisory Boards to build industry relationships

**Group B:**
- (1) Increase tuition; small/public/STEM/college model unsustainable.
- (2) Develop technology transfer center
- (3) Give alumni something to cheer about – intercollegiate athletics

**Group C:**
- (1) Grant writing support – red teams
- (2) Broad campus grants
- (3) Expand distance education

The Funding Task Force utilized the above-mentioned themes under consideration and further streamlined these goals/initiatives to four key areas in need of fact-finding and further discussion/planning. In some instances where prioritization/goals required funding to initiate such as grant writing support, creation of advisory boards, expand distance education, these goals are addressed within the four areas listed below.

- Increased role for the Office of Advancement
- Increased Tuition/Expand enrollment
- Development of an Entrepreneurial University
- Intercollegiate Athletics as a potential revenue source

**CASE Study 1: The critical role of the Office of Advancement as perceived by**
The Ohio State University’s peer set is no longer local or even national; the University competes with institutions around the globe for the best students, faculty, staff, and resources. Differences in cultural values and perspectives influence individuals’ communication preferences, engagement interests, and giving behaviors, greatly impacting the ways Ohio State Advancement must work. As the University becomes more dependent on global partnerships, Advancement requires new strategies and specialized resources to manage complex opportunities and potential risks.

Defining Advancement

As a newer concept within the University, Advancement is ambiguous and understood differently across groups. Clearly defining Advancement, both as an organization and as a movement, is crucial to success. Advancement as a movement requires the seamless integration of communications, alumni relations, and development. Treating these functions as inextricably linked parts of a whole will allow Ohio State to maximize the full spectrum of stakeholder experience from awareness through engagement to giving. As an organization, Advancement leadership and staff must commit to building talent, infrastructure, and culture. With these fundamental priorities influencing our work, Advancement’s strategic goals will be achieved as a strong team.

Tuition and student debt

Nationally, the rising cost of tuition has left students and their families with significantly higher levels of personal debt. In the worst cases, students were forced to end their pursuit of a college degree simply because they could not afford it. Ohio State is a public institution committed to providing broad access to quality education. The University has demonstrated its commitment to affordability by recent freezes of in-state tuition, but future increases cannot be ruled out. Therefore, to maintain access to Ohio’s flagship university, one of Advancement’s fundraising priorities must be financial aid, especially for students with the greatest need.

Federal and state support

Financial support for higher education, health care, and research has been and will continue to be cut at both the federal and state levels. As a research university and medical center, Ohio State faces potential decline unless it can revitalize funding in ways that do not rely on previous sources of public dollars. New partnerships with government and industry are essential to financial stability, and the University is well equipped to maximize opportunities in these areas. Advancement, as the communicating, relationship-building, and fundraising arm of Ohio State, will be important as the University develops innovative financial strategies for sustainability.

Giving
The continued success of Ohio State’s students, faculty, and programs relies on the goodwill of our donors, alumni, and friends. Simply put, leadership must expand philanthropic support for the University’s vital priorities. Advancement will elevate giving to The Ohio State University through comprehensive fundraising strategies, focused donor relations and stewardship, increased emphasis on major and principal gifts, customized cultivation of gifts from special groups or to specific areas, and a successful $2.5 billion campaign.

The key message from the Ohio State U case study is that a highly functional Advancement Office can have a transformative effect on their institution. To elaborate: The Office of Advancement at NMT stands ready to take on many of the challenges highlighted by Ohio State and other universities. As demonstrated below in the brief five-year overview, this department averages $4 dollars raised for every $1 allotted by the NMT Administrative budget. By any measure one chooses, few revenue and funding vehicles work as effectively with as much return on investment (ROI) as this underfunded team. The Task Force recognizes this component to NMT revenue generation as critical and strongly recommends an enhanced strategic position for the Advancement Office in the Strategic Plan.

<table>
<thead>
<tr>
<th>Year</th>
<th>Funds Raised</th>
<th>Budget</th>
<th>Percent Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-2010</td>
<td>$582,045.79</td>
<td>$203,412</td>
<td>286.14%</td>
</tr>
<tr>
<td>2010-2011</td>
<td>$1,349,579.74</td>
<td>$437,740</td>
<td>308.31%</td>
</tr>
<tr>
<td>2011-2012</td>
<td>$1,014,738.26</td>
<td>$343,518</td>
<td>295.40%</td>
</tr>
<tr>
<td>2012-2013</td>
<td>$763,156.21</td>
<td>$308,497</td>
<td>247.38%</td>
</tr>
<tr>
<td>2013-2014</td>
<td>$2,006,524.53</td>
<td>$400,778</td>
<td>500.66%</td>
</tr>
<tr>
<td>Total</td>
<td>$5,716,044.53</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 25: Return on Investment

2. Tuition

Discussion of tuition increases comes with various entanglements that prove politically unfavorable for college administrators and presidents to promote. However, with rising costs to attract and retain strong faculty, NMT has lost and continues to lose experienced faculty with strong research programs and proven records of competitive funding. As pointed out in “The Future of Universities” (1).

“On one front, a funding crisis has created a shortfall that the
universities’ brightest brains are struggling to solve. Institutions’ costs are rising, owing to pricey investments in technology, teachers’ salaries and galloping administrative costs. That comes as governments conclude that they can no longer afford to subsidize universities as generously as they used to. American colleges, in particular, are under pressure: some analysts predict mass bankruptcies within two decades.”

States have cut higher education funding deeply. Comparing current 2013 fiscal year spending with spending in fiscal year 2008, the fiscal year just prior to the recession, and adjusting for enrollment and inflation, we find that:

- State spending nationwide is down $2,353 or 28 percent.
- The states that made the largest cuts by percentage are Arizona and New Hampshire, however, as shown in Figure 11, in absolute dollars, the single greatest cuts in the nation occurred in New Mexico.
- 96% of New Mexico cuts are borne by four-year schools rather than community colleges.
- Furthermore, whereas New Hampshire and Arizona responded to draconian cuts by increasing their tuition by 37% and 78%, respectively, the tuition at NMT increased by less than 20% during this period.

States Have Cut Higher Education Funding Deeply in Recent Years

![Figure 11: State Higher Education Cuts](source: CBPP calculations using data from Illinois State University’s annual Grapevine)
Tuition Has Increased Sharply at Public Colleges and Universities.

Figure 12: Average Increased State Tuition

Source: College Board

Students Are Shouldering a Larger Share of the Cost of Funding at Public Higher Education

Note: Total educational revenue combines net tuition with state and local appropriations for higher education, excluding medical students, and represents the vast majority of instructional funding.
Case Study 2.  Drexel University (Private)  Philadelphia’s Science and Engineering University

**Ranking:** #97 National University (2014)
- **Undergraduates:** 11,901 (2014)
- **Acceptance rate:** 74.90% (2014)
- **Tuition:** $37,505 USD (2014)
- **Founder:** Anthony Joseph Drexel

*February 24, 2014 By Matt Erickson*

**BALANCING DREXEL’S BUDGET: A Q&A WITH HELEN BOWMAN**

Ever had an idea for how to make things run more smoothly and efficiently at Drexel? Well, now’s the time to share it.

Earlier this month, in a message to faculty and professional staff, President John Fry asked for ideas for reducing the University’s expenses or increasing its revenue.

Receiving those suggestions is Helen Bowman, Drexel’s senior vice president for finance. *DrexelNow* talked with Bowman to address some questions that faculty and professional staff may have.

**Why are you asking for these ideas?** Drexel must maintain its momentum and implement the priorities outlined in its strategic plan. But we can’t continue to raise tuition and fees at historical levels, as we are already one of the country’s most expensive universities. And our moderately sized endowment makes us virtually dependent on tuition revenue.

All that means is that by fiscal year 2015, we need to close a sizable projected gap in the budget. That can be accomplished through a combination of increased revenues and reduced expenses. And the best people to help us accomplish that are the colleagues most familiar with the University’s programs and operations: our faculty and professional staff.

**What kinds of suggestions are you asking for?**

We want ideas of all sizes, big or small, from every corner of Drexel. We want our faculty and professional staff to be involved with this process, and we will welcome any suggestions for cutting costs or boosting revenue.

The online form is completely anonymous, and suggestions will be seen only by me, so there’s no need to hold back on sharing bold ideas. But small suggestions are welcome, too. If we can tackle this issue collaboratively, with a broad base of input — as we’ve done successfully in many areas in recent
years — we can produce innovative ideas to help us meet this challenge and keep Drexel on the road to continued success.

According to the Drexel Strategic Plan, this university sees its way out of financial difficulty by increased enrollment, expansion of the curricula from STEM to STEAM whereby Arts and Music degrees may well become integrated. An expanded on-line program is also envisioned as a revenue generating strategy.

Our bullet-point message from the Drexel U case in comparison to NMT is that Drexel U has very little price elasticity in its tuition, whereas NMT has plenty of elasticity in its value to turn “the tuition” lever dramatically before reaching a point of diminishing marginal returns. This brings us to a fundamental question:

**What kind of College is New Mexico Tech?**

Why does NMT offer tuition at a lower cost than UNM and NMSU? Especially when the cost to provide STEM degrees is more than Humanities and Social Science degrees?

NMT is consistently rated as a “Best Buy” in Kiplinger’s Reports. However, Kiplinger has two figures, cost and quality. NMT has quality, but we traditionally sell ourselves on cost. This is an unsustainable model given the cuts in state funding. The state reduction in funding at a time when enrollment was increasing has put NMT quality in jeopardy.
The take-away message: The company we keep shows us in the top 25 most desirable small schools and makes NO MENTION of cost. However, NMT’s position remains in jeopardy; we cannot sustain the past level of performance on ever decreasing budgets.

Budget & Revenue Comparisons
Let’s look at the numbers and compare NMT’s overall revenue budget with in-state research universities along with comparably sized smaller colleges and STEM focused universities. As shown in Figure 15, NMT’s tuition revenue comprises 6% of the overall budget. The 15% state appropriations represents a declining figure as prior years show support upwards of 20% or better. Is a 6% tuition revenue component a sustainable revenue model for NMT? Given its smaller enrollment and 13:1 student to faculty ratio, the college is in closer alignment to a smaller liberal arts college where 8:1 ratios typically occur.