



Office of the Chancellor
16 Central Street
Bangor, ME 04401-5106

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Tel: 207-973-3205
Fax: 207-973-3221
TDD/TDY: 207-973-3262
www.maine.edu

To: Members of the Board of Trustees
From: Chancellor Richard L. Pattenau *Rich*

Subject: Annual Progress Report on New Challenges, New Directions

The University of Maine

The attached report for New Challenges, New Directions contains four sections.

University of Maine
at Augusta

- I. Progress Report—brief narratives describing the progress linked to one, or a combination, of New Challenges, New Directions recommendations. Each item also contains an assessment of current status.

University of Maine
at Farmington

- Complete—an item that had a brief lifespan and has been accomplished
- Ongoing—an item that is accomplished but has an ongoing operation
- In progress—an item that is still being worked on

University of Maine
at Fort Kent

University of Maine
at Machias

- II. Recommendation Matrix—the specific recommendations found in New Challenges, New Directions.

University of Maine
at Presque Isle

- III. Measures of Progress—the current status of the agreed upon measures of System performance. This report is particularly valuable in that it captures the impact of our work.

University of
Southern Maine

- IV. Update on New Challenges, New Directions Savings Targets—summarizing financial savings to date from implementing NCND.

I believe there has been substantial progress on the implementation of New Challenges, New Directions. Drawing on the original core goals I would report the following in summary:

- a. we are making steady progress towards the savings targets;
- b. we have moved towards greater affordability by setting our tuition increases at the lowest in six years, and;
- c. programs are rapidly emerging that better serve Maine's people.

Together these form the basis of an emerging public agenda.

I want to thank the Presidents and the Senior Staff for their hard and effective work since November '09 when NCND was approved by the Trustees.

New Challenges, New Directions

**Progress Report Presented
to the Board of Trustees**

August 9, 2010

**New Challenges, New Directions Initiative
Update to the Board of Trustees**

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I. Progress Report

Governance

GENERATE A PUBLIC AGENDA

Status: In Progress

In April, the University of Maine System hosted the “Advancing Maine” summit to begin the conversation about a public agenda. Over 200 people attended the conference, which featured speeches by Governor John Baldacci, Doug Hall of Eureka! Ranch, Laurie Lachance of the Maine Development Council, and John Dorrer of the Maine Department of Labor. During the afternoon round-table discussion time, the attendees provided valuable feedback on three questions:

- Given what you heard this morning, are there any additional items that should be included in the analysis and recommendations for ensuring a vibrant and well-educated workforce in Maine?
- What are the three most important academic or research programs that the UMS should create and/or expand to generate a relevant and well-educated workforce in Maine?
- What are the three most important responsibilities or roles for the UMS to ensure future prosperity for Maine citizens?

Since that initial summit, the Chancellor and members of the senior staff and Board of Trustees have met with leaders of educational organizations in the state and with representatives from each university’s Board of Visitors. As a result of these discussions, the broad themes of what will make up the public agenda for the University of Maine System are starting to emerge. Those themes will be refined and expanded in the upcoming weeks.

DEFINE ROLE AND SCOPE STATEMENTS FOR EACH UNIVERSITY

Status: In Progress

All of the university presidents have submitted role and scope statements to the Chancellor’s office. The intent of these role and scope statements is to encourage differentiation and collaboration – and reduce duplication – in academic program delivery among all universities. The statements will be reviewed by a working group of presidents, led by President Theo Kalikow from the University of Maine at Farmington. When this process is complete, the statements will be presented to the Board of Trustees for final approval.

CREATE A STRATEGIC INVESTMENT FUND

Status: Complete

This year, the total amount of SIF funding available for distribution was \$2.2 million. The System received 39 proposals. These proposals were reviewed by senior staff, the university Presidents, Chief Academic Officers, the Chief Financial Officers and the Chief Student Affairs Officers. Funding decisions were made in June, and the funds were distributed in July. The projects supported were in three major areas: revenue generation with particular attention to the Noel-Levitz recommendations; programs responsive to state needs; and projects that generated efficiencies for cost savings.

IMPLEMENT A COMMON ACADEMIC CALENDAR

Status: In Progress

Vice Chancellor James Breece led a working group made up of each university's provost and faculty senate chair. This group met multiple times and produced an agreement outlining the parameters for a common calendar two year pilot program. The parameters provide a solid framework that brings structure to the System-wide academic calendar, while allowing a degree of flexibility for each individual institution to best serve its own students and pursue its unique mission. The guidelines are complete, and the VCAA will release the full calendar when UM finalizes its dates. The calendar is scheduled to be implemented in Fall 2011, pending approval by AFUM.

ESTABLISH AND REACH ENROLLMENT AND GRADUATION TARGETS

Status: Ongoing

The Noel-Levitz extensive study of markets, pricing and enrollment management practices recommended that the University of Maine System needed to take a more strategic approach to enrollment management. The System has begun to implement some of the recommendations in that report and the universities are working to increase collaboration, expand articulation agreements with community colleges, reconfigure academic programs, increase retention rates and offer more distance education opportunities, especially targeted at placebound and adult learners.

IMPROVE COMMUNICATIONS AND OPPORTUNITIES FOR UNIVERSITY COMMUNITY FEEDBACK

Status: Complete

Students, faculty and staff, and members of the public have access to a website (<http://www.maine.edu/system/ea/Comments.php>) where they may fill out a feedback form and communicate their suggestions, satisfaction, or concerns. This feedback site is accessible via a number of links on the System website. When received, the comments are forwarded to the appropriate member of the Chancellor's senior staff to respond or reply as needed. This increases the customer service capacity of the University System both internally and externally. In June of 2010, the Board of Trustees met with representatives from the Board of Visitors of each of our universities to gain a better understanding of the issues important to our university communities; this will become an annual event.

Academic Programs and Services

IMPLEMENT THE THREE YEAR BACCALAUREATE OPTION

Status: Complete

Vice Chancellor James Breece has met with the Chief Academic Officers to determine what constitutes a three-year, or accelerated, degree. The CAOs recognize that some students who are well prepared for college level work seek and are best served by an accelerated timeline to an undergraduate degree. Graduation in three years is possible with some combination of: more than a normal full-time load during the fall and spring semesters; course-work during the summers; course-work during compressed inter-term sessions (e.g., in January); and/or distance courses from other UMS universities. Six of the universities have created a three-year option for the following academic programs:

The University of Maine

- BS in Biochemistry
- BS in Microbiology
- BS in Business Administration
- BS in Mechanical Engineering Technology
- BA in Economics
- BA in Financial Economics
- BS in Electrical Engineering Technology
- BS in Surveying Engineering Technology
- BA in Philosophy

The University of Maine at Augusta

- BS in Business
- BS in Mental Health and Human Services
- BA in Liberal Studies

The University of Maine at Fort Kent

- BA in Education
- BS in Nursing

The University of Maine at Machias

- BA in Psychology
- BA in Business

The University of Maine at Presque Isle

- BA in History
- BA in English

The University of Southern Maine

- Three-year nursing degree
- Communication
- Health sciences
- Psychology

INCREASE THE NUMBER OF GRADUATES IN ALLIED HEALTH PROGRAMS

Status: In Progress

Vice Chancellor James Breece convened two working groups to look at different facets of this issue. One group is specifically examining nursing programs and what UMS can do to increase the number of nursing graduates in Maine. The focus of the second group is on broader allied health programs apart from nursing, such as dental hygiene, physical therapy and laboratory sciences. Both working groups are in the process of writing state-wide needs assessments, identifying the resources needed, and finding potential funding sources for expansion. USM is working closely with Maine Medical Center on two programs to significantly increase the number of graduates. With the full support and encouragement of the Vice Chancellor for Academic Affairs and the Chief Academic Officers, the University of Southern Maine is creating a Doctorate of Nursing Practice. The University of Maine System is also a committed partner in a grant proposal for \$150,000 the Maine Department of Labor wrote to the US Department of Health and Human Services and assisted MDOL with the grant writing process. Implementation reports will be completed in January of 2011.

INCREASE STATEWIDE ACCESS TO PROFESSIONAL AND GRADUATE PROGRAMS

Status: In Progress

Led by University of Maine President Robert Kennedy and University of Southern Maine President Selma Botman, progress continues on developing statewide professional and graduate program structures. Preliminary discussions have also been held between the UMaine and USM nursing schools regarding a Doctorate of Nursing Practice program. In addition, faculty members at UMaine and USM are discussing other professional and/or graduate programs in areas such as engineering and public administration. Work also continues toward a System-wide renewable energy curriculum, which would include UMaine, USM, the University of Maine School of Law and other System institutions, and a statewide graduate program is a possible outcome from that plan. The Graduate School of Biomedical Sciences -- with UMaine and USM among the seven partners -- continues to grow.

CREATE A SYSTEM-WIDE PROGRAM ON ALTERNATIVE ENERGY EDUCATION AND RESEARCH

Status: In Progress

Under University of Maine President Robert Kennedy's leadership, considerable progress has been made in developing a statewide renewable energy curriculum. While further progress depends, to a large degree, on Strategic Investment Fund disbursement decisions, several productive conversations have already occurred. Most notably, a meeting among faculty members from across the University of Maine System seeded collaborative engagements and led to the exchange of course descriptions and syllabi. Additionally, President Kennedy brought together a meeting of industry representatives who provided input relative to curriculum development and emerging industry needs. The next step is to develop a concrete timetable for implementation.

REVIEW COURSES WITH ENROLLMENT OF 12 OR FEWER STUDENTS

Status: Ongoing

The CAOs conducted an initial review of Fall and Spring courses with enrollments of 12 or fewer students, working toward a target of lowering the percentage of courses with 12 or fewer students to 25% of the total courses offered. This work continues each semester as part of the academic scheduling process with a target of moving the percentage of enrolled courses from 25% to less than 20% by 2013. The most recent Spring data showed a System-wide improvement from 24.6% in Spring 2009 to 20.5% in Spring 2010. The Fall semester to semester change moved from 21.2% in Fall 2009 to 20.5% in Fall 2010.

REVIEW OF ACADEMIC PROGRAMS WITH FIVE OR FEWER GRADUATES

Status: Ongoing

The CAOs continually review academic programs that have graduated five or fewer students each year. Of the programs System-wide that produce five or fewer programs many are 'essential disciplines' identified in the STEM (science, technology, engineering, and mathematics) and world languages programs. There is an ongoing process to find savings through these identified programs: through collaboration between institutions, or revitalization of the curriculum. These programs are reviewed annually with a three-year window for improvement. Some programs have been eliminated through the campus shared governance process.

ESTABLISH AND REACH STUDENT FACULTY RATIO TARGETS

Status: Ongoing

The universities have identified peer groups of at least six institutions incorporating input from NCHEMS, faculty, and executive staff. Benchmarks of the student faculty ratios were derived using National Center for Education Statistics data. The benchmark was set using the AY08 Annual Student Credit Hours divided by Total FTE Faculty. The data was updated using AY09 data with three campuses, UM, UMM, and USM, improving but still remaining below their peer average. UMF was lagging the peer group in AY08 but surpassed the benchmark in AY09. UMA and UMFK stayed above their peer averages and UMPI dropped below their peer average. There is active progress by all seven institutions to reach and exceed their associated peer averages.

IMPLEMENT SEAMLESS STUDENT TRANSFER OF CREDIT HOURS WITHIN UMS

Status: In Progress

Rosa Redonnett, Executive Director of Student Affairs and James Breece, Vice Chancellor for Academic Affairs, met with System transfer officers and reviewed barriers and issues. This list has been consolidated for CAO review and an initial meeting with CAOs on these issues has occurred. An on-line transfer guide is in place on MaineStreet and is accessible for "guest" access, with no sign on required. In addition, a subcommittee of Transfer officers and Ms. Redonnett is reviewing the UMS web site, improving links and information and developing a communication plan.

PARTNER WITH MAINE COMMUNITY ADULT EDUCATION PROGRAMS

Status: In Progress

A Memorandum of Agreement that outlines areas for collaboration has been signed and the UMS has participated in several strategic planning meetings of the statewide Adult Education group. UMS and Adult education are collaborating on Lumina grant with MDF and have been invited to submit a full proposal. Due to work going on in Adult Education (changing focus), a meeting of UMS and Adult Ed directors must be delayed. This will be planned for the next academic year.

MODERNIZE THE OPERATION OF UNIVERSITY COLLEGE

Status: In Progress

A new Director of University College, Dr. Curt Madison, has been hired. He spent the month of May 2010 in Maine undertaking his orientation to the UMS. During June and July, Dr. Madison participated electronically in University College operations. On August 1st, 2010 Dr. Madison re-located to Maine and officially assumed his new role and responsibilities as Director. Following the completion of his in-depth assessment of the UMS distance learning operation, Dr. Madison will develop a plan by December 2010 for the modernization of University College.

EXPAND DISTANCE EDUCATION MISSION AND MODERNIZE E-LEARNING TECHNOLOGIES

Status: In Progress

The OnlineMaine website is currently under construction and will be beta tested over the next two months. In September the UMS institutions will submit the details of their respective online programs for inclusion on the OnlineMaine website. The website is designed to provide “one stop” marketing and registration services for UMS online programs. The Chief Academic Officers are developing guidelines for the review of future online programs within the UMS.

ACCELERATE THE DEGREE PROPOSAL AND APPROVAL PROCESS

Status: Complete

The Vice Chancellor for Academic Affairs created a subcommittee made up of Chief Academic Officers to examine the current program approval procedure and make recommendations of how it could be streamlined. The subcommittee reported back to the CAOs with an edited policy that allows for the use of technology to review Intent to Plan documents online instead of having to wait for a full CAO meeting, among other changes. The edited procedure was approved by the CAOs and the Vice Chancellor for Academic Affairs in February of 2010.

Administrative, Student and Financial Services

COMPLETE STUDY OF MARKETS, STRATEGIC PRICING AND FINANCIAL AID

Status: Phase 1 Complete; Phase 2 In Progress

Phase 1 (Tuition, Pricing, Markets) is complete and report was delivered to the BOT and at the Enrollment Summit. Each of the campuses are beginning implementation of their campus based recommendations (there have been several SIF awards related to this work). UMS is working with Noel Levitz to identify additional support for the campuses to assist in development of enrollment planning, and will be forming an Enrollment Council in August. Phase 2 (Financial Aid) has begun and the report is due Sept/Oct 2010

CONDUCT ANNUAL PLANNING SUMMIT ON ACCESS, AFFORDABILITY AND ENROLLMENT

Status: Ongoing

The first Enrollment Summit was held on May 25 at the University of Maine. Topics included a complete review of the Phase 1 Findings and Recommendations, how to collaborate as a System on enrollment related initiatives and how to address the various enrollment markets.

IMPLEMENT SERVICE LEVEL AGREEMENTS (SLAs), CUSTOMER SURVEYS AND ANNUAL REVIEWS

Status: SLAs Complete; Surveys and Reviews Ongoing

This initiative contained several recommendations intended to improve the oversight and operation of System-wide Services and ensure a customer focus. The Shared Services Advisory Council (SSAC) was created to advise the Vice Chancellor for Finance and Administration in managing shared services. Its membership consists of president designees from each of the seven universities. The SSAC has been meeting almost monthly since September 2009. A key responsibility of the SSAC as outlined in the NCND Plan is to implement service level agreements between System-wide Services and each of the seven universities outlining roles, responsibilities and performance outcomes; conduct annual customer satisfaction surveys and perform annual reviews of each shared service. Service Level Agreements between System-wide Services and all seven universities have been completed and were signed as of May 7, 2010. Customer surveys have been completed for Human Resources and Legal Services and the surveys for the remaining service areas are in process. Human Resources presented the results of its customer survey to the SSAC at its July meeting, as well as a presentation of its accomplishments and goals. The next step is for SSAC members to consult with their respective campuses and present feedback to Human Resources at the September meeting in order to complete the annual review of Human Resources. Annual reviews for the remaining service areas will be scheduled as their customer surveys are completed.

IMPLEMENT THE ERP COMPETENCY CENTER

Status: Complete

This initiative recommended investment in an Enterprise Resource Planning Competency Center consistent with the recommendations of the 2008 Oracle Insights report which identified understaffing in key areas. The seven university Chief Financial Officers unanimously endorsed this initiative to support our PeopleSoft investment and ensure implementation and maintenance of critical applications across the System. System IT developed a plan to phase-in an additional 9 positions in FY10 and an additional 5 positions in FY11. The phase-in of staffing should be completed by September 2010.

IMPLEMENT THE HYBRID IT MODEL

Status: In Progress

The Hybrid IT Model creates a dotted reporting line between university IT Directors and the System CIO and focuses attention on key areas for cooperation and consolidation. Initial opportunities for shared savings include: desktop/laptop procurement, server consolidation, e-mail consolidation, and common software and courseware licenses. Included in the savings estimates is ongoing savings from discontinuation of the System's legacy server and transition of staffing. The legacy server was discontinued on schedule in January 2010. The Charter for the Information Technology Advisory Group was approved by the members of that group in February 2010. Collaboration efforts on security and privacy practices began in April 2010. Savings of \$580,000 associated with this initiative in FY10 has been achieved and the initiative is on target to achieve \$1 million in savings by FY13.

IMPLEMENT ADDITIONAL SPC DATA ENTRY FUNCTIONS

Status: In Progress

The processes for Stafford Exits, immunization data entry, data entry for Parent Plus loans and Native American waiver data entry have all been implemented. Different campuses are at different phases of implementation: Stafford exits are complete for UMA and USM; data entry for Parent Plus loans are complete for all campuses except UMA; immunization data entry is complete for UM, UMA and UMFK; and Native American waiver data entry is complete for all campuses. Service Level Agreements have been issued for all completed functions. Other campuses will be brought into the implementation as their particular cycles occur.

IMPLEMENT STRATEGIC SOURCING FOR PROCUREMENT

Status: Complete

The spend analysis performed by Huron Consulting suggested that significant opportunity for savings existed through implementation of the business practice refinements for procurement related to strategic sourcing. These business practice refinements outlined in the Huron report have been implemented and savings of approximately \$600,000 in FY10 has been achieved.

IMPLEMENT AUTOMATION OF PROCUREMENT & ACCOUNTS PAYABLE

Status: In Progress

The Huron Consulting report also identified opportunities for new technology and a consolidated procurement organizational model that would optimize utilization of resources and produce significant savings. The Shared Services Advisory Council endorsed the investment in technology at their November 2009 meeting and a contract with SciQuest was signed in January 2010. The Shared Services Advisory Council also approved a plan to consolidate Accounts Payable at the University of Maine at their March 2010 meeting. A Steering Committee was formed in May to oversee the implementation of these initiatives which are scheduled for December 2010. Annual savings of \$500,000 to \$1 million is anticipated beginning in FY12.

REVIEW CURRENT TUITION WAIVERS AND INTERACTION WITH FINANCIAL AID

Status: Complete

This initiative required a review of current System waivers and an evaluation of original intent against actual outcomes. The waivers reviewed included: the Native American Waiver, the Senior Citizen Waiver, the USS Maine Commemorative Tuition Waiver, the High School Aspirations Incentive Waiver, and the Veteran's Dependent Waiver. Recommendations were made that would result in savings of \$860,000 annually if implemented. Changes to several of the tuition waivers are in place for September 2010 for a savings of approximately \$200,000 in FY11; however implementation of the changes to the Senior Citizen Waiver and the Native American Waiver have been placed on hold pending further analysis.

CONTAIN THE COST OF COMPENSATION & BENEFITS

Status: Complete

Compensation and Benefits constitute the single largest component of the University System's E&G budget representing 74% of E&G expenses in the FY10 budget. The initiative was to contain the cost of compensation and benefits at current levels for FY10 and FY11 or reduce staffing by 200 FTEs, or some combination thereof, to control the growth in this cost. The System was able to successfully negotiate agreements with all six bargaining units in order to contain the cost of compensation and benefits. Savings of \$6.5 million were achieved for FY10 and savings of \$14.2 million are on target for FY11.

IMPLEMENT CENTERS OF EXPERTISE MODEL & OTHER HR INITIATIVES

Status: In Progress

Recommendations for efficiencies in Human Resources administration included: implementation of increased employee and manager self-service; incentives for wellness, disease management, and use of quality care; payroll streamlining; and the adoption of a Centers of Expertise (COE) model for the organization of HR and EEO services to leverage campus expertise across the System starting with a pilot project for benefits administration and wellness. The COE for Wellness has been implemented and the COE for Benefits Administration is underway. Wellness incentives were included in all six collective bargaining agreements and more than 30% of eligible employees have completed the health assessment to qualify for the incentive. Policies for mandatory direct deposit were also strengthened in collective bargaining agreements with a goal of achieving 90% participation and as of April 2010 89% of regular employees and part-time faculty had adopted direct deposit. A work group making recommendations to consolidate pay cycles will report back this month.

DEVELOP ENERGY MANAGEMENT SUPPORT FOR OUR UNIVERSITIES

Status: Ongoing

This initiative identifies internal strengths and options for providing energy management support to all seven universities. The Collaborative System-Wide Energy Management Committee (System Energy Committee) was created to identify and realize opportunities for improving both supply and demand side energy management across the seven universities of the University of Maine System. The Committee serves as the University of Maine System's virtual Energy Manager. The energy committee has elected a chairperson and established a charter which was approved by the campus facility directors and Shared Services Advisory Committee. The energy committee has identified and documented internal expertise and resources across all university campuses that will be shared among the campuses. A Microsoft SharePoint site has been established for all seven universities to electronically exchange energy information and resources. The committee is developing standardized energy metrics and is engaged in energy master planning that will provide a System view of energy management efforts. The Committee currently meets quarterly and reports to the Shared Services Advisory Committee.

REPLACE OUTDATED FACILITIES INFORMATION MANAGEMENT SYSTEM

Status: In Progress

This initiative is to replace the existing outdated facilities information management system to provide consistent, reliable information to assess performance, ensure accountability, and support data driven decision-making. A business case has been completed with a goal of replacing 4 disparate, non-integrated information systems into one system that is integrated with ERP (Peoplesoft) and has received approval by the Shared Services Advisory Council. The RFP is currently being developed.

IMPLEMENT ONE-STOP STUDENT SERVICE AT ALL CAMPUSES

Status: In Progress

UMF has implemented a one stop center; USM has implemented Student Success Centers on each campus which serve as one stops; UMFK is currently discussing implementation of a one stop (and received SIF funding for physical plant alterations to achieve this). One stop development is contingent on the development of an on line service portal, which is in discussion.

IMPLEMENT A COMMON SET OF SELF SERVICE PRACTICES & PAYMENT POLICIES

Status: In Progress

Adopting a common set of self-service practices, payment policies, due dates and procedures is the intent of this initiative. The lack of consistent practices and policies impacts the nearly 900 students who take courses at more than one of our universities. Because much of this work revolves around the respective university calendars, this initiative has been placed on hold pending the completion of the work on a Common Calendar. Once that work is completed by the CAOs, a work group will be formed to address the issues related to this initiative.

DEVELOP A FRONT END PORTAL & VIRTUAL SELF-SERVICE CENTER FOR MAINE STREET

Status: In Progress

A robust front end portal and virtual self-service center provides an easily accessible and navigable entry point for students, faculty and staff to navigate our virtual universities and access services at their convenience. Collegiate Project Services was engaged to conduct a student, faculty and staff survey and to hold focus groups in order to identify the features most desirable in a portal. In addition, Collegiate was asked to explore options and make recommendations regarding specific approaches to developing a portal. The report from Collegiate was presented to the IT Committee of the Board on May 18th. System IT staff has been charged with reviewing the recommendations and developing a business case.

II. Detailed Recommendation Matrix Action Plan - Short-Term (2010 or sooner)

Recommendations Requiring Action	Arena	Ref	Priority	Executive Sponsor	Responsible Parties	Investment	Svg/Rev FY13	Initiation	Completion Date	Metric
<u>Administrative, Student, and Financial Services</u>										
Implement University/System FY10 budget savings initiatives	I	p. 10	H	VCFA	CFOs		\$13.2m	N/A	COMPLETE	Savings achieved
Implement convenience fee solution (UMF, UMM and USM)	I	C. 1.	H	VCFA	CIO, CFOs	\$12k	\$428k	Apr-09	COMPLETE	Savings achieved
Create IT Advisory Group composed of academic and administrative stakeholders	I	B. 2.	M	VCFA	CIO, IT Directors			Sep-09	COMPLETE	Advisory Group established
Create an Advisory Council for SWS composed of the presidents (or designees)	III	3. 1.	M	VCFA	Presidents			Sep-09	COMPLETE	Advisory Council established
Contain the total cost of compensation and benefits at current levels for FY10 & FY11	I	F. 5.	H	VCFA	HR, CFOs		\$13.8m	Mar-09	COMPLETE	Savings achieved
Implement strategic sourcing for procurement	I	E. 1.	H	VCFA	CFOs, Procurement		\$600k	Jul-09	COMPLETE	Savings achieved
Accelerate implementation of payroll streamlining	I	F. 3.	M	VCFA	HR Directors			Sep-09	COMPLETE	90% direct deposit participation
Implement an annual survey of SWS customers to assess satisfaction with services	III	3. 2. D.	M	VCFA	SWS Advisory Council			Nov-09	IN PROCESS	Baseline established
Implement service level agreements between SWS and campuses	III	3. 2. E.	M	VCFA	SWS Advisory Council			Nov-09	COMPLETE	SLAs implemented
Complete study of markets, strategic pricing & financial aid to improve access and affordability	III	4. 2.	H	VCFA	EDSA, CFOs	\$250k	\$3-5m	Oct-09	IN PROCESS	Implement recommendations
Adopt 'Centers of Expertise' model for HR and EEO	I	F. 2.	M	VCFA	HR Directors/EEO			Sep-09	IN PROCESS	Pilot implemented
Develop energy management support for campuses	I	D. 3.	M	VCFA	CFOs, UM		TBD	Nov-09	COMPLETE	Support implemented
Conduct an annual system-wide planning summit on access, affordability & enrollment			M	EDSA	CSAOs, CFOs	\$4k		Dec-09	COMPLETE	Summit held/actions determined
Implement incentives for wellness	I	F. 4.	M	VCFA	HR	\$250k	\$600k	Sep-09	COMPLETE	Launch wellness initiative
Conduct annual reviews of SWS services	III	3. 2. F.	M	VCFA	SWS Advisory Council			Mar-10	IN PROCESS	Performance evaluated
Implement the ERP Competency Center	I	B. 3.	H	VCFA	CIO	\$259k		Sep-09	COMPLETE	Positions hired & trained
Review current tuition waivers and interaction with financial aid to control costs	I	C. 2.	H	VCFA	BOT		\$860k	Nov-09	COMPLETE	Schedule BOT review/decision
Implement data entry for immunizations, Native American waivers & Stafford exit interviews at SPC	I	G. 2.	M	EDSA	SPC	\$30k		May-09	COMPLETE	SPC processing transactions
Implement automation of procurement and accounts payable	I	E. 2.	H	VCFA	CFOs, CIO	\$1.3m	\$239k	Sep-09	Dec-10	Technology & org implemented
Implement a common set of self-service practices and payment policies	II/UC	2	M	VCFA	EDSA, CFOs, CAOs			Jan-10	Dec-10	Polices/practices consistent
Incorporate document imaging and management into employee benefits administration	I	F. 1.	L	VCFA	CIO, HR Directors			Sep-09	Dec-10	Technology implemented
<u>Academic Programs and Services</u>										
Partner with Maine Community Adult Education programs	II/UC	6	H	EDSA				Sep-09	COMPLETE	Collaboration implemented
Strengthen data collection and institutional research for distance education	II/UC	3, 4	M	VCAA	Institutional Research			Dec-09	COMPLETE	New reports created/analyzed
Finalize establishment of peer groups by institution and identify base funding levels	III	Appx II	M	VCAA	CAOs, VCFA, CFOs			Sep-09	IN PROCESS	Base funding levels identified
Conduct an annual systemwide planning summit on academic program development			M	VCAA	CAOs	\$4k		Nov-09	COMPLETE	Summit held/actions determined
Accelerate the degree proposal and approval process			M	VCAA	CAOs			Sep-09	COMPLETE	Process implemented
Implement Three Year Baccalaureate Option			H	VCAA	CAOs, Deans			Nov-09	COMPLETE	Option available
<u>Governance</u>										
Create an annual report on Measures of Progress to measure UMS performance			H	Chancellor	Sr. Staff			Sep-09	COMPLETE	Progress on measures published
Develop a UMS feedback website			M	BOT	External Affairs			Jan-10	COMPLETE	Website launched
Conduct a biennial statewide planning summit on Maine's higher education needs			H	Chancellor	Sr. Staff, Presidents			Dec-09	COMPLETE	Summit held/actions determined
Generate a Public Agenda	III	1. 1	H	Chancellor	Sr. Staff, Presidents	\$4k		Sep-09	IN PROCESS	Public Agenda published
Create strategic investment fund (phase in)	III	4. 1.	H	Chancellor	BOT	\$5.3m	TBD	Nov-09	COMPLETE	Projects identified/funded
Define Role and Scope statements for each university providing mission differentiation	III	2. 2.	H	Chancellor	BOT			Jan-10	Nov-10	Role & Scope stmts established
Expand distance education mission and implement plan to expand	II/UC	1	H	Chancellor	Presidents			Jan-10	Dec-10	Missions adopted
Engage MCCS in planning, improving transfer of credits and sharing resources	III	2. 7.	H	Chancellor	Presidents			Jan-10	Dec-10	Plan developed
Board of Trustees and Boards of Visitors meet annually			M	BOT	Chair			Jan-10	Dec-10	BOT and BOVs have met

Priority: H-high; M-medium; L-low

Executive Sponsor: VCAA-Vice Chancellor for Academic Affairs; VCFA-Vice Chancellor for Finance & Administration; EDSA-Executive Director of Student Affairs

Ranked by completion date within category

Reference refers to Arena reports, see www.maine.edu/UMSNENC

Action Plan - Long-Term (2011 or later)

Recommendations Requiring Action	Arena	Ref	Priority	Executive Sponsor	Responsible Parties	Investment	Svg/Rev FY13	Initiation	Completion Date	Metric
<u>Administrative, Student, and Financial Services</u>										
Develop a front end portal and virtual self service center for MaineStreet	I	G. 3.	H	VCFA	CIO, EDSA	\$1m plus		Oct-09	Jun-11	Portal launched
Implement the Hybrid IT Consolidation Model	I	B. 1.	H	VCFA	CIO, IT Directors		\$1.1m	Sep-09	Jul-11	Model implemented
Implement one-stop student service at each campus	I	G. 4.	M	EDSA	Presidents, CFOs, CSAOs			Sep-09	Aug-11	One-stop centers established
Replace out-dated facilities information management system	I	D. 1,2	L	VCFA	CIO, Facility Directors	\$750k - \$1m		Sep-10	Dec-11	Technology implemented
Negotiate and implement incentives for use of quality care	I	F. 4.	M	VCFA	HR			Jan-11	Jan-12	Agreements achieved
Expand HR employee and manager self service tools	I	F. 1.	L	VCFA	CIO, HR Directors			Jan-11	Jan-12	Technology implemented
Implement HR self service portal and case management tools	I	F. 1.	L	VCFA	CIO, HR Directors			Jan-11	Jan-13	Portal launched
Modernize distance learning technologies and connectivity	II/UC	1, 5, 7	M	VCFA	CIO	TBD		Jan-10	Sep-13	Technology implemented
<u>Academic Programs and Services</u>										
Implement seamless student transfer of credit hours within UMS	III	2. 3.	H	EDSA	VCAA, CAOs			Sep-09	Jan-11	Satisfaction improved
Increase the number of graduates in allied health programs			H	VCFA	CAOs			Jan-10	Sep-11	Implement expansion
Review; grow; justify, or eliminate courses with enrollment of 12 or fewer	II	1	H	VCAA	CAOs		\$2m	Sep-09	Sep-13	Changes implemented/savings
Review; grow or eliminate academic programs with five or fewer graduates	II	2	H	VCAA	CAOs			Sep-09	Sep-13	Changes implemented/savings
Establish and reach student-faculty ratio targets	II	3	H	VCAA	CAOs		\$6-8m	Nov-09	Sep-13	Targets achieved
Modernize the operation of University College	II/UC	10 - 18	M	UMA President	UC staff	TBD		Jan-10	Sep-13	Policies implemented
<u>Governance</u>										
Implement refined missions and 5-year strategic plans for each university	III	2. 2.	H	Presidents	University Community			Jan-10	Jun-11	Missions implemented
Implement a common calendar for the seven universities	III		M	Chancellor	Presidents, VCFA, CAOs			Jan-10	Sep-11	Common calendar implemented
Establish and reach enrollment targets	II	4	H	Chancellor	Presidents		\$3-5m	Jan-10	Sep-13	1000 headcount
Establish and reach student graduation targets	II	5	H	Chancellor	Presidents			Jan-10	Nov-13	18% completion; 50% graduation

Priority: H-high; M-medium; L-low

Executive Sponsor: VCAA-Vice Chancellor for Academic Affairs; VCFA-Vice Chancellor for Finance & Administration; EDSA-Executive Director of Student Affairs

Ranked by completion date within category

Reference refers to Arena reports, see www.maine.edu/UMSNCON

III. Measures of Progress

	BASE YEAR	CURRENT STATISTICS*	2-YEAR TARGET	4-YEAR TARGET
I. INDIVIDUAL GROWTH AND OPPORTUNITY				
1. Fall enrollment				
Total Headcount	32,608	32,340	33,109	33,610
Total FTE Count	23,688	23,711	24,046	24,405
Undergraduate (Headcount)	28,290	27,871	28,665	29,040
(FTE)	20,943	20,825	21,251	21,560
Graduate (Headcount)	4,318	4,469	4,444	4,570
(FTE)	2,745	2,886	2,795	2,845
In-State (Headcount)	28,309	28,335	28,745	29,180
(FTE)	19,853	20,175	20,154	20,455
Out-of-State (Headcount)	4,299	4,005	4,365	4,430
(FTE)	3,834	3,537	3,892	3,950
2. New Undergraduates				
Total new undergraduates	6,483	6,208	6,570	6,680
1st Time	4,608	4,056	4,670	4,750
Transfer (Internal & External)	1,875	2,152	1,900	1,930
3. Graduation and Retention Rate				
First-to-second year retention rate	69.1%	69.7%	70%	75%
6-year graduation rate	47.6%	46.4%	48%	50%
Annual completion rate (degrees as percentage of total enrollment)	17.2%	16.7%	17.3%	18.1%
4. Degrees Conferred				
Total degrees conferred	5,610	5,389	5,735	6,075
Associates	348	342	350	375
Bachelors	4,173	3,985	4,250	4,500
Masters	927	872	950	1,000
Certificate of Advanced Studies	40	38	45	50
Doctorate	50	61	55	60
Law	72	91	85	90
5. College Costs				
Family contribution as a percentage of state household income (demonstrates true out of pocket cost)	11.9%	15.2%	11.9%	11.9%
Family contribution as a percentage of cost of education	31.7%	36.6%	31.7%	31.7%
6. Biennial National Survey of Student Engagement (NSSE) scores (Number of universities at or above peer average)				
Level of Academic Challenge	3	+	4	6
Enriching Educational Experiences	3	+	4	6
Supportive Campus Environment	5	+	6	6
7. Survey of the General Population				
"Very or Somewhat Favorable Overall Impression of the UMS"	75.3%	+	77%	79%

*Current Statistics are for the year immediately following the base year of collected data

*Data collected every other year

	BASE YEAR	CURRENT STATISTICS*	2-YEAR TARGET	4-YEAR TARGET
II. ECONOMIC COMPETITIVENESS				
1. Total R&D Expenditures (\$millions)				
Total Funds	\$72.0	\$70.0	\$80.0	\$100.0
Federal	\$36.0	\$34.0	\$41.0	\$57.0
State	\$9.0	\$8.0	\$10.0	\$11.0
Private	\$11.0	\$13.0	\$12.0	\$14.0
University	\$16.0	\$15.0	\$17.0	\$18.0
2. MEIF Funds and Leveraged Funds (\$millions)				
MEIF Funds	\$13.8	\$14.7	\$15.0	\$18.0
Grants & Contracts Generated	\$51.3	\$58.0	\$55.0	\$60.0
Total Funds	\$65.1	\$72.7	\$70.0	\$78.0
Supported R&D Jobs	597	543	600	625
3. Business support measures				
Businesses assisted (contracts)	193	n/a	197	200
Patents Filed	17	23	18	20
Patents Issued	3	3	4	5
4. Percentage of Enrolled UMS Student Body Aged 25-64	36.6%	37.9%	37.8%	38.7%
5. Science, Technology, Engineering and Mathematics (STEM) Degrees Awarded	900	870	900	950
6. Nursing and Allied Health Degrees Awarded	428	398	500	600
7. Business Degrees Awarded	659	573	700	750
8. Learning Opportunities through Technology				
Credit hours served through technology	30,672	38,184	40,064	41,972
Number of class sections offered through technology	1,596	1,708	1,676	1,756
Number of students enrolled in online degree programs	400	n/a	700	1,000
9. Percentage of Maine Population with at Least a Baccalaureate Degree (25+)	25.9%	25.9%	26%	26.2%
10. Percentage of Maine Population with a Graduate Degree (25+)	8.9%	9.0%	9%	9.2%

*Current Statistics are for the year immediately following the base year of collected data

	BASE YEAR	CURRENT STATISTICS*	2-YEAR TARGET	4-YEAR TARGET
III. FINANCIAL SUSTAINABILITY				
1. Financial Indicators				
Primary Reserve Ratio = Expendable Net Assets/Total Expenses	25.7%	23.2%	26.0%	27.0%
Return on Net Assets Ratio = Change in Net Assets/Total Net Assets	1.5%	1.6%	1.5%	2.0%
Net Oper Rev Ratio = Oper Inc (Ls) Plus Net Non Oper Rev (Exp)/Oper Rev Plus Nonoper Rev	0.4%	1.6%	0.5%	0.8%
Viability Ratio = Expendable Net Assets/Long Term Debt	76.8%	71.7%	77.0%	80.0%
Debt Burden Ratio = Debt Service/Total Expenditures	3.0%	2.9%	< 5%	< 5%
2. Staffing Ratios				
FTE Student/FTE Faculty Ratios (NCES-IPEDS)	14.8	15.2	15.5	16.0

*Current Statistics are for the year immediately following the base year of collected data

June 30, 2010

IV. Update on New Challenges, New Directions Savings Targets

NCND Total Structural Gap of \$42.8M:	FY10	FY11	FY12	FY13
Gap by Fiscal Year (in millions)	(\$18.0)	(\$28.0)	(\$36.6)	(\$42.8)

Administrative, Student and Financial Services Savings:

SAVINGS TARGET (in millions)	FY10	FY11	FY12	FY13
University/SWS Savings	\$11.5	\$12.4	\$12.8	\$13.2
<i>Implemented to balance FY10 budget and on target to achieve.</i>				
Workforce Management	\$6.5	\$14.2	\$14.4	\$13.8
<i>The full \$6.5M in savings has been implemented through agreements with all six bargaining units.</i>				
Hybrid IT Model and Other Savings	\$0.9	\$1.1	\$1.1	\$1.1
<i>This initiative will achieve \$0.6M in savings for FY10 and is on target to achieve \$1.0 in savings by FY13.</i>				
Finance and Accounting/Waivers	\$0.4	\$1.2	\$1.3	\$1.3
<i>Implemented Touchnet convenience fee solution (UMF, UMM & USM) on target for \$350k in savings. Tuition waivers reviewed by BOT in Nov. APLs in place for \$200k in savings beginning in FY11. The Native American and Senior Citizen waivers have been placed on hold pending further analysis.</i>				
Strategic Procurement	\$0.6 - \$1.1	\$0.6 - \$1.5	\$0.6 - \$1.7	\$0.6 - \$1.9
<i>Implementation in process - on target to achieve \$600k in savings. Upper end of savings dependent on adoption of new technology and an enterprise procurement organizational model. Shared Services Advisory Council endorsed the technology investment at their November 2nd meeting and streamlining of accounts payable at their March 4th meeting. Implementation is scheduled for December 2010.</i>				
Savings	\$19.9 - \$20.4	\$29.5 - \$30.4	\$30.2 - \$31.3	\$30.0 - \$31.3

Academic Programs and Services Savings:

SAVINGS TARGET (in millions)	FY10	FY11	FY12	FY13
Review of Low-Enrolled Courses	\$1.0	\$1.0	\$1.5	\$2.0
<i>Implemented to balance FY10 budget and on target to achieve.</i>				
Faculty-Student Ratios/Program Review	\$0.0	\$2.0 - \$3.0	\$5.0 - \$7.0	\$6.0 - \$8.0
<i>Savings not applicable in FY10</i>				
Savings	\$1.0	\$3.0 - \$4.0	\$6.5 - \$8.5	\$8.0 - \$10.0

Revenue Growth Above Current Projections:

REVENUE TARGET (in millions)	FY10	FY11	FY12	FY13
Enrollments: Recruitment/Retension	\$0.0	\$0.0 - \$0.8	\$1.0 - \$2.0	\$3.0 - \$5.0
<i>Revenues not applicable in FY10. Marketing, strategic pricing and financial aid study in process.</i>				