SHIPPENSBURG UNIVERSITY STRATEGIC PLAN

PRECIS

Shippensburg University has completed a Strategic Plan. The planning document sets a context for considering new directions the University could pursue now and in the future.

While the Strategic Plan is the centerpiece for deciding new and adoptive alternatives, there are several other intervening factors that must be considered before any final directions are determined. These factors include: a) the formula used by PASSHE to distribute among the universities the Commonwealth of Pennsylvania's annual appropriation, b) performance funding procedures for PASSHE, c) the University's planning and budgeting process, and d) "Leading the Way," PASSHE's Strategic Plan.

This document includes the University's Strategic Plan and, within the appendices, some information on formula funding, performance funding, institutional planning and budgeting, and a link to PASSHE's Strategic Plan. More detailed information on all the appendices are available from the Office of Institutional Research and Planning.

3/10/05

Shippensburg University Vision Statement
And
Strategic Directions, 2005-2010

Dr. Anthony Ceddia, President

Chair and Facilitator: Dr. Pat Spakes, Provost

Co-facilitators: Dr. James Coolsen, Dr. James Ryland, Dr. Sara Grove, and Dr. Louise Hatfield

Staff Support: Deborah Yohe, Assistant to the Provost

Committee Members:

Dr. Robert Bartos	Dean of Education and Human Services
Dr. David Bateman	Professor, Teacher Education; Planning & Budget Committee (03-04)
Dr. John Benhart	Interim Dean, Arts & Sciences (03-04)
Dr. William Blewett	Interim Chair, Geography/Earth Science (03-04); Chair, University Forum (03-04)
Ms. Barbara Boyer	Executive Assistant to the President (03-04)
Dr. Neil Brasher	Associate Professor, Political Science; Planning & Budget Committee (04-05)
Mr. John Clinton	Executive Vice President, University Foundation
Dr. Debra Cornelius	Professor, Sociology/Anthropology; Planning & Budget Committee (03-04); APSCUF President (04-05)
Ms. Amber Covert	Student Senate Representative (03-04)
Mr. Joseph Cretella	Dean of Admissions
Mr. Azim Danesh	Assistant Professor, Management Information Systems; Planning & Budget Committee (04-05)
Mr. Timothy Ebersole	Executive Director, University Relations
Dr. Thomas Enderlein	Executive Director, IPS, Sponsored Programs
Ms. Mindy Fawks	Associate Vice President for Administration and Finance
Ms. Amanda Feaster	Student Senate Office
Dr. Brendan Finucane	Professor, Chair of Economics; Planning & Budget Committee (03-04)
Ms. Leslie Folmer-Clinton	Associate Vice President for Student Affairs
Mr. Thomas Dunn	Student Senate Office
Dr. Peter Gigliotti	Executive Director for University Communications and Marketing
Dr. George (Jody) Harpster	Vice President for Student Affairs
Mr. Ryan Hess	Student Senate Office
Dr. Stephen Holoviak	Dean, College of Business
Dr. Linda Hoover	Professor, Teacher Education; Planning & Budget Committee (04-05)
Dr. Shari Horner	Associate Professor, English; Planning & Budget Committee (04-05)
Dr. Kathleen Howley	Dean of Extended Studies
Ms. Tracey Knerr	Assistant Professor, Teacher Education; Forum Executive Committee Vice

	Chairperson (04-05)
Dr. Jeffrey Lacy	Associate Professor, Chemistry; Planning & Budget Committee (03-04)
Dr. David Lovett	Associate Vice President for Student Affairs
Dr. Donald Mayer	Professor, Political Science; APSCUF President (03-04)
Dr. Hector Maymi-Sugranes	Associate Vice President for Technology and Dean of Library (03-04)
Ms. Alana Moriarty	Registrar
Dr. Rebecca Pettit	Assistant Professor, Teacher Education; Forum Executive Committee (03-04)
Mr. Mark Pilgram	Director of Institutional Research
Dr. Robert Pineda-Volk	Associate Professor, Sociology/Anthropology; Planning and Budget Committee (03-04)
Dr. George Pomeroy	Associate Professor, Geography/Earth Science; University Curriculum Committee Chairperson (04-05)
Dr. Kimberly Presser	Assistant Professor, Mathematics; Forum Executive Committee Vice Chairperson (03-04)
Ms. Nina Rhea	Graduate Student Association
Ms. Barbara Rotz	Associate Professor, Lehman Library, University Curriculum Committee Chairperson (03-04); Interim Dean of Library (04-05)
Dr. Rick Ruth	Vice President for Information Technologies and Services
Dr. Tracy Schoolcraft	Professor, Chemistry; Chair, University Forum (04-05)
Dr. Marian Schultz	Dean of Academic Programs and Services
Dr. Roger Serr	Associate Vice President for Student Affairs & Dean of Students
Dr. David Topper	Associate Vice President for Administration and Finance & Director of Human Resources
Dr. Lois Waters	Director of Social Equity
Mr. Donald Wilkinson	Vice President for Administration and Finance
Ms. Connie Young	Media Services; AFSCME Representative
Ms. Kara Wealand	President's Office Graduate Assistant (03-04)

Task Force Co-Chairs:

Dr. Kimberly Presser	**Learning Communities Task Force**
Dr. Marian Schultz	**Learning Communities Task Force**
Ms. Barbara Rotz	**Regional Partnerships Task Force**
Dr. Anthony Winter	**Regional Partnerships Task Force**
Dr. James Ryland	**Master Plan Task Force**
Mr. Lance Bryson	**Master Plan Task Force**
Dr. David Bateman	**Marketing and Recruitment Task Force**
Dr. Susan Stone	**Marketing and Recruitment Task Force**

Shippensburg University Vision Statement
Strategic Directions, 2005-2010

Preface

Shippensburg University is a regional state-supported institution that is part of the 14-university Pennsylvania State System of Higher Education (PASSHE). Founded in 1871, the University has focused on serving the educational, social, and cultural needs of students primarily from south central Pennsylvania, while enrolling students from throughout the Commonwealth of Pennsylvania, the Mid-Atlantic region, the U.S., and various foreign countries. Shippensburg is a comprehensive university offering bachelor's and master's degree programs in the colleges of Arts and Sciences, Business, and Education/Human Services.

Shippensburg University has a strong tradition of service to and partnership with its region and the Commonwealth of Pennsylvania. Regional outreach has been accomplished through many institutional offices, including various campus-based Centers such as the Frehn Center for Management and the recently-established Center for Land Use; the Office of Extended Studies, which provides both credit and non-credit programming for the region; and the extensive volunteer efforts of its students throughout local communities. One example of state-wide institutional partnership is the Center for Juvenile Justice Training and Research, which has been housed at the university since 1982 and recently received a John D. and Catherine T. MacArthur Foundation grant for $276,000 to support activities designed to help the adjustment of juvenile offenders after leaving residential placement. The university also provides support through loaned executives for the Shippen Place Hotel, and the H. Ric Luhrs Performing Arts Center will offer broad-based cultural programming for the region beginning in late 2005. In addition, institutional capacity for hosting regional meetings and other public functions will be greatly enhanced with the opening of the Shippensburg University Foundation's Conference Center in the spring of 2005.

In 2004, Shippensburg University completed the first phase of a strategic planning process. With guidance from a Coordinating Committee comprised of diverse representatives from throughout the university, and with input from a broad cross-section of constituency groups obtained over a two year period, the University identified core institutional values and established a vision of its future that is consistent with those values. The resulting Vision Statement is grounded in an analysis of the current trends impacting higher education in general and, in particular, in this region. It is responsive to anticipated changes in demographics that project some population growth in the region, while considering the resource constraints on the University. It is predicated on the University's strong traditions and continuing commitment to shared governance and to sustained dialogue. The goal has been to shape a document that provides broad, general parameters for future growth but one that is also adaptable to the constantly changing political, cultural, and economic environment.

When approved by the Shippensburg University Council of Trustees in March, 2005, this Vision Statement and the Strategic Directions will provide a flexible and adaptable framework for the University's future, a future that must be determined at the appropriate time in conjunction with other state system and campus policies and planning documents. At the state system level, these include the PASSHE Strategic Plan ("*Leading the Way*"), the *System Accountability Plan*, which incorporates performance-based funding, and the formula funding guidelines. At the University level, consideration must be given to the "Program Planning and Budget Guidelines" and to the shared governance process. It is expected that since this document reflects strong consensus on the University's Vision of its future, the document will serve to bridge the anticipated change in Presidential leadership in July, 2005, while presenting an opportunity for further refinement and development of specific implementation and resource plans. The expectation is that a significant amount of additional collaborative planning will be necessary in order to move this Vision to the next level of specificity and provide a guide for actual decision making and planning.

Planning Context

The Mission of Shippensburg University is the initial framework for the Strategic Planning process. That mission emphasizes the institutional commitment to student learning and personal development and to providing opportunities for students to work toward their full potential intellectually and socially. The University prides itself on its strong sense of community and the personal attention given to each student. It supports and encourages activities that allow students to apply the theories and methods learned in the classroom to practical situations and works closely and collaboratively with other organizations to promote public service and to invest in the future of the region.

The early stages of the Strategic Planning process identified a number of core values associated both with the mission and the historical development of the University that must be preserved as the institution develops and grows. These include:

       a. a strong focus on the creation of a broadly educated person;
       b. a strong focus on development of skills necessary for life-long learning;
       c. a continued emphasis on quality programs;
       d. a culture of community support and caring for employees and students;
       e. a student-centered environment;
       f. a commitment to access, equity, and diversity; and
       g. a continued strong focus on integrated learning.

In addition, the Strategic Planning process thus far has been guided by a set of Facts and Assumptions that were initially identified as a basis for planning. The "Facts" recognized the University's Mission and place within the Pennsylvania State System of Higher Education and also acknowledged the decline in state funding for higher education that is expected to continue in the future. Several demographic changes were recognized as occurring--the expectation of a 21% increase in national university enrollments, modest enrollment growth in the region and increased demands for accountability, oversight, and control over public universities. It was assumed that the University has had a primary focus on traditional, full time students and services, and that technology is changing the way faculty teach and students learn, within the context that graduates of the institution are already experiencing several career changes that require preparation for multiple careers.

General agreement was also reached early in the process regarding the Assumptions that would guide the work of strategic planning. These Assumptions identified the major trends impacting public and regional/comprehensive universities and, specifically, Shippensburg University. The initial Assumptions generally were sustained throughout the process and are presented here with some minor refinements. Their purpose was to identify the major factors that required consideration during the planning process.

1. <u>Public Universities</u> will:

   a. be expected to serve more students, but state funding will not keep pace with increases in enrollment;
   b. become "hybrid" universities, relying on more private funding and on less public funding; therefore:
      i. Private partnerships will become more critical;
      ii. There will be more sharing of resources; and
      iii. Universities will need to be more responsive to regional needs;
   c. continue to integrate changing technologies and learning, with more emphasis on technology-based delivery mechanisms;
   d. serve a more diverse student population, with increased demand for lifelong learning increasing the number of non-traditional students and producing more diverse academic needs;
   e. change the way education is delivered, with:
      i. Increased focus on student-centered services and outcomes;
      ii. Year-round instructional delivery;
      iii. Programs designed to meet specific needs;
      iv. Increased class sizes in courses where appropriate;
      v. More distance learning, off-campus programs blending virtual with face-to-face instruction; and
      vi. Increased presence of non-traditional students; and
   f. experience more age, income, race, and ethnic diversity among students.

2. In addition to the assumptions for public universities, "<u>Regional comprehensive universities</u>" will be characterized by:

   a. Increased emphasis on community connections;
   b. Increased recognition of the connection between regional economic growth and the university; and
   c. Increased focus on meeting regional needs, with flexible academic programs; and opportunities for student internships and research.

3. <u>Shippensburg University</u> will have to adapt to these changes and become more competitive by:

   a. Developing a clear vision of its future;
   b. Developing more partnerships;
   c. Decentralizing and becoming more flexible, with a more dynamic, "flat" organizational structure;
   d. Finding ways to meet increased enrollment demand;
   e. Making more effective use of resources;
   f. Providing on-going professional development for faculty and staff;
   g. Strengthening support for faculty scholarship and creative activities; and
   h. Developing innovative strategies for maintaining faculty and staff morale.

The Shippensburg University Vision Statement

Shippensburg University will make clear progress toward providing an increasingly diverse, student-focused learning environment that is guided by historic values and commitments, while remaining sensitive to the changing environment. To accomplish this, Shippensburg University will:

1. Enhance the reputation of both its undergraduate and graduate programs throughout the Mid-Atlantic region and promote recruitment of undergraduate and graduate students across geographic boundaries;

2. Expand undergraduate and graduate enrollment to the extent that such expansion meets the following conditions:

    a. Growth is supported by both demand and resources;
    b. Growth is appropriate to the institutional mission;
    c. Growth is consistent with the emphasis on strong undergraduate educational programs;
    d. Growth is managed within the limits of applicable collective bargaining agreements.

3. Strengthen the support for and emphasis on diversity in the curriculum and throughout the institution.

4. Develop academic services and support systems consistent with the needs of a more diverse student population, including non-traditional, commuting, and telecommuting students.

5. Provide support for faculty development and scholarship and for staff development, especially in areas appropriate to the changing environment.

6. Strengthen the university's capacity to contribute to regional development through faculty scholarship, consultation, education/training, and other forms of outreach.

7. To the extent that on-campus growth occurs, expand the University and community infrastructure supports necessary to serve a larger and more diverse student population, including facilities, classrooms, housing, safety, and transportation needs.

8. To the extent that off-campus growth occurs, expand the infrastructure to support satellite or off-site locations for course delivery and integration of technologically-based delivery methods with on-campus instruction.

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Strategic Directions

The following four Strategic Directions identify the primary areas upon which the university will be focused in the coming years:

1. **Establish recognition for the best undergraduate education in the Mid-Atlantic region.**
2. **Achieve recognition for key programs of professional graduate study and research.**
3. **Become more inclusive and diverse.**
4. **Be a leading community partnership university.**

Strategic Directions: Task Forces Recommendations

Four task forces were appointed in the initial planning process and charged with focusing on one or more elements of the strategic plan, grouped around the following topics: Regional Partnerships; the Learning Community; the Facilities Master Plan; and Marketing and Recruitment. Each task force identified barriers and issues that must be addressed in order for the University to move ahead. The *recommendations* of each task force are summarized as follows:

Regional Partnerships

This task force emphasized the need for a market survey and environmental scan to determine how the University is currently perceived. The group identified a need to develop an expanded faculty reward structure and suggested the establishment of a Regional Partnership Advisory Council as a mechanism for providing continued direction for outreach efforts. The Task Force urged consideration of:

a. a centralized clearinghouse for information on what programs are available;
b. support for new and existing Centers of expertise;
c. support and expansion of external degree programs and distance education;
d. Establishment of partnerships with area school districts; and
e. Promotion of diversity through regional and international programs/partnerships.

Facilities Master Planning

This task force considered how best to connect the University's Strategic Plan with the master facility plan. Given that the Vision suggests that some growth is likely to occur but allows for some students to be served in off-campus programs, the task force urged a flexible Master Plan that would allow a number of future options. The task force suggested a consulting group be employed to assist in developing a Master Plan that includes:

a. evaluation of current capacity;

b. assessment of existing facilities;
c. coordination and partnership with the community;
d. maintenance of the existing academic core, with support services on the periphery and with expansion either on existing grounds or as close to the core as possible;
e. establishing a plan to address funding needs for building, renovation, and staffing.

The Learning Community

This task force focused on three areas -- provision for student support needed to advance the Vision, readiness of the organization for change, and curricular and co-curricular changes required. It made the following recommendations:

1. Services to students should be enhanced by:
    a. expanding support service hours;
    b. diversifying delivery of academic programs in terms of time and place and develop standards to ensure quality;
    c. expanding outreach and services to non-traditional students;
    d. diversifying social activities to meet changing needs of students; and
    e. creating a "Virtual Student Center" to allow 24 hour access to selected, online services.
2. The organizational readiness for change can be enhanced by:
    a. enhancing campus awareness of the diverse needs of the student population; and
    b. developing proactive strategies to increase diversity in the campus workforce.
3. Curriculum and Co-curriculum can be strengthened by:
    a. developing activities in support of Service Learning;
    b. developing a Freshman Year Experience for all first year students;
    c. assessing, improving, and expanding programs to meet the diverse needs of students; and
    d. strengthening the connection between the curriculum and diversity goals.

Marketing and Recruitment

This task force focused on identifying and evaluating existing marketing efforts, exploring existing markets and the University's positioning in them, and identifying costs and potential benefits associated with engaging in a structured marketing research effort. The task force found "huge inconsistencies in messages being sent to various publics" and significant inefficiencies. They also identified a serious lack of information to guide development of a coherent marketing message and strategy. Therefore, they offered the following recommendations:

1. The University should perform an environmental scan;
2. A specific plan should be developed and a brand platform and visual identify should be tested; and
3. A plan should be developed to guide the University's long range marketing effort.

Future Directions

With the approval of the Vision Statement and Strategic Directions by the Council of Trustees in March, 2005, the first phase of the Strategic Planning process will be complete. It is recognized that in order to actualize this Vision, additional work is required to articulate a focus and direction that is consistent with the overall Vision, with state system guidelines, with available or attainable resources, and with contractual requirements.

In order to ensure that the plan continues to be supported by a consensus on-campus, the Provost will annually convene the Strategic Planning Steering Committee comprised of representatives of multiple campus constituencies to review the plan. It is anticipated that the next President will wish to join with the Steering Committee and the institution in reviewing and aligning priorities and strategies to implement the overall Vision and Strategic Directions. In the meantime, work must continue throughout the 2004/2005 academic year to lay the groundwork for this next phase. The activities that are currently underway to support further planning include:

- the identification of a set of "aspirational peers" – a group of similar institutions that have gone through major change processes that may serve as "case studies" of how to effect such organizational change;
- completion of an Environmental Scan to help determine how the University is perceived within the region, so that information can be used to guide and inform decision making in the next phase of the process; and
- Completion of several "feasibility studies" that will identify strategic options for renovation and building in several areas of the campus, notably residence halls, dining services, student union, and classrooms.

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APPENDIX ONE - NEW FUNDING FORMULA

In July 2003, the PASSHE Board of Governors approved a new funding formula for the state universities that is intended to better serve the Commonwealth, the Board, university leadership, and the students in several ways. The new allocation formula:

- focuses solely on Pennsylvania students;
- encourages universities to increase enrollment in courses that meet the workforce resource requirements of the Commonwealth, especially in high technology-related and health care fields;
- encourages increased enrollment of students transferring from community colleges;
- may be used as a tool for improving campus planning, management, and productivity by providing more predictable results and will encourage universities to become more entrepreneurial in generating revenues;
- provides a clear explanation of how and why a university receives its funding, providing an opportunity to adjust its university profile in ways that may prove to be financially rewarding;
- recognizes additional costs of enrollment in upper division courses, benefiting students through improvement in retention and ensuring that students progress at an appropriate pace from lower division to upper division with earlier graduation;
- provides increased resources and recognition for high-cost programs that will ensure that university funding reflects the discipline mix offered to students at each respective institution.

The new allocation formula varies significantly from the previous formula in several ways. Each of the major differences is discussed below:

Economies of Scale—The new allocation formula includes an adjustment factor for the three smallest System universities (Cheyney, Mansfield, and Lock Haven) to ensure an adequate funding level. This component of the formula is funded fully with state appropriations.

Instruction—The new formula is based upon a two-year rolling enrollment average of resident students. This allows funding to be more responsive to current enrollment trends (as compared with the three year rolling average of the prior formula) but still provides reasonable stability. Although the previous formula recognized differences in student level costs (lower division, upper division, master's, and doctoral), it did so based upon the number of credits achieved by the student. The new formula, instead, recognizes the level of the course, which is a better reflection of the cost to the university. In addition to reflecting course level, the new formula reintroduces recognition of differences in course costs by academic discipline, but in a much more simplified manner than what had been used prior to 1994. At each level, disciplines have been defined as normal cost or high cost. High cost categories generally include health, science, and performing arts. The primary driver of discipline costs is the requirements on faculty workload. The final changes in the instructional component have been made to simplify the calculation of instructional costs to be based upon dollars per student, rather than dollars per faculty. The previous formula used various student/faculty ratios to determine how many faculty members a university needed based upon its enrollment.

Support—The costs associated with support functions utilize the same two-year rolling enrollment average as within the instruction component, although the new formula does not recognize differences in student level or academic discipline. Costs associated with the support component are reflected as a single dollar amount per FTE student.

Plant—The plant component in the new allocation formula is very similar to that of the previous formula. It continues to reflect costs associated with an average of the university's existing gross square footage (owned and leased) and the theoretical square footage the university needs based upon its enrollment mix and employees, as produced annually in the System's space guidelines calculation. The formula also recognizes temporarily off-line space for full funding. However, the formula will continue to recognize half of the space that is indefinitely off-line--e.g., because it is considered excess space for which there is no current use. This lower level of funding recognizes that there are still costs associated with maintaining the space, but they are significantly less than if the space were being utilized. Another change to the plant component is the recognition of life cycle replacement costs of campus infrastructure at 1.5% of its replacement value. The previous formula was considered progressive in that it took into consideration facility replacement value. In the last three years, PASSHE has developed a database of each university's infrastructure, including items such as roadways, sidewalks, athletic fields, lighting, and utility distribution systems. Since these data are available, it was considered appropriate to include them in the allocation formula.

Revenue—The previous formula took into consideration tuition revenue generated by each university in determining how much appropriation it should receive. The new formula has no such component to allow flexibility for each university to be entrepreneurial in its revenue-generating abilities. Although setting tuition is a responsibility of the Board of Governors, changes to the tuition policy regarding non-resident pricing have provided the opportunity for some universities to assume some additional risk in order to improve university resources and productivity. In doing so, this possibility of risk and/or reward is shared by all the sister universities, albeit in a somewhat problematic way. Elimination of the revenue component was also instrumental in allowing the new formula to exclude non-Pennsylvania enrollment, and in excluding a factor to recognize additional costs associated with part-time students.

The new formula was used for the first time in the allocation of the fiscal year 2003-04 E&G Appropriation. On an annual basis, the Board of Governors will determine what, if any, System-wide initiatives are to be funded from this appropriation, in addition to the operations of the Office of the Chancellor and the universities. Currently, items that are funded before allocation to the universities include professional development funds, replenishment of the System Reserve, and the Performance Funding pool. In addition, the Office of the Chancellor is to be funded annually at 0.5% of the E&G Appropriation, as authorized in Act 188 of 1982. The remaining portion of the E&G Appropriation is the university allocable base funding. Based upon the reduction in the System's E&G Appropriation and the significant change in university funding produced by the new formula, full implementation of the formula will occur over three years. It is expected that the formula will be updated annually to reflect changes in enrollment, physical plant inventory, and inflation. In order to support university planning and management efforts, the enrollment data also will be updated every fall to reflect the potential impact of enrollment changes on the upcoming year's appropriation allocation. The basic precepts on which this formula is built will not be altered annually. Rather, after the formula is fully implemented, it will be reviewed at least every five years to address changing conditions.

APPENDIX TWO - SYSTEM ACCOUNTABILITY PLAN AND PERFORMANCE FUNDING

The original State System Performance Funding Program was approved by the Board of Governors in 2000 and is the performance funding vehicle of the State's larger System Accountability Plan. The broader System Accountability Plan organizes individual accountability measures and narrative assessment statements into a two dimensional matrix which charts several system values (Stimulating Intellectual Growth; Applying Knowledge; Serving the Common Good; Fostering Citizenship, Social Responsibility & Diversity; and, Practicing Stewardship) across three Standards of Performance (Enhancing Organizational **Effectiveness**; Pursuing and Rewarding **Excellence**; and, Enhancing Operational **Efficiency**). Substantial revisions were made to the Performance Funding Program is 2002 to align it more closely with the System Accountability Plan.

Eight of the 17 measures used in the System Accountability Plan have been identified for use in the performance funding process. These eight measures include: **(1)** Number and Percentage of **Degrees Awarded** by level; **(2) Two Year Persistence Rates** both overall and by ethnicity; **(3) Four and Six Year Graduation Rates** both overall and by ethnicity; **(4) Faculty Productivity** as measured by the ratio of student credit hours and full-time equivalent faculty; **(5) Faculty Diversity** as represented by minority faculty numbers in the fall semester; **(6) Personnel Ratio** as calculated by the division of Total E&G Compensation by Total E&G Expenditures; Instructional **(7) Costs per FTES** (Full Time Equivalent Student) for annualized undergraduate and graduate student populations; and **(8) Faculty with Terminal Degrees** from the full-time tenured or tenure track population.

Originally the Performance Funding Program focused on individual universities reaching institutional targets based upon predetermined baseline values that were calculated from both short and long term trend data for the individual university as well as from PASSHE results. Since 2002, the program has been expanded to include evaluations based upon comparisons with peer institutions (benchmarks) and evaluations based upon System Performance Targets. This latter category of comparison was approved by the Board of Governors in October 2004 and establishes quantitative system performance targets to be reached by 2009. The System Performance Targets were developed to be consistent with the strategic goals and vision of the System Strategic Plan ("Leading the Way") and are designed to be challenging yet achievable.

The level of Performance Funding has increased each year of its operation and currently stands at 5% of the total PASSHE E&G appropriated or $21,671,759 for FY 2004-2005. This amount is distributed equally across the three comparison categories--Institutional Improvement-University Targets compared to historical baselines, Comparative Achievement- University Peer groups compared to benchmark values, and System Performance Targets- PASSHE comparisons. Performance funds are further distributed across the eight measures (including any sub-measures) based upon an institutional performance within a three-level (Exceed, Meet, Not Meet) scale where "Exceed" performance is weighed three times higher than "Meet" performance, and no dollars are awarded for a "Not Met" ranking. Final university awards are also adjusted for the FTES size of a university's Fall enrollments. The performance funding levels for FY 2004-2005 for Shippensburg University were: $ 501,816 in Institutional Improvement-University Targets area; $ 913,633 in Comparative Achievement-University Peer groups; and $ 837,032 in System Performance Targets-PASSHE comparisons for a total award of $ 2,252,481. This total award placed Shippensburg University third of the fourteen PASSHE universities in the amount of Performance Funding awarded in FY 2004-2005.

APPENDIX THREE - SHIPPENSBURG UNIVERSITY PLANNING AND BUDGETING PROCESS

The local planning and budgeting process for each year begins with the President of the University, the President's Cabinet, and the Planning and Budget Council of the University Forum who review the institutional mission and goals and assumptions and then formulate strategic directions that serve as the basis for planning during the next three planning years by program managers. These discussions result early each spring semester in the preparation and distribution of the annual Program Planning and Budget Guidelines by the Office of the President to academic departments and administrative offices. These guidelines include the institutional mission and goals, a statement of current assumptions, strategic directions statements, and instructions for completing academic department and administrative office program plans and non-personnel budget requests. Accompanying the guidelines is a Fund Center Commitment Item matrix prepared by the university Budget Office that includes both maintenance/enhancement and possible new goals. By March, the program and budget plans from individual academic departments or administrative offices are due in the office of the appropriate college dean, the Provost, or Vice President. Deans and Vice Presidents then review these submissions and provide comments and any changes. The submissions and changes are then consolidated at the vice-presidential level and submitted to the Office of the President and the Budget Office in early May.

In the Division of Academic Affairs, a parallel process is followed for making additions or changes to the faculty personnel complement. At the beginning of each spring semester, academic departments are asked for qualitative information on their staffing needs for the following three years. This request is accompanied by quantitative data provided by the Office of Institutional Research and Planning. Departments submit their plans and requests to academic deans who consolidate requests by college and subsequently meet with Provost late in the semester to determine additions or changes to the faculty complement for the coming academic year.

In late May, the budget plans are discussed at a mini-retreat of the President's Cabinet that is followed annually in early June by a multi-day Administrative Retreat where the program plans, as well as budget issues, are discussed and critiqued. Following the Administrative Retreat, the Budget Office announces non-personnel allocations to academic departments and administrative offices for the forthcoming fiscal year. These monies, which are used for such items as equipment, supplies, travel, etc., may be spent after July 1, the beginning of the new fiscal, depending upon the passage of legislative appropriations and subsequent apportionment by PASSHE to the universities.

In late summer, an Executive Summary of the Administrative Retreat that constitutes the final version of the annual University Program and Budget Plans is prepared by the Office of the President and distributed to the President's Cabinet, the Planning and Budget Council and the University Forum. In September, the Planning and Budget Council reviews the Executive Summary and, if necessary, recommends changes to the document. Recommendations resulting from the University Program and Budget Plans are then implemented through the regular governance structure of the university. During the fall semester and throughout the academic year, the Budget Office also meets with the Executive Management Team and other committees of the university to report on the status of the budget, and both the President's Cabinet and the Planning and Budget Council monitor the progress of the annual plans as appropriate.

APPENDIX FOUR

LEADING THE WAY

THE PENNSYLVANIA STATE SYSTEM OF HIGHER EDUCATION: A PLAN FOR STRATEGIC DIRECTIONS 2004 – 2009

Go to PSSHE's Strategic Plan