Strategic Reinvestments in Higher Education

January 23, 2025

Higher Education Appropriations Subcommittee

UTAH SYSTEM OF HIGHER EDUCATION

Strategic Reinvestments in Higher Education

Select Parallel Efforts

Updated UBHE Strategic Plan

- Access
- Completion
- Financial Value
- Economic Development

Institutional Program Review

- Identify and support workforce needs
- Maximize institutional collaboration and system cohesion
- Increase institutional efficiency

OLAG Audit

- Review and identify program inefficiencies
- Develop and establish uniform methodologies for program-level ROI
- Better understand market competition, workforce demand and opportunities for system alignment

Strategic Reinvestments in Higher Education
Core Concepts

Reallocation Activity Areas

- Programs
- Courses
- Administration
- Related Expenditures

Reallocation Objectives

- Modify courses/programs with low enrollment, high cost per FTE and below-target employment and wage outcomes.
- Discontinue duplicative or inefficient administrative operations.
- Invest in activities that feed Utah's labor pipeline, meet the demand for occupations of strategic importance to the state, and that are highly aligned to institutions' comparative advantage.
- Meet implementation timeline and allow for ramp-down and teach-out where necessary.
- OCHE-provided institutional guidance and Board-approved reallocation plans.

Strategic Reinvestments in Higher Education
Talent Ready Utah Priorities

Performed in consultation with DWS Chief Economist, Talent Ready Utah, OCHE

1. Establish criteria to prioritize state occupations
2. Identify variables and scoring criteria
3. Provide an occupation prioritization ranking

Strategic Reinvestments in Higher Education
Talent Ready Utah Priorities

Process of identifying and ranking occupations;

- Filter the 771 state occupations to 4-digit SOC codes = 656
- Filter the 656 to those that require an Associate or Bachelor's = 199
- Filter the 199 occupations that have 20% + growth projection and/or were identified by industry as Top Priority Occupation = 144
- Apply scoring criteria of Star Rating and Fill Rate to rank into quartiles
- Of the 144 occupations, 73 have been identified by industry through TRU engagements and Talent Advisory Councils as Top Priority Occupations.

Strategic Reinvestments in Higher Education

Program Performance Analysis

- Define programs based on assigned Classification of Instructional Program (CIP) Code
  - Degrees and certificates offered within programs
- Gather historical data
  - Work with institutions to smooth time series when CIP codes change
  - Understand program timelines: new programs, teach-out programs, etc.
- Identify relevant outcome metrics
  - Student demand, workforce demand, etc.

Strategic Reinvestments in Higher Education

Program Performance Analysis

<u>Metrics</u>

- Declared majors
- FTE generated through course enrollments
- Geographic distribution of programs and completions
- Degrees and certificates conferred
- Post-graduation re-enrollments
- Employment
- Wages

Strategic Reinvestments in Higher Education
Program Performance Analysis

Evaluation Criteria

- Enrollment counts and growth
- Completion counts and growth
- Efficiency ratios (e.g. enrollments/FTE to completion)
- Geographic coverage
- Completions per capita
- Alignment to high-growth occupations
- Wage outcomes relative to region, state, education level, occupation
- Workforce placement rates

Strategic Reinvestments in Higher Education

Fiscal Analysis

USHE Cost Study

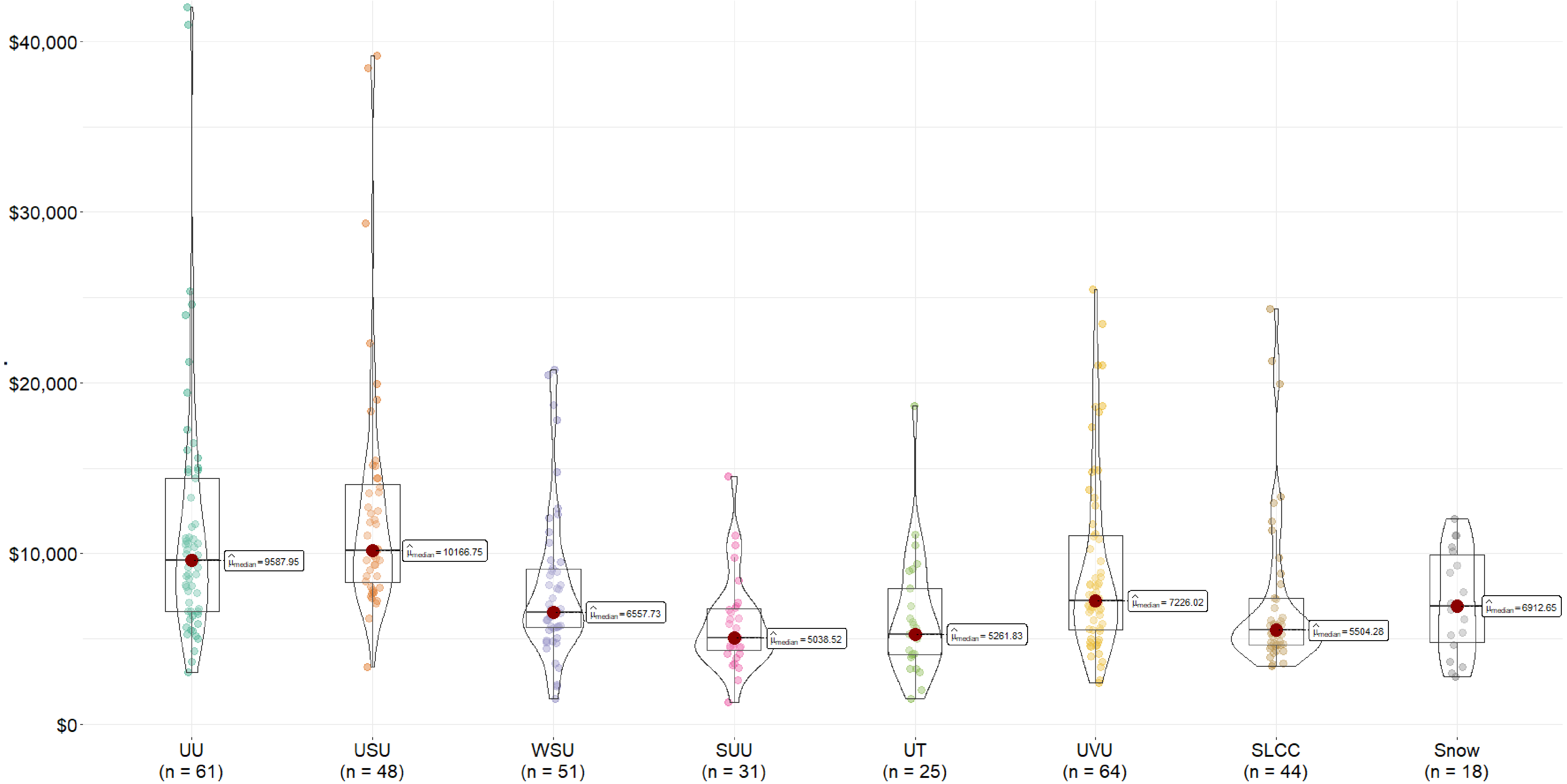
- Captures direct and indirect instructional expenditures by institution
- Stratifies by department/program (when available) & course level
- Reflects student/faculty ratios and cost per FTE

Additional Sources

- Institution-centric cost allocation methods
- 3rd party frameworks for evaluating fiscal contribution of individual courses

Strategic Reinvestments in Higher Education

Direct Cost of Instruction per FTE by Department/Program (2024 Cost Study)



Strategic Reinvestments in Higher Education

R1 Direct Cost of Instruction & FTE by Department/Program (2024 Cost Study)