

1. Review Recommended Plan Modifications

Situation: The Strategic Plan requires that modifications to the plan are submitted to the Committee on Strategic Planning at the April 2014 meeting.

Background: The Strategic Direction Plan serves as a framework for rigorous evaluation of the provision of higher education in North Carolina through the University of North Carolina. It is a “living” document that should be modified regularly to stay abreast and ahead of change as well as to fine-tune goals and action items. An updated plan, with necessary modifications, shall be submitted to the Committee on Strategic Planning in April 2014, August 2015, November 2016, and February 2018.

Assessment: The proposed modifications to the Strategic Plan take into consideration progress made on action items since the start of the plan, identification of fine-tuning/modification/consolidation of action items, and prioritization of funding from committed resources (\$3M) and requested resources (\$39M).

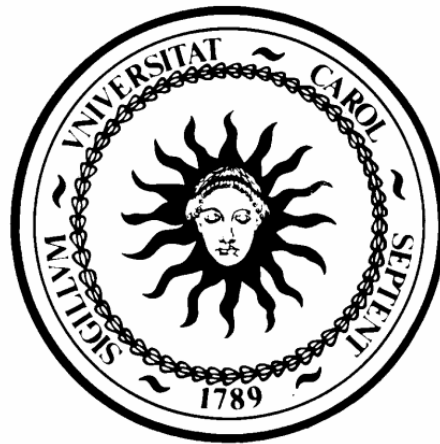
These recommended actions have been reviewed by the Chancellors’ Administrative Council, and are consistent with the FY 2014-15 Approved Budget request of the UNC Board of Governors.

Upon feedback from the Committee on Strategic Planning, the proposed recommendations will be reviewed by campus administrative, faculty, staff and business stakeholder groups.

It is anticipated that the modifications will be brought to the Board of Governors at their August 2014 meeting for consideration and adoption after the FY 2014-15 budget is enacted.

Action: This is an information item. No action is required at this time.

OUR TIME, OUR FUTURE UNC STRATEGIC DIRECTIONS PLAN 2013-2018



Recommended Plan Modifications

**Version: April 2, 2014
(DRAFT)**

Prepared for: Board of Governors Strategic Planning Committee
Submitted by: President Tom Ross

Table of Contents

Purpose of Document	3
Recommended Adjustments to Action Items Funded by \$3,000,000 Strategic Plan Budget	4
Recommended Adjustments to Strategic Plan Action Items: New Investments (\$39,000,000 Short-Session Budget Request)	6
Proposed Policy on Efficiency and Effectiveness	14
Recommended Strategic Plan Outcome Metrics	15

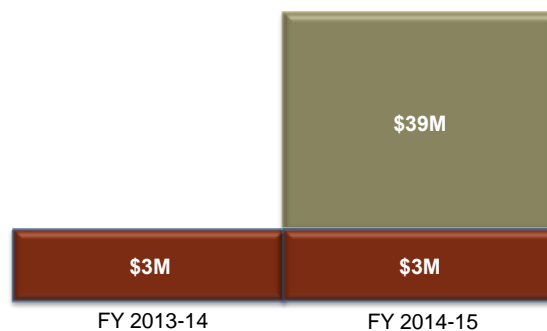
Purpose of Document

The Strategic Directions Plan serves as a framework for rigorous evaluation of the provision of higher education in North Carolina through the University of North Carolina (UNC). It is a “living” document that should be modified regularly to stay abreast and ahead of change, as well as to fine-tune goals and action items. The Strategic Directions Plan requires that an updated plan, with necessary modifications, be submitted to the UNC Board of Governors’ (BOG) Strategic Planning Committee in April 2014, August 2015, November 2016 and February 2018.

This document outlines recommended adjustments to the Strategic Directions Plan for the April 2014 review, which includes modifications to Strategic Plan action items associated with goals 1,2,3 and 5 of the Strategic Plan, as well as inclusion of a UNC Efficiency Policy, and proposed outcome metrics to assess UNC’s progress against the Plan.

The recommended adjustments to action items take into account the 2014-15 BOG budget priorities, as well as the \$3,000,000 Strategic Plan Budget for FY 2014-15. It is important to note that the budget priorities submitted for consideration in the legislative short-session included \$38,000,000 for “Key Strategic Plan Investments”; however, the figure is now \$39,000,000 to account for the CFNC Support initiative that was assigned to the “Other Critical Needs” category in the budget request. The total amount of the budget request has not increased; dollars have just shifted between categories.

Strategic Directions Investments



For ease of use, the recommended adjustments to the Strategic Plan action items are organized to align with the Plan, as well as the accompanying Quarterly Implementation Dashboard Report, which is submitted by President Ross to the Strategic Planning Committee in January, April, August and October. The following should be noted when reviewing the information:

- Recommendations are organized according to the five goals in the Strategic Directions Plan and are identified using the number system included in the Plan, as well as the Quarterly Implementation Dashboard Report.
- The “Modification” column specifies whether an existing action item should be adjusted or eliminated, or whether a new action item should be included in the Plan. It also specifies whether an existing Action Item should shift between the implementation categories that are used to organize the work and which are reflected in the Quarterly Implementation Dashboard Report. The implementation categories are as follows:
 - ❖ Completed (not applicable for this report)
 - ❖ Underway or in planning with existing resources, and Self-Funded
 - ❖ Funded by \$3M Strategic Plan budget
 - ❖ On-hold due to insufficient resources

Recommended Adjustments to Action Items Funded by \$3,000,000 Strategic Plan Budget

The \$3,000,000 Strategic Plan budget has been adjusted to reflect a proposed reallocation of funds for FY 2014-15. The information provided below is considered draft and is dependent on the General Assembly's approval of UNC's budget request during the legislative short-session. Final recommendations will be shared with the BOG Strategic Planning Committee once the total budget for strategic investments is known (likely in August).

ID	Priority	Baseline Funding (FY 2013-14)	Adjustments (December 2013)	Proposed Funding (FY 2014-15)
1	Improve Retention and Graduation rates (emphasis on early warning systems and standards for increased grade point requirements for satisfactory academic progress)	\$200,000	No adjustment	\$200,000 ¹
2	Nontraditional Student Initiatives (military, part-way home, transfers)	\$500,000	No Adjustment	\$400,000
3	Next Generation Student Outcomes (CLA pilot and ETS student outcomes)	\$200,000	No adjustment	\$390,000
4	Alumni and Employer Surveys	\$200,000	No Adjustment	\$300,000 (employer)
5	Comprehensive Online Learning Plan for Student Pipelines	\$300,000	No adjustment	\$300,000 ²
6	Course Redesign	\$500,000	No Adjustment	\$450,000
7	Teacher Quality Research	\$200,000	No adjustment	\$200,000
8	Student Data Mart	\$200,000	No Adjustment	\$200,000
9	Shared Services (funding for private fundraising and defense applications group)	\$500,000	No adjustment	\$400,000

¹ An additional \$800,000 will be needed if the short-session budget request is not approved.

² \$300,000 will not be necessary if the short-session budget request is approved to support online learning. If funding is not approved, additional funds from the Strategic Plan Budget will likely be needed.

ID	Priority	Baseline Funding (FY 2013-14)	Adjustments (December 2013)	Proposed Funding (FY 2014-15)
10	Strategic Plan Project Management Support	\$200,000	\$170,000*	\$160,000
11	General Education Council (funding to engage experts to consider assessment strategies)	N/A	\$30,000 ³	\$0 (funding is not needed; project implemented)
TOTAL		\$3,000,000	\$3,000,000	\$3,000,000

³ \$30,000 was transferred from Strategic Plan Project Management Support to advance General Education Council work.

Recommended Adjustments to Strategic Plan Action Items: New Investments (\$39,000,000 Short-Session Budget Request)

Strategic Plan Goal #1: Setting Degree Attainment Goals Responsive to State Needs

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
1.B.1	<p>Early Warning System</p> <p>By Fall 2014, each campus is required to have in place an early warning system that alerts campus personnel to signs of student academic distress or behavior likely to lead to poor academic performance. Funding will provide ongoing support for these campus systems.</p> <p>“Implement the student success initiatives, created by the Faculty Assembly and recommended by the Academics First Steering Committee, that are designed specifically to increase retention, student success, and timely degree completion. These include, for example, early warning systems and standards for increased grade point requirements for satisfactory academic progress.”</p>	<p>Currently Funded by Currently Funded by Strategic Plan Budget for FY 2013-14 (allocated \$200,000).</p> <p>Plan to allocate \$200,000 from the Strategic Plan Budget for FY 2014-15 to supplement \$800,000 short-session budget request.</p>	<p>\$800,000 (R)</p>
1.B.3	<p>Performance Funding Model</p> <p>Funding will incentivize and reward campuses that show improved student performance (retention and graduation rates) and greater operational efficiency and effectiveness.</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of funding</p>	<p>\$5,000,000 (R)</p>
1.B.2	<p>Support Year-Round Instruction</p> <p>Year-round instruction will accelerate students' time to degree and maximize use of university facilities. Research shows that students who enroll in summer term courses are more likely to graduate on time.</p> <p>1.B.2: “Increase number of courses offered in the summer to help narrow the degree completion gap of underrepresented students and reduce time to degree for all students.”</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	<p>\$5,000,000 (R)</p>
1.E.1	<p>Charge Military and Veterans Resident Tuition Rate</p> <p>Allow UNC to offer resident tuition to our 600 nonresident veteran UNC students. Keeping veterans in North Carolina is a smart economic growth strategy and many other states offer early residency status to certain veterans.</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of policy and budget request.</p>	<p>\$8,000,000 (NR)</p>

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
	“Provide early resident status to certain non-resident veteran students who expect to establish formal residency. Prior to FY 2011-12, the federal Post 9/11 GI Bill capped tuition payments based on the highest in-state tuition in a given state. Beginning in FY 2011-12, tuition is capped at the actual in-state tuition at public institutions of higher education, lowering the amount of tuition covered for most nonresident students. Allowing the University flexibility to confer early resident status would eliminate this barrier to veteran students.”		
SUB-TOTAL			\$18,800,000

Strategic Plan Goal #2: Strengthening Academic Quality

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
2.C.2.d 2.C.2.e 2.C.2.f 2.C.2.g	<p>Competency-Based Assessment These funds will be used to identify, develop, and implement the most effective ways to assess and assure student learning.</p> <p>2.C.2.d: “By fall 2014, provide seed funding to campuses to support pilot projects designed to refine the proposed quantitative measures of individual student learning and develop appropriate and cost-effective test administration protocols.”</p> <p>2.C.2.e: “By May 2015, identify steps necessary to bring to scale a comprehensive competency-based measurement approach across all UNC campuses.”</p> <p>2.C.2.f: “Beginning in the 2013-14 academic year, provide resources to one or more campuses to pilot an e-portfolio approach to documenting student learning across general education and the major. E-portfolios will include learning derived from both traditional and non-traditional classroom experiences, co-curricular activities, and capstone projects or seminars. Information included in e-portfolios should help students document their ability to apply knowledge, skills, and responsibilities to complex problems and</p>		\$1,000,000 (R)

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
	<p>new settings in the workplace and civic life.”</p> <p>2.C.2.g: “By September 2015, bring to scale across the system a competency-based approach to assessing general education core learning outcomes and determine whether or not to adopt a common e-portfolio platform and framework.”</p>		
1.E.6 and 2Ds	<p>Online and Blended Learning Strategies</p> <p>These funds will support degree and certificate programs identified as high-need by employers, including competency-based programs and 2+2 degree programs. They will also be used to redesign courses and develop blended courses to maximize student learning. They will also support the development of new, high-quality online courses.</p> <p><u>New Action Items:</u> 2.D.11: “Launch UNC Online Exchange pilots in new disciplines to facilitate easier cross-registration”</p> <p>2.D.12: “Build and implement inter-institutional cross-registration and add/drop IT infrastructure”</p>	<p>Currently Underway. Shift to Funded, pending legislative approval of budget request.</p> <p>Add two new Action Items to the Strategic Plan: 2.D.11 and 2.D.12</p>	\$3,000,000 (R)
2.E.2 2.E.2.a 2.E.2.b 2.E.2.c	<p>Career Counseling and Academic Advising Support</p> <p>Improving career and academic advising systems will reduce undergraduate attempted hours to degree and help better align student learning with employer needs. These funds will be used to hire additional professional and academic career advisors, support high-quality faculty advising, and begin implementing a shared electronic advising system with the NC Community College System.</p> <p>2.E.2: “Each campus will implement electronic advising support software. At a minimum, software will be used to create a comprehensive advising portfolio that documents all advising encounters, makes the record of advising available to students and advisors, and follows the student across majors in different colleges and degree</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	\$2,500,000 (R)

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
	<p>programs. Technology will allow advisors to focus more exclusively on major selection and navigation of workforce options.”</p> <p>2.E.2.a: “To facilitate seamless transfer, explore scaling electronic advising solution to include the North Carolina Community College System.”</p> <p>2.E.2.b: “Hire additional professional and academic career advisors and provide staff and other resources necessary to support high-quality faculty advising.”</p> <p>2.E.2.c: “Implement strategies for assessing and improving student satisfaction with academic and career services.”</p>		
SUB-TOTAL			\$6,500,000

Strategic Plan Goal #3: Serving the People of North Carolina

Economic Development and Knowledge Creation

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
3.A.1	<p>Game Changing Research – Consortia of Excellence</p> <p>Consistent with Gov. McCrory’s economic development priorities, this funding will provide strategic investments in six “needle-moving” areas:</p> <ul style="list-style-type: none"> • Advanced manufacturing • Data science • Defense, military, and security • Energy • Marine and coastal science • Pharmacoengineering <p>“Drawing on faculty and staff from across the UNC system, form six consortia in areas of excellence and develop plans to identify opportunities, recruit and retain talent, and assess infrastructural needs.”</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	<p>\$3,400,000 (R)</p>

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
3.A.2 3.A.2.a 3.A.2.b 3.A.2.c	<p>Faculty Recruitment and Retention Fund</p> <p>These funds will improve UNC's ability to recruit and retain nationally recognized faculty</p> <p>3.A.2: "Hire, reward, and retain critical faculty in areas of excellence."</p> <p>3.A.2.a: "Hire key faculty — UNC's growth in areas of excellence will hinge on its ability to attract and retain faculty recognized nationally and globally for their excellence in our priority areas. These key researchers bring with them external funding and the ability to garner more, connections to important sources of research investment, and well as the ability to attract other talented researchers to join their labs or research areas. Over the next five years, UNC should retain, reward, and hire faculty members in priority areas to help move the needle on research."</p> <p>3.A.2.b: "Reward and retain existing faculty — The University already has core expertise and experience in each of the areas of excellence identified above. Current faculty are essential to the success of the initiatives, and UNC must invest in their support and retention. UNC should establish a competitive UNC Faculty Scholars program, modeled after the similarly named program at NC State, to recognize and reward selected early- and mid-career faculty, who will receive \$10,000 annually for five years to support their academic endeavors. Additionally, UNC must be in a position to match offers from other universities that seek to recruit our best faculty members."</p> <p>3.A.2c: "Provide professional development and proposal support — Ongoing funding to support continued mentoring and professional development of faculty members increases the probability that faculty will achieve excellence. Proposal development support will allow faculty to develop successful applications for federal and industrial extramural funding."</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	\$5,000,000

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
3.B.1 3.B.2 3.B.3 3.B.4 3.B.5	<p>Convert More Discovery Into Innovation</p> <p>Research at UNC institutions has generated discoveries, ideas and technologies with marketplace potential. This funding will assist campuses with the transition from laboratory to marketplace, providing competitive funding for proof-of-concept work and commercialization costs.</p> <p>3.B.1: Establish Collaboration Seed Fund.</p> <p>3.B.2: Develop new Innovation Discovery Teams.</p> <p>3.B.3: Move forward promising early-stage ideas through proof-of-concept fund.</p> <p>3.B.4: Advance ideas ready for commercialization through investment.</p> <p>3.B.5: Increase effectiveness of REACH-NC as a portal to our campuses.</p>	<p>Items 3.B.1 through 3.B.4 are currently On-hold.</p> <p>Item 3.B.5 is currently Underway and Self-funded</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	\$3,000,000 (R)
3.C.2	<p>Prepare Job-Ready Students through Experiential Internships</p> <p>Responding to employer demands for graduates with more applied experiences, UNC will form partnerships with businesses across the state to support growth in internships, co-ops, clinical experiences, and collaborative research.</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	\$500,000 (R)

SUB-TOTAL \$11,900,000

Community Healthcare Needs

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
3.D.2.d	<p>Rural Health Collaborative</p> <p>This seed funding will help develop an initiative to prepare students for work in health fields that address the critical needs and health disparities in rural North Carolina.</p> <p>3.D.2.d: “Center for Rural Health Innovations — There is a critical need to better understand and address persistent health disparities in rural North Carolina.</p>	<p>Currently On-hold.</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	\$500,000 (R)

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
	AHEC will create the Center for Rural Health Innovations at ECSU to prepare students to work in a broad array of health fields in rural North Carolina, providing inter-professional, community-based teaching sites for students.”		
3.D.2.c	ECU Dental Clinics Student Housing AHEC made a commitment to house students from the School of Dentistry at ECU during the fourth-year rotations at community learning centers across the state. This funding will provide student housing at 10 sites across North Carolina. “AHEC made a commitment to house students from the new School of Dental Medicine at ECU during fourth-year rotations at community learning centers across the state, beginning in 2014. AHEC already provides housing in some 50 sites around the state, but does not have housing available in the sites where the ECU learning centers will be located. Initial sites include Ahoskie, Elizabeth City, and Sylva, but there will be a total of ten centers by 2014. AHEC will add a housing unit for 4-6 students at each of these ten sites across the state. This investment will also add housing capacity for additional students from UNC campuses and other schools while they participate in off-campus clinical training across North Carolina.”	Currently On-hold. Shift to Funded, pending legislative approval of budget request.	\$300,000 (R)

SUB-TOTAL

\$800,000

Strategic Plan Goal #5: Ensuring an Accessible and Financially Stable University

Action Item		Recommendation	
ID	Description (Plan verbiage appears in parentheses)	Modification	2014-15 Short Session Budget Request
5.B.1	<p>CFNC Support</p> <p>Due to federal loan program changes, the NC State Education Assistance Authority has lost revenue in recent years used to fund the College Foundation of North Carolina, Inc. (CFNC). As a result, state funding is needed to continue CFNC operations. Without this support, UNC and community college campuses will need to assume many of the critical statewide services that CFNC currently provides (including on-line applications and financial aid and college planning assistance).</p> <p>“An appropriation of \$1.0 million in year one, \$2.5 million in year two and \$5.0 million in years three and beyond would help maintain CFNC’s services and value to North Carolina students and families. This investment would sustain CFNC through a 50%-50% division between state appropriations and federal support.”</p>	<p>Currently On-Hold.</p> <p>Shift to Funded, pending legislative approval of budget request.</p>	<p>\$1,000,000 (R)</p>
		SUB-TOTAL	\$1,000,000

Proposed Policy on Efficiency and Effectiveness

The Policy on Efficiency and Effectiveness was developed in response to the Efficiency Study completed by the Program Evaluation Division of the General Assembly. The proposed policy will be reviewed by the UNC Board of Governors' Budget and Finance Committee on April 10th and, upon the committee's approval, the policy will be incorporated into the Recommended Plan Modifications document. The proposed Policy on Efficiency and Effectiveness is as follows:

The Board of Governors, consistent with its responsibility for the general direction and control of the University of North Carolina, is committed to ensuring continuous improvement in the consistency, efficiency and effectiveness of the operations of the University of North Carolina system, including the constituent institutions. It shall be the policy of the Board of Governors, the University's General Administration and the constituent institutions to identify and implement efficiencies that strengthen processes and productivity, that compete favorably with our peers and that generate cost or resource savings that may be reinvested to support key initiatives within the University's core mission of teaching, research, and public service.

The Board of Governors delegates to the president authority and responsibility to lead the University in the identification, implementation, and realization of academic and non-academic efficiencies in any area including, but not limited to, expanded shared services, strategic sourcing, non-instructional positioning, credit hour production, information technology infrastructure, utilization of facilities, and energy consumption. The Board of Governors shall, on recommendation of the president, ensure that the University has the resources and expertise necessary to identify and implement efficiencies. The president shall report to the Board of Governors at least annually starting with calendar year 2014 on the progress of these initiatives and identified metrics. This policy shall be implemented and applied in accordance with such regulations and guidelines as may be adopted by the president.

Recommended Strategic Plan Outcome Metrics (Draft)

UNC-General Administration proposes to incorporate the following outcome metrics in the Strategic Directions Plan in order to measure UNC's progress towards achieving each of the five Plan goals. The specific measures are being evaluated and will be finalized by August 2014.

Degree Attainment (Goal 1)	Academic Quality (Goal 2)	Academic Efficiency (Goal 3)	Operational Efficiency (Goal 4)	Fiscal Sustainability (Goal 5)
<ul style="list-style-type: none"> • Post-graduation outcomes • Degrees • Graduation Rates 	<ul style="list-style-type: none"> • Retention outcome rates • Testing outcomes • Licensure rates • Online learning outcomes 	<ul style="list-style-type: none"> • Hours to degree 	<ul style="list-style-type: none"> • Cost <ul style="list-style-type: none"> ○ E&R spending per degree ○ Non-instructional spending per degree • Resource Use <ul style="list-style-type: none"> ○ Energy ○ Physical space 	<ul style="list-style-type: none"> • Tuition and fees <ul style="list-style-type: none"> ○ Trends ○ Peer comparisons • Tuition <ul style="list-style-type: none"> ○ Appropriations balance