
**Strategic Planning
and
FY 2007-08 Annual Budget Briefing**

April 18, 2007

“Greatness is not a function of circumstance. Greatness, it turns out, is largely a matter of conscious choice, and discipline.”

Jim Collins, Author
From Good to Great

**“A well thought out strategy is important
but organizations don’t win based on
strategy. They win based on *execution.*”**

**Jack Brown, Chairman
*AC Nielsen BASES***

“We can be whatever we choose to be!”

The Talent Imperative!

2008 – 2012 Strategic Agenda

The Talent Imperative!

- ✓ **Nurture** young talent
- ✓ **Prepare** collegiate talent
- ✓ **Sustain** talent across the lifespan
- ✓ **Apply** talent in order to improve lives and strengthen communities

External Forces Shaping Our Future

- ✓ Concern over educational attainment and college affordability
- ✓ Demands for greater accountability and transparency
- ✓ Council on Postsecondary Education expectations
- ✓ Public expectations around Vision 2015
- ✓ Competition from other postsecondary education providers
- ✓ Impact of technological advances and student demands

Institutional Strengths

- ✓ Deep commitment to “up close and personal” education
- ✓ Strongly positioned in both the region and the commonwealth
- ✓ Clarity of purpose and institutional priorities – we know who we are!
- ✓ Growing reputation for educational excellence
- ✓ High faculty and staff morale and optimism concerning our future
- ✓ Agile and innovative
- ✓ Strengthened financial picture

Challenges

- ✓ Improving student success
- ✓ Institutional focus – Are we trying to do too much?
- ✓ Satisfying public expectations – not promising more than we can deliver
- ✓ Capital and financial resources available to support continued institutional growth and development
- ✓ Tension over our various mission dimensions
- ✓ Focus on not only strategy but execution
- ✓ Measuring our progress

Vision Statement

Current

Northern Kentucky University will become a preeminent, learner-centered, metropolitan university recognized for its contributions to the intellectual, social, economic, cultural and civic vitality of its region and of the commonwealth.

New

Northern Kentucky University will be nationally recognized as ***the*** premier comprehensive, metropolitan university that prepares students for life and work in a global society and provides leadership to advance the intellectual, social, economic, cultural, and civic vitality of its region and of the commonwealth.

Core Values

NKU is committed to:

- ✓ Placing **learners and their learning** at the center of all that we do.
- ✓ The highest standards of **excellence** in every dimension of our work.
- ✓ **Access** to education that holds **high expectations** for all students and provides support for their success.
- ✓ **Public engagement** that advances the progress of the region and commonwealth.
- ✓ **Intellectual and creative freedom** and the **free expression** of ideas.
- ✓ A culture of openness and inclusion that values **diversity** in people and ideas.
- ✓ A work environment that encourages and rewards **innovation and creativity**.
- ✓ A campus climate that supports **collegiality, collaboration, and civility**.

Four Strategic Priorities

DEVELOP TALENT - The university's primary role is to develop talent in Northern Kentucky and the commonwealth.

INCREASE STUDENT ENGAGEMENT IN LEARNING - Active engagement with the university and the learning process is associated with deeper learning and student success.

ENSURE ACADEMIC QUALITY - Nothing is more fundamental to our value as a university than the quality of our academic programs.

ENGAGE IN EFFECTIVE REGIONAL STEWARDSHIP - Northern Kentucky University is vital to the economic and social progress of our region. Our stewardship should be an extension of our core mission to educate.

Four Supporting Priorities

RECRUIT AND RETAIN OUTSTANDING FACULTY AND STAFF -

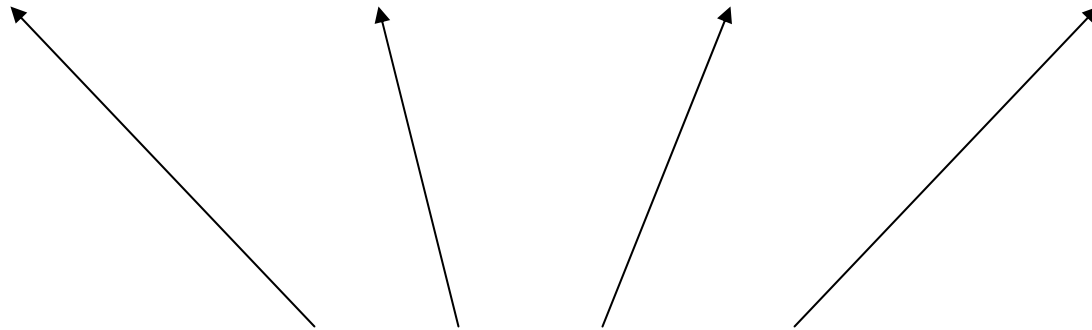
Great universities depend on outstanding faculty and staff committed to the full breadth of the institution's mission.

INCREASE PUBLIC AWARENESS OF NKU - Greater recognition of NKU's strengths and our contributions to regional and state goals enhances the university's stature and capacity to serve its mission.

EXPAND NKU'S FINANCIAL BASE AND CAPITAL ASSETS – In order for the university to serve a growing student body and meet the expectations set for us by our region and the commonwealth, we need additional resources and more and better facilities.

INCREASE INSTITUTIONAL EFFECTIVENESS - High-performing, learning organizations set high standards and hold themselves accountable.

Strategic Priorities			
Develop Talent	Increase Student Engagement In Learning	Ensure Academic Quality	Engage In Effective Regional Stewardship



Supporting Priorities			
Recruit and Retain Outstanding Faculty and Staff	Increase Public Awareness of NKU	Expand NKU's Financial Base and Capital Assets	Increase Institutional Effectiveness

Develop Talent

- ✓ Expand:
 - Postsecondary awareness and preparation among P-12 students and adults
 - Enrichment programs to serve high ability and talented youth
 - Enrollments
 - Undergraduate and graduate
 - Students of color
 - International students
 - Transfer students
 - Adult learners
 - Low-income students
 - High-achieving students
 - Alternative and innovative program delivery
 - Web-based
 - Cohort
 - Work-site programs
 - Access for students through need-based financial aid
- ✓ Increase retention and graduation rates

Increase Student Engagement in Learning

- ✓ Support our “up close and personal” approach to education
 - Increased student-faculty interaction
 - Protect small class size
 - Provide outstanding advising
- ✓ Expand active learning
 - Student research
 - Service learning
 - Alternative spring break
- ✓ Integrate student learning and employment
- ✓ Expand study abroad
- ✓ Promote wellness and healthy lifestyles
- ✓ Support co-curricular programs for commuting, residential, and non-traditional students

Ensure Academic Quality

- ✓ Internationalizing the NKU learning experience
- ✓ Strengthen student learning assessment through outcomes-based indicators
- ✓ Assume a curriculum that aligns with mission and regional needs
- ✓ Build a more diverse faculty
- ✓ Expect each academic unit to serve the full breadth of our teaching, research, and public engagement mission
- ✓ Identify and promote areas of academic and research excellence
- ✓ Expand the honors program to meet the needs of high achieving students
- ✓ Assume the adequacy of library and technology resources

Engage in Effective Regional Stewardship

- ✓ Build faculty and staff capacity that supports Vision 2015 and community partnerships
- ✓ Focus on supporting Vision 2015 goals consistent with our mission
- ✓ Support internationalization of the Northern Kentucky region
- ✓ Assist the region to prepare for growth in numbers of older adults
- ✓ Support excellence across all levels of education, from early childhood through doctorally prepared education leaders
- ✓ Contribute to public dialogue on critical public issues
- ✓ Expand access to the visual and performing arts
- ✓ Assess public engagement activities and results

Recruit and Retain Outstanding Faculty and Staff

- ✓ Achieve competitive salaries and benefits
- ✓ Recruit people committed to NKU vision and values
- ✓ Offer faculty professional development aligned with NKU priorities
- ✓ Assure training and retooling for the new SAP enterprise system
- ✓ Become a regional model for health and wellness
- ✓ Conduct an annual review of benefits
- ✓ Assure staffing levels aligned with growth and service demands
- ✓ Review and align faculty workload
- ✓ Strengthen post-tenure review process
- ✓ Establish recruitment, performance planning, and evaluation procedures based on university priorities and unit goals

Increase Public Awareness of NKU

- ✓ Assure effective processes for gathering information
 - Student, faculty, and graduate accomplishments
 - Program excellence
 - Public engagement
- ✓ Implement a comprehensive communications strategy
 - Media
 - Internet
 - Insight Channel 18
 - Faculty participation in the community
 - Community leader and alumni engagement in campus programs and activities
- ✓ Build public awareness through intercollegiate athletics

Expand NKU's Financial Base and Capital Assets

- ✓ Strengthen state investments
 - Base funding levels that support access, quality, and affordability for students
 - Support for planned enrollment growth
 - Funding to support regional stewardship work
- ✓ Increase external grants and contracts, private donations, donor stewardship capacity, and additional revenue streams
- ✓ Create a long term financing strategy
- ✓ Update campus master plan and secure more funding for new facilities
 - Founders Hall renovation
 - Health innovations center, other academic facilities
 - Indoor and outdoor gathering places, greenspace, walkways
- ✓ Renovate and upgrade faculty offices and public areas
- ✓ Ensure a safe and secure campus environment that fosters university community, student engagement, and academic success

Increase Institutional Effectiveness

- ✓ Measure performance at all levels of the university
- ✓ Integrate planning, budgeting, assessment, and accountability
- ✓ Set and achieve high standards for quality and efficiency
- ✓ Foster a supportive campus environment for students
- ✓ Implement a comprehensive, coordinated enrollment strategy
- ✓ Build a technology infrastructure to support student learning and access, communications, and productivity
- ✓ Increase access to data and information in support of decision making
- ✓ Use stakeholder feedback routinely for program and service improvement
- ✓ Successfully complete SACS reaffirmation of accreditation and full implementation of the Quality Enhancement Plan (QEP)
- ✓ Improve internal communications
- ✓ Implement a comprehensive sustainability strategy

TUITION AND AFFORDABILITY

Tuition Principles

- ✓ Sustain Affordability
- ✓ Remain Price Competitive
- ✓ Allow for Needed Investments
- ✓ Comply with CPE Policy

Undergraduate Resident Tuition

(Percent Rate Increase and Annualized Dollar Increase)

	<u>%</u>	<u>\$/Full Time</u>
CPE Cap	9.5	\$518
NKU Proposed Rate	9.25	\$504

Need-Based Financial Aid

- ✓ Increase need-based grant program by \$250K for a total of \$1.25M
- ✓ Creation of new institutional need based grant—The Northern Difference

Northern Kentucky University

FY 2007- 08 Schedule of Tuition and Fees

	Tuition FY 2006-07 Rate	Tuition FY 2007-08 Rate	\$ Increase FY 2007-08	% Increase FY 2007-08
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FULL TIME RATES (Semester)

RESIDENT

Undergraduate (12-16 cr hrs)	\$2,724	\$2,976	\$252	9.25%
Graduate (@12 cr hrs)	\$3,516	\$4,044	\$528	15.02%
Business (@12 cr hrs)	\$4,152	\$4,776	\$624	15.03%
Law	\$5,556	\$6,084	\$528	9.50%

NONRESIDENT

Undergraduate (12-16 cr hrs)	\$5,100	\$5,388	\$288	5.65%
Graduate (@12 cr hrs)	\$6,876	\$7,404	\$528	7.68%
Business (@12 cr hrs)	\$8,124	\$8,748	\$624	7.68%
Law	\$12,120	\$13,272	\$1,152	9.50%

METRO

Graduate (@12 cr hrs)	\$4,956	\$5,484	\$528	10.65%
Business (@12 cr hrs)	\$5,364	\$5,988	\$624	11.63%
Law	\$9,156	\$10,020	\$864	9.44%



REVENUE OUTLOOK

FY 2007- 08

SCHEDULE OF FUNDING SOURCES

NEW RECURRING FUNDS

✓ State General Funds	\$ 5,737,000
✓ Regional Stewardship Program	\$ 300,000
✓ Math Center (Appropriation)	\$ 500,000
✓ Tuition	\$ 5,700,000
✓ Reallocation within Base	\$ 200,000
✓ Other Central Revenues	\$ <u>898,100</u>
Subtotal	\$ 13,335,100

NONRECURRING FUNDS

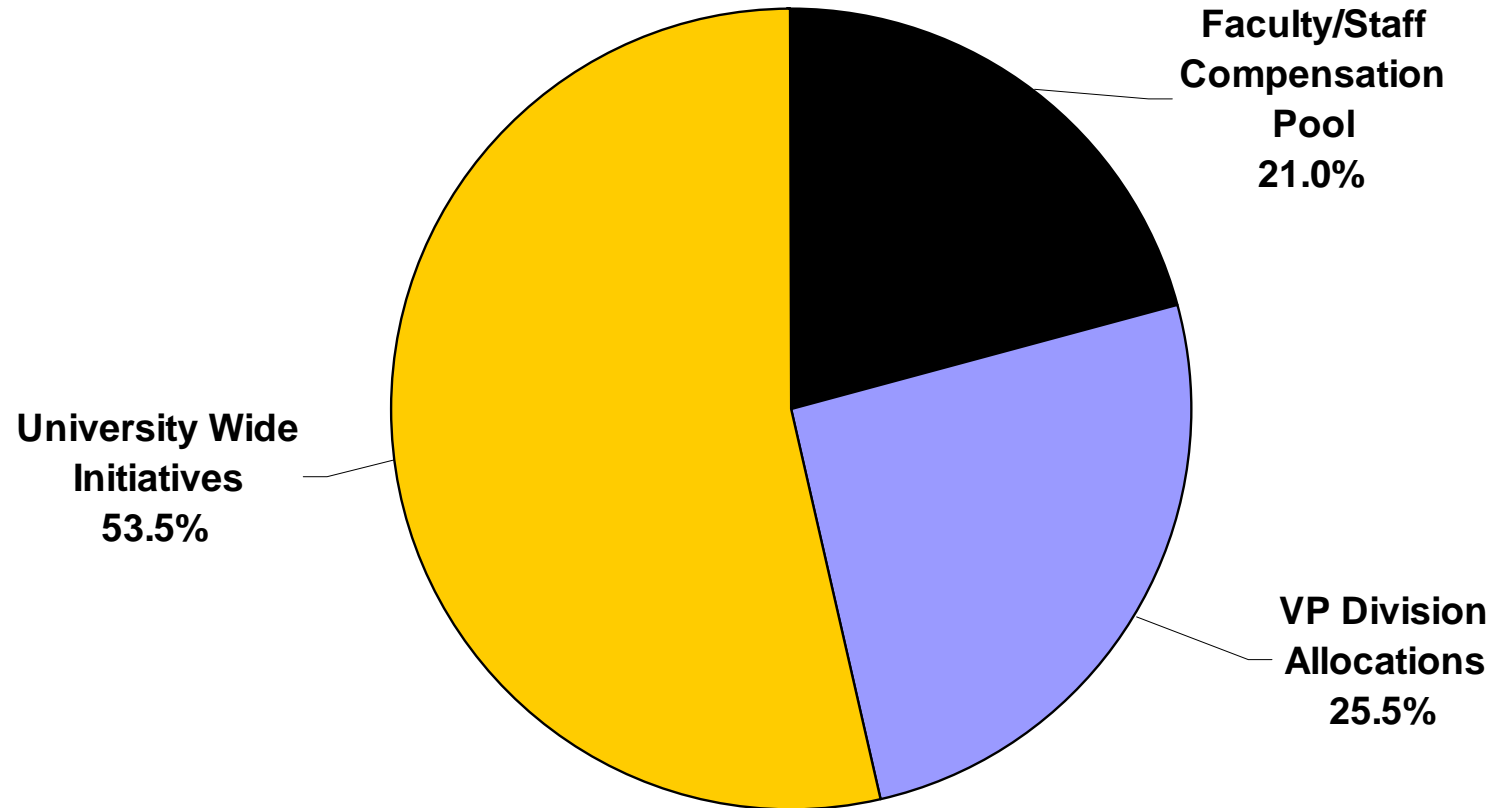
✓ Available Auxiliary Reserves	\$ 1,500,000
✓ Net Assets/Fund Balance Increase	\$ <u>9,216,600</u>
Subtotal	\$ 10,716,600

TOTAL 2007-08 FUNDING

\$24,051,700

**FY 2007- 08
Operating Budget
Recommendation**

FY 2007- 08 Additional Budget Allocations



FY 2007- 08 Non-Discretionary

RECURRING FUNDS

✓	Estimated Fixed Costs Increase	\$ 2,605,000
	• Utility Rate Increases	
	• Scholarship Increases	
	• Employee Benefit Rate Increases	
✓	Bad Debt Expense	\$ 500,000
✓	Campus Admin. Systems – PRISM	\$ 361,000
✓	Other Recurring Commitments	<u>\$ 124,500</u>
	Subtotal	<u>\$3,590,500</u>

NONRECURRING FUNDS

✓	Campus Admin. Systems – PRISM	\$ 4,200,000
✓	Bad Debt Expense	\$ 1,200,000
✓	Bank of Kentucky Center	\$ 3,675,000
✓	University Village (Lakeside) Start Up	\$ 250,000
✓	SACS Reaccreditation Process	<u>\$ 336,400</u>
	Subtotal	<u>\$ 9,661,400</u>

TOTAL

\$13,251,900

FY 2007- 08 Investment Highlights

Competitive Faculty/Staff Compensation - \$4,963,800

- ✓ 6% Pool
- ✓ Addresses both **merit** *and* **equity** increases
- ✓ Staff Compensation Plan (Three-year Implementation)

FY 2007- 08 Investment Highlights

New Tenure Track Faculty Positions - \$1,536,000

- ✓ 16 Positions – \$1,236,000
- ✓ Regional Stewardship – \$300,000

FY 2007- 08 Investment Highlights

Additional Staff to Address Growth - \$661,000

- ✓ Public Safety - \$172,000
- ✓ Operations and Maintenance - \$264,000
- ✓ Enrollment Management - \$65,000
- ✓ Graduate Programs - \$118,000
- ✓ Legal Services - \$42,000

FY 2007- 08 Investment Highlights

Student Engagement - \$326,000

- ✓ Student Employment - \$167,000
- ✓ First Year Programs - \$9,000
- ✓ Student Organizations and Sports Clubs - \$150,000

FY 2007- 08 Investment Highlights

Campus Wellness - \$291,000

- ✓ Student Health Services/Counseling - \$141,000
- ✓ Wellness Programming - \$100,000
- ✓ Exercise Equipment - \$50,000

FY 2007- 08 Investment Highlights

Internationalization - \$121,000

- ✓ Support Staff - \$46,000
- ✓ Study Abroad Scholarships - \$75,000

FY 2007- 08 Investment Highlights

Public Awareness - \$757,000

- ✓ Marketing - \$250,000
- ✓ Fund Raising - \$98,000
- ✓ Web Rebuild - \$109,000
- ✓ Athletics - \$300,000

FY 2007- 08 Investment Highlights

Technology and Equipment - \$505,000

- ✓ Instructional Equipment - \$100,000
- ✓ IT Infrastructure - \$50,000
- ✓ Desktop Computer Replacement - \$105,000
- ✓ Bandwidth - \$25,000
- ✓ Security/Business Continuation - \$55,000
- ✓ Smart Classrooms - \$40,000
- ✓ Video Streaming - \$80,000
- ✓ Wireless Technology - \$50,000

FY 2007- 08 Investment Highlights

Supporting a Sustainable Environment - \$167,000

- ✓ Recycling Program - \$142,000
- ✓ Tank Shuttle and U-Pass - \$25,000

FY 2007- 08 Investment Highlights

Other Strategic Investments - \$1,286,000

- ✓ Library Enhancement - \$100,000
- ✓ Deferred Maintenance - \$250,000
- ✓ Master Plan Update - \$50,000
- ✓ Math Center - \$500,000
- ✓ Other Faculty/Staff Benefits - \$91,000
- ✓ Targeted Operating Increases - \$190,000
- ✓ Academic Administration - \$105,000

FY 2007- 08 Budgeted Reserves

✓ Budget Reserve	\$4,000,000
✓ University Contingency	\$ 550,000

NKU's Greatest Strength

“Faculty and staff who care about us!”

NKU Students