

Institutional Questionnaire for Results through Productivity Report, Due on January 7, 2004

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Campus Information:

School Name (Will repeat at the top of all survey pages.)

Survey Contact

The Ohio State University

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Instructions:

1. A single survey will be completed by each institution. Multi-campus colleges and universities with regional campuses are considered as single units for the purpose of this report.
2. For most institutions, Section I (FTE and Expenditures and Revenue per FTE) and Section II (Tuition Revenue and Grant Awards per FTE, Ohio Resident Undergraduate Students) can be completed using data supplied by the Board of Regents. This information will be sent to the chief financial officers for all public institutions.
3. Section I information for the Medical College of Ohio at Toledo and Rio Grande State Community College is not available from the Board of Regents Resource Analysis data. Those institutions must complete this section with their own financial and enrollment data. Regents staff can assist if needed.
4. The Board of Regents survey on tuition revenue and financial aid grant awards, which is the source of the data in Section II, applies only to undergraduates. Therefore, there are no Board of Regents-supplied tuition revenue and financial aid figures for the Medical College of Ohio at Toledo and the Northeast Ohio College of Medicine. Section II will not apply to those institutions.
5. The tuition revenue and financial aid grant award data will be presented separately for university main campuses and their regional campuses.
6. Throughout much of the survey, we are asking about actions taken over the last two fiscal years (FY2003 and FY2004). We realize that many institutions made substantial efficiency-enhancing efforts in earlier time periods, and that some institutions may want to report on the results of those efforts. If your institution wants to report on actions undertaken during earlier time periods, you should attach additional documents with the survey as appendices.
7. All sections have been formatted to fit across a landscape letter-sized page. Sections III through VII have been formatted to allow an expansion to 2 pages in length, if that is necessary. Titles and column headings on those pages will repeat on the second page.

Ia. FTE and Expenditures and Revenue per FTE – Nominal Dollars per FTE (Use Board of Regents-supplied data)

In an attachment, please comment on up to three of the major factors that have determined the expenditures, or changes in expenditures, over this time period. *Please see Attachment A.*

Category	FY99	FY00	FY01	FY02	FY03	FY99 to	FY02 to
FTE	52,285	52,634	52,927	54,761	56,722	8.5%	3.6%
Expenditures/FTE							
Total	\$12,605	\$13,474	\$14,383	\$13,427	\$13,666	8.4%	1.8%
Instructional	\$8,265	\$8,515	\$9,571	\$9,121	\$9,600	16.2%	5.3%
Student Services	\$862	\$977	\$1,042	\$1,032	\$1,079	25.2%	4.5%
Academic Support	\$478	\$730	\$111	\$418	\$338	-29.3%	-19.2%
Institutional Support	\$1,506	\$1,621	\$1,770	\$1,189	\$1,217	-19.2%	2.4%
Plant Operation and Maintenance	\$975	\$1,108	\$1,304	\$1,241	\$1,079	10.7%	-13.1%
Library	\$520	\$524	\$585	\$425	\$352	-32.2%	-17.0%
State Support per Subsidy-Eligible FTE (SSI, Access and Success Challenges)	\$6,561	\$7,038	\$7,379	\$6,877	\$6,539	-0.3%	-4.9%
Total Expenditures/FTE minus State Support per FTE	\$6,045	\$6,436	\$7,004	\$6,549	\$7,126	17.9%	8.8%

Ib. FTE and Expenditures and Revenue per FTE – Constant dollars per FTE (adjusted for CPI)

Category	FY99	FY00	FY01	FY02	FY03	% Change, FY99 to FY03	% Change, FY02 to FY03
FTE	52,285	52,634	52,927	54,761	56,722	8%	4%
Expenditures/FTE							
Total	\$13,922	\$14,398	\$14,944	\$13,733	\$13,666	-2%	0%
Instructional	\$9,128	\$9,098	\$9,944	\$9,329	\$9,600	5%	3%
Student Services	\$952	\$1,044	\$1,082	\$1,056	\$1,079	13%	2%
Academic Support	\$527	\$780	\$116	\$427	\$338	-36%	-21%
Institutional Support	\$1,664	\$1,732	\$1,839	\$1,216	\$1,217	-27%	0%
Plant Operation and Maintenance	\$1,076	\$1,184	\$1,354	\$1,269	\$1,079	0%	-15%
Library	\$574	\$559	\$608	\$434	\$352	-39%	-19%
State Support per Subsidy-Eligible FTE (SSI, Access and Success Challenges)	\$7,246	\$7,520	\$7,667	\$7,034	\$6,539	-10%	-7%
Total Expenditures/FTE minus State Support per FTE	\$6,676	\$6,877	\$7,277	\$6,699	\$7,126	7%	6%

Ila. Main Campus Tuition Revenue and Grant Awards per FTE, Ohio Resident Undergraduate Students – Nominal dollars (Use Board of Regents-supplied data from Tuition Revenue and Grants Survey)

The Ohio State University

	FY1999	FY2002	FY2003	% Change, FY2002 to FY2003	% Change, FY1999 to FY2003
Gross Tuition Revenue per FTE	\$4,032	\$4,617	\$5,168	11.9%	28.2%
Institutional Grants per FTE	\$743	\$1,067	\$1,251	17.2%	68.4%
Tuition Revenue per FTE Received by Institution (1 minus 2)	\$3,289	\$3,550	\$3,917	10.3%	19.1%
State and Federal Grants per FTE	\$722	\$916	\$1,029	12.3%	42.5%
Tuition per FTE Paid by Student (3 minus 4)	\$2,567	\$2,634	\$2,888	9.6%	12.5%

Ilb. Tuition Revenue and Grant Awards, Ohio Resident Undergraduate Students – Constant CPI dollars

	FY1999	FY2002	FY2003	% Change, FY2002 to FY2003	% Change, FY1999 to FY2003
Gross Tuition Revenue per FTE	\$4,189	\$4,722	\$5,168	9.4%	23.4%
Institutional Grants per FTE	\$821	\$1,091	\$1,251	14.6%	52.4%
Tuition Revenue per FTE Received by Institution (1 minus 2)	\$3,633	\$3,631	\$3,917	7.9%	7.8%
State and Federal Grants per FTE	\$797	\$937	\$1,029	9.8%	29.0%
Tuition per FTE Paid by Student (3 minus 4)	\$2,835	\$2,694	\$2,888	7.2%	1.9%

IIc. Regional Campus Tuition Revenue and Grant Awards per FTE, Ohio Resident Undergraduate Students – Nominal dollars (Use Board of Regents-supplied data from Tuition Revenue and Grants Survey)

The Ohio State University

	FY1999	FY2002	FY2003	% Change, FY2002 to FY2003	% Change, FY1999 to FY2003
Gross Tuition Revenue per FTE	\$3,812	\$4,319	\$4,503	4.3%	18.1%
Institutional Grants per FTE	\$291	\$500	\$540	8.0%	85.6%
Tuition Revenue per FTE Received by Institution (1 minus 2)	\$3,521	\$3,819	\$3,963	3.8%	12.6%
State and Federal Grants per FTE	\$893	\$1,388	\$1,371	-1.2%	53.5%
Tuition per FTE Paid by Student (3 minus 4)	\$2,628	\$2,431	\$2,592	6.6%	-1.4%

IIId. Tuition Revenue and Grant Awards, Ohio Resident Undergraduate Students – Constant CPI dollars

	FY1999	FY2002	FY2003	% Change, FY2002 to FY2003	% Change, FY1999 to FY2003
Gross Tuition Revenue per FTE	\$3,961	\$4,417	\$4,503	1.9%	13.7%
Institutional Grants per FTE	\$321	\$511	\$540	5.6%	68.0%
Tuition Revenue per FTE Received by Institution (1 minus 2)	\$3,889	\$3,906	\$3,963	1.5%	1.9%
State and Federal Grants per FTE	\$986	\$1,420	\$1,371	-3.4%	39.0%
Tuition per FTE Paid by Student (3 minus 4)	\$2,902	\$2,486	\$2,592	4.2%	-10.7%

III. Academic and Workforce Development Program Initiatives

What programs have received priority for enhanced resources or funding in the last two fiscal years? Please limit your responses to your institution's core programs. What are your priority academic programs? Why are they priority programs?

Ohio State's principal mechanism for investing in high priority academic programs is **Selective Investment**. Ohio State's **Selective Investment** initiative was begun in 1997 to identify some of our strongest departments and programs and to give them the resources they need to move to the very top of their fields. Up to one million dollars in continuing funding was dedicated to implementing the plan of each recipient, with half provided from central funds and matching funds from the college and department. From 1998-2001, a total of thirteen units were chosen to receive Selective Investment funding. All were selected based on their importance to our academic mission; their existing high level of excellence; their ability to promote inter-program collaborations and interdisciplinary activities; and their contribution to university outreach goals with business, industry, and the community.

A report on the impact of these programs is available on the web at <http://oaa.osu.edu/Reports/si2004report.html#intro>. Data indicate that they are very successful programs, and Ohio State's budget system and rebasing process continue to support the programs with enhanced resources. Ohio State is developing a long-term strategy for reallocation of funds to expand these investments to other high quality programs as well.

Selective Investment Programs

Program	Degree Level or Program Type	Characteristics of Program (Enrollment, degree production, other characteristics)		
		AU04 enrollment	Bacc degrees granted 2003-04	Grad/Prof degrees granted 2003-04
Cardiovascular Bioengineering*	MS-PhD	46		14
Chemistry	Bacc-PhD	447	44	39
Economics	Bacc-PhD	391	161	39
Electrical Engineering	Bacc-PhD	852	180	101
English	Bacc-PhD	1116	352	40

History	Bacc-PhD	756	208	25
Law	MSL, JD	730		210
Materials Science and Engineering	Bacc-PhD	174	24	31
Mathematics	Bacc-PhD	401	64	28
Neuroscience	PhD	25		4
Physics	Bacc-PhD	311	19	30
Political Science	Bacc-PhD	1083	263	19
Psychology	Bacc-PhD	1402	432	49

Ohio State is investing as well in **biomedical research** and in other initiatives supported through the **Academic Enrichment Program**. We continue to grow in international prominence in biology, biotechnology, biomedical informatics, and numerous other clinical and research programs and we expect our investment in biomedical research, including construction of a state-of-the-art Biomedical Research Tower, to produce great returns for the University and the people and economy of Ohio. The **Academic Enrichment Program** provided funds to help individual Ohio State departments and centers to hire approximately 85 outstanding faculty in critical areas, and to support research important statewide, nationally and internationally.

In 2003, Ohio State implemented its current budgeting system. As part of that system, college base budgets were evaluated and adjusted up or down depending upon a number of factors. All colleges with selective investment programs were protected from downward adjustments, and several received additional resources. Continuing support for Selective Investment and Academic Enrichment programs is critical to achieving our goal of becoming one of the world's truly great research universities, and remains a top priority for Ohio State.

*Enrollments and degrees are totals for biomedical engineering

IV. Academic and Workforce Development Program Decisions or Designations Made to Increase Effectiveness or Efficiency

The Ohio State University

A. What programs have you eliminated or reduced in size in the last two fiscal years and what have been your actual realized savings?

Program	Degree Level or Program Type	Action Undertaken (Eliminated, downsized, etc.)	Reason for Action	Net Annual Savings	Characteristics of Program (Enrollment, degree production, other characteristics)		
					Enrollment	Degrees	
Greek	UG and Grad	downsized; two faculty not replaced	enrollment drop	\$139,000	70	20	
Veterinary Medicine elective program in exotic animals	Prof	replaced with external student experience	faculty resigned	\$40,000	30		
Counseling Psychology	Ph.D.	eliminated; faculty were not replaced and program is being phased out while making sure students currently in program are able to complete their degrees	budget cutback required a focus on preserving core programs	\$391,000	40	8	
Lima Campus Hospitality Management	Bacc	eliminated	low enrollment	\$60,000	6-8		
Lima Campus Early Childhood Education	AA	eliminated	low enrollment	\$40,000	2-5		
Mansfield Campus Teacher Academy	continuing education for teachers	eliminated	budget cutback required a focus on preserving core programs	\$30,000	106 teachers from 23 schools trained to used advanced technology in the classroom		

IV. Academic and Workforce Development Program Decisions or Designations Made to Increase Effectiveness or Efficiency

The Ohio State University

B. Also indicate which, if any, of your programs are underproductive, inactive or unnecessarily duplicative of programs of institutions in the same geographic area (your home county and contiguous counties)? "Duplicative" is defined as offering the same program to the same audience. What are the costs associated with continuing those programs?

Program	Degree Level or Program Type	Program Categorization (Underproductive, inactive, or unnecessarily duplicative)	Potential Annual Net Savings	Characteristics of Program (Enrollment, degree production, other characteristics)		
See Attachment B						

V. Instructional Program Cost Savings

The Ohio State University

What other steps have you taken in the last two fiscal years that resulted in significant academic cost savings (that is, expenditure reductions)?

The cost savings activities listed below are examples only, and reflect neither the entire range of cost savings activities nor the full dollar amount of savings. Since much of the responsibility for academic decision-making is devolved to the college level, deans were asked to provide examples of cost savings measures they had undertaken. Because they provided examples only, it should be assumed that the net savings listed for many of the listed measure understates the total savings for the University. For example, only a few deans noted that they had "delayed hiring of faculty through the use of temporary instructional staff or larger section sizes." We know, however, that this is a common savings strategy employed by more colleges than reported doing so, and believe that the savings from this strategy for the university as a whole would far exceed the amount listed below.

We are concerned that the questions in this document assume that increased efficiency comes primarily from eliminating or reducing programs, or from cutting expenditures. No question asks for examples of greater productivity with few or no additional resources. The list below includes one such example. Pharmacy increased enrollments by 58%, but increased instructional staff by only 6%. The net savings provided are the dollars that would have been spent had Pharmacy maintained its student/faculty ratio at the original lower rate.

Description of Activity	Year Begun	Year Ended	Net Savings
Reunification of the Colleges of the Arts & Sciences; reduction of administrative costs	2004	2004	\$500,000
Increased student enrollments and student/faculty ratio in Pharmacy	2003	2005	\$3,504,000
*Broader use of newer technologies in the classroom and for research	2003	2004	\$265,000
*Reductions in support for faculty research, including travel funds	2003	2004	\$420,000
Combined recitation & lab sections of Biology 113	2003	2004	\$106,000
More efficient use of lab space and staff in Social and Behavioral Sciences	2003	2004	\$140,000
*Delayed hiring of faculty in several colleges through use of temporary instructional staff or larger section sizes	2003	2004	\$ 1,250,000
Reduced library serial subscriptions, eliminated duplicate serials, shared resources through OhioLINK, reduced book purchases	2003	2004	\$ 5,000,000
Additional cost savings measures, including: <ul style="list-style-type: none"> · elimination of Teacher Academy Project · reduction in special events such as lecture and Visiting Artist series · closure of Early Childhood Education Center at Marion · reusing greenhouse pots and labels for classes and research · eliminating use of animals in Micro 522 lab exercises 	2003	2004	\$ 280,000

VI. Administrative Support Cost Savings

The Ohio State University

What steps have you taken in the last two fiscal years that resulted in significant administrative cost savings (that is, expenditure reductions)? What are the source and amount of the savings?

Here, too, the cost savings activities listed below are examples only, and reflect neither the entire range of cost savings activities nor the full dollar amount of savings. Vice-presidents were asked to provide examples of cost savings measures they had undertaken. They provided over a hundred different examples, ranging from purchasing tablecloths to cut long-term rental costs (net savings \$550) to implementing prime supplier contracts (net savings \$5,500,000). Some of the savings result from applying best practices, such as the reorganization of OARDC custodians (net savings \$112,000), while some result from original and ingenious approaches, such as the use of shredded documents for animal bedding at Finley Farms (net savings \$2000).

Many of the cost savings activities reported by deans could be better categorized as administrative than academic. Deans and vice presidents alike reported moving more communications from paper to web, changing standard internal reports from monthly to quarterly or to an as-needed basis, and eliminating under-used phone lines, copiers, and other equipment.

Additionally, Ohio State began a new process of support unit program reviews in 2004, modelled on the highly successful program review process at Northwestern University. Over a period of seven years, Ohio State will review each of its support units according to a schedule available on the web at <http://oaa.osu.edu/irp/progreview.htm>. Ohio State's process includes two types of program reviews. Organizational reviews look at the efficiency and effectiveness of a particular support unit, while functional reviews look at a university process and how well the various units that contribute to that process work together without duplicating efforts. Both the organizational and functional reviews have five major components:

- 1) a self-study is written by the organization being reviewed or by the units that contribute to the process under review;
- 2) a panel of OSU faculty, staff, and/or students reads the self-study, interviews and/or surveys constituents for additional information, and then constructs a list of issues for further evaluation;
- 3) a panel of experts on the organization or function being reviewed is brought in from outside the university to make recommendations about how best to address the issues listed;
- 4) a final report from the OSU panel, incorporating ideas and recommendations from the external panel report; and
- 5) an action plan for addressing the issues developed by the unit or units reviewed.

Thus far, reviews of the procurement process and of the housekeeping and maintenance function have been completed. Process changes based on recommendations from the procurement review are expected to save the University over \$30 million. Recommendations from the housekeeping and maintenance review focused primarily on improved service, though increased support for preventive maintenance may well provide savings long-term as well.

Again, the questions in this document assume that increased efficiency comes from eliminating or reducing programs, or from cutting expenditures. No question asks for examples of greater productivity with little or no additional resources. The list below includes one such example. The Office of Research restructured operations in the University Laboratory Animals Research Facility, in part by purchasing different mouse cages. This allowed mouse numbers to nearly double, while reducing costs. We are extremely pleased that our faculty and staff have taken creative approaches to our budget difficulties and found ways to be still more productive with the same or fewer resources.

Description of Activity	Year Begun	Year Ended	Net Savings
OSU Extension cut two of its five administrative district offices		2004	\$ 960,000
Reorganized custodians at OARDC to a "team" cleaning approach rather than an "area" cleaning approach	2004	2004	\$ 112,000

Re-engineered food production system in Campus Dining Services	2004	2004	\$ 900,000
Coordinated plumbing and heating installations in-house in Student Affairs rather than contracting the work	2004	2004	\$ 718,000
Reduced housekeeping and maintenance overtime in Student Affairs following comprehensive analysis of work flow and labor deployment	2004	2004	\$ 283,000
Negotiated with suppliers and used internal labor to save printing and copying costs campus-wide	2004	2004	\$ 1,200,000
Implemented on-line Employment and Applicant Tracking System	2004	2004	\$ 60,000
Workers Compensation claims reductions	2004	2004	\$ 2,000,000
Refinishing old or purchasing used furniture and equipment rather than purchasing new; including use of Surplus Materials Disposal Trash or Treasure	2003	2004	\$ 165,000
Eliminating paper copies and mailing via use of the Internet	2003	2004	\$ 1,160,000
Use of prime supplier contracts	2004	2004	\$ 5,500,000
Debt Refinancing and banking services savings	2003	2013	\$ 4,700,000
Recycling materials, including green waste for mulch and shredded documents for animal bedding	2003	2004	\$ 102,000
Hedge procurement strategy for natural gas	2003	2004	\$ 1,800,000
University Laboratory Animal Resources increased operational efficiency	2004	2004	\$ 450,000

VII. Reallocation of Cost Savings

The Ohio State University

How have you reallocated academic and administrative cost savings in the last two fiscal years to increase participation in higher education, including growth in student populations through a real decline in cost/FTE, and, where appropriate, to increase commercialized research?

Description of Activity or Outcome	Year Begun	Year Ended	Net Savings	Amount Reallocated to Participation / Research
See Attachment C				

Ia. FTE and Expenditures and Revenue per FTE – Nominal Dollars per FTE (Use Board of Regents-supplied data)

In an attachment, please comment on up to three of the major factors that have determined the expenditures, or changes in expenditures, over this time period.

Year-to-year expenditure changes can be very misleading due to timing and classification issues, but trends over multiple years are much more indicative. Table Ia shows an average increase in expenses per student of only 2.2% in this period. We feel this understates the actual rate of increase. Our accounting and budget records show an average annual increase of about 4%. In any event, it is clear that large tuition increases are not being driven by overspending, but by decreasing state support.

The major drivers of spending increases in this period were:

- Compensation and benefit costs for faculty and staff, which increased at about this same rate.
- Increases in student financial aid (see item #II).
- Increases in utility costs, particularly electricity and natural gas.

The Ohio State University

IV. Academic and Workforce Development Program Decisions or Designations Made to Increase Effectiveness or Efficiency

B. Also indicate which, if any, of your programs are underproductive, inactive or unnecessarily duplicative of programs of institutions in the same geographic area (your home county and contiguous counties). “Duplicative” is defined as offering the same program to the same audience. What are the costs associated with continuing those programs?

The Ohio State University continuously seeks to increase effectiveness and efficiency of our academic programs by reducing duplication and improving quality. Two initiatives are currently underway under the direction of the Executive Vice President for Academic Affairs and Provost that we feel will have a substantial beneficial impact in this regard – the review of our undergraduate curriculum and a review of our Ph.D. programs.

The review of the undergraduate curriculum is being conducted by a group of faculty who are distinguished teachers and scholars. They will be reviewing undergraduate education, including the General Education Curriculum required of all students, and the total number of hours required for graduation. Our goal is to create an updated curriculum that better reflects the profile of our incoming students and reflects the University’s academic goals such as diversity, research, interdisciplinarity and outreach. This committee was appointed late in the Fall of 2004 with a report expected by August 2005.

The purpose of the review of doctoral programs is to establish metrics for the systematic review of Ph.D. programs to eliminate duplication and improve quality. The review team consists of a group of deans, chaired by Rick Freeman,

Dean of the College of Mathematical and Physical Sciences. The committee was appointed by the Provost in June 2004 and is expected to complete its work by the end of the 2004-05 academic year.

In addition, the University's new performance driven budget system, which was implemented in FY 2003, has built in incentives to reduce duplication and inefficiency. Under that system, colleges are financially responsible for the costs and revenues associated with their instructional programs.

Finally, the University has had for some time as part of its governance structure, a faculty and student committee (The Council on Academic Affairs), which must approve any and all new course and program offerings. One of the goals of this review is to prevent duplicative offerings, while maintaining high academic standards in instruction.

The Ohio State University

VII. Reallocation of Cost Savings

How have you reallocated academic and administrative cost savings in the last two fiscal years to increase participation in higher education, including growth in student populations through a real decline in cost/FTE, and, where appropriate, to increase commercialized research?

In response to the mid-year budget cuts in FY 2002, the University established a goal of eliminating 600 budgeted positions while protecting core instruction and student services. This was done over the next two years so that by the Fall of 2004 the number of General Fund FTE employees was down 2% from where it was in FY 2000, even though student enrollment was up 8%. This 10% reduction in the student/staff ratio saved \$40 million in continuing costs that was used to support core programs.

We remain committed to identifying additional savings. Our restructured budget system aligns financial incentives for our colleges and support units with the academic goals of the University. College budgets were rebased to provide additional funds to several core colleges for which enrollment increases had outpaced their historically based funding increases. This rebasing is scheduled to occur every five years, with the next rebasing to take place in 2007. In addition, colleges annually receive additional

funding for teaching more credit hours and less for teaching fewer credit hours. This combination of long-term rebasing with shorter term marginal changes provides stable budgets that allow for long-term planning while rewarding colleges for greater contributions to the teaching mission of the University. This is a successful strategy; Ohio State's Columbus campus enrollment for Autumn 2004 was 50,995, the highest it has been in ten years, making OSU Columbus the largest campus in the country.

A second component of our budgeting system is the allocation of marginal changes in indirect cost recovery dollars back to the generating college. Returning these funds to the research unit responsible for their generation encourages greater investment in research. This strategy, too, is clearly paying off; for the first time in our history, Ohio State University researchers last year received more than a half-billion dollars in research funding.

Ohio State has worked to increase participation in higher education by providing generous institutional support for both needy and meritorious students. Indeed, preliminary figures from the Ohio Board of Regents show Ohio State to provide the highest institutional grant per FTE, with the result that Ohio State's student-paid tuition per FTE is among the lowest of the public four-year universities in the state. Additionally, Ohio State's

Columbus campus accepted over 450,000 transfer credit hours from other Ohio universities and community colleges in 2003 and 2004, saving students and taxpayers millions of dollars.

A full explanation of our budgeting system, implemented in 2003, is available on the web at http://www.rpia.ohio-state.edu/budget_planning/KBPD/BR/BR_basics.pdf