



Response of the University of Kansas to the
10 Suggestions for Further Study and Consideration in the
August 2009 Legislative Division of Post Audit Report:

*“State Universities: Can State Universities Provide Postsecondary
Education More Efficiently to Reduce Costs?”*

December 10, 2009

Preface:

The University of Kansas reports on a regular basis the economies and efficiencies achieved to the Kansas Board of Regents. During 2009, Legislative Post Audit conducted a review of the Regents Universities seeking ways for greater efficiency to reduce costs. KU strongly supports maximizing the efficient use of increasingly scarce state dollars by reducing costs or leveraging activities. KU has faced this challenge through having its budget cut 5 times this past fiscal year and at the beginning of FY 2010. The cuts have totaled \$36.6 million, or 12%, in our state-funded budget since last fiscal year. KU has eliminated 200 faculty and staff positions, of which 121 were on the Lawrence campus. Between the Lawrence campus and KU Medical Center, there were 57 layoffs. These are hard fiscal times in Kansas higher education, and it appears that further budget cutting may be necessary in the near future. The Post Audit review used data prior to the budget cuts.

The Regents requested that each university consider and respond to ten recommendations from the Post Audit report. The following information describes what KU has done and plans to do in continuing efforts to reduce operating costs and increase efficiency. It is important to recognize that cutting funding, however necessary that may be, does not necessarily increase efficiency and potentially will lead to the deterioration of effectiveness. KU anticipates the eventual restoration of these vitally important state dollars which have been cut from its budget. In the meantime, the University will continue to maximize the efficient use of its funding resources and to reduce costs wherever possible.

KU Responses to the 10 Suggestions for Further Study and Consideration

Note: The first six responses to suggestions are for the Lawrence/Edwards campuses only since KUMC was not included in the Post Audit study. The responses to the last four suggestions are pertinent to all campuses.

1. Eliminating or combining low-enrollment course sections

As indicated in the Post Audit report, our policies and practices are effective.

Policies regarding minimum class sizes at KU have been in effect for a number of years. Since the mid-1990s, the enrollment criterion for organized undergraduate courses has been 12 students and for organized graduate courses the criterion is 6 students. Class size monitoring is done by enrollment managers who have access to a dynamic system that provides alerts about undersubscribed organized courses. Over the past several semesters, about half of the courses cancelled prior to the start of the semester were due to low student enrollment.

Some courses that have low enrollment are still offered for specific reasons. For example, critical languages, often with low course enrollments, are offered since those courses are tied to national security and some are underwritten by federal funds. Most other low enrollment courses offered are beyond the standard faculty workload so they are allowed. For example, the course is allowed even if enrollment is below the targeted threshold if a faculty member and students have a mutual interest in a topic and the faculty member is willing to offer the course beyond his/her standard workload.

Additionally, several courses are offered simultaneously each semester using videoconferencing from the Lawrence campus to the Edwards campus. These courses appear under-enrolled at each course location but when combined they exceed the enrollment criterion. While this is an efficient use of faculty resources, the students at Edwards do not prefer this modality.

2. Eliminating or combining academic departments or degree programs

KU recognizes the need for greater efficiency in academic operations and will continue to seek opportunities to modify academic departments and degree programs where such actions are expedient and appropriate.

The University routinely assesses academic programs and degrees during program review to determine if programs and degree offerings warrant continuation, modification, or elimination.

Several illustrative examples include:

The School of Business. Last year the School of Business reallocated two occupied faculty lines from Information Systems (IS) to Accounting because of low enrollment in

the IS major and high demand in Accounting. Two faculty members were given non-reappointment notices and searches are underway to fill the two reallocated positions in Accounting.

The School of Education. The School of Education is reconfiguring its curriculum for FY 2011 and changing from a 5-year undergraduate degree program to a 4-year degree program. This change both advances academic efficiency and reduces a student's time to degree. (See Attachment 1 for more details.)

The School of Fine Arts. This school was reorganized and in FY 2010 the School of Music was created. Several design faculty were deployed into School of Architecture, Design and Planning and the School of the Arts was created as a unit of the College of Liberal Arts and Sciences (CLAS). This resulted in more efficient and more effective deployment of faculty resources by locating expertise with similar academic content and pedagogy. Art studio courses are now available to students within CLAS. No dollars were added as a result of this reorganization. (See Attachment 2 for more details.)

The College of Liberal Arts and Sciences. CLAS offers instruction in over 40 languages. Many of these are "critical" languages in that they are spoken in strategically important parts of the world (Middle East, Central Asia, Africa, etc.). Many of the languages are "orphans" which are scattered across departments that may not be in the best position to support them. Thus, a Center for Critical Languages is being created within the existing Center for Global and International Studies. Centralizing oversight of these languages will allow more efficient delivery of instruction, more thorough advertising of their availability, and more effective administration of them.

The Center for Public Management. The Center was reassigned from Continuing Education to the Public Administration Department to more closely link the academic expertise needed for program delivery.

3. Collaborating with other universities to share course content, teachers, and instructional programs

The University believes this to be an important and worthwhile endeavor. KU has experience in academic collaboration and will continue to look for appropriate opportunities to share academic resources with other universities.

Several examples of resource sharing include:

Project Life. The goal of Project LIFE (Low Incidence Functional Endorsement) is to bridge the gap in qualified teachers serving students with the most significant disabilities in Kansas. Given that the Kansas Department of Education (KSDE) has

reported that only 67% of special education teachers serving students with severe and multiple disabilities (i.e., under the Kansas functional endorsement) are endorsed in this area, the need to train and produce fully qualified low incidence teachers is at critical levels across the state.

KU's School of Education and Wichita State University have a grant to provide the required training to address this significant statewide personnel shortage, particularly in certain geographic areas throughout Kansas. Program location affects the capacity of Kansas schools to provide appropriate education to students from low-incidence disability categories (i.e., severe and multiple disabilities, deafness, blindness, deaf/blindness, and significant cognitive impairments). (*See Attachment 3 for more details.*)

Degree Partnership Programs. The College of Liberal Arts and Sciences is developing Degree Partnership Programs (DPP) to facilitate transition for hundreds of transfer students annually. In comparison to students who enter KU as freshmen, the typical transfer student requires an average of 12 more hours to graduate. This occurs because some transferred hours may not satisfy particular degree requirements. The DPP is designed to reduce the likelihood of this additional "transfer" semester, and also to offer an invitation to talented community college students who may not have considered KU as a viable education option. The key components of the DPP are (1) College degree requirements are set at the point of a student's admission into the DPP program, thus eliminating the impact of changes in degree requirements during the student's enrollment at the community college prior to attending KU, and (2) Semester-by-semester academic advising provided by both the community college and KU, collaborating to determine the most efficient course selection toward the completion of both the Associate and Bachelor degrees.

For example, KU's highly successful UKanTeach program will be a part of the degree partnering program with Johnson County Community College. UKanTeach is a collaborative program of the College of Liberal Arts and Sciences and the School of Education to prepare and support secondary mathematics and science teachers. The certificate program is designed to be completed along with an approved BS or BA degree to fulfill the requirements necessary for the UKanTeach Certificate in several licensure areas: mathematics, biology, chemistry, earth and space science, or physics. Program completers fulfill the course requirements necessary to gain state licensure eligibility in the above mentioned areas to become a secondary teacher in Kansas.

Two plus Two Program. The KU 2+2 B.S.W. Degree Completion Program is a collaborative effort between the School of Social Welfare, the KU Edwards Campus, and Kansas City Kansas Community College (KCKCC), serving working adults in the Kansas City metropolitan area by offering KU undergraduate social work classes during the afternoon and evening on the KCKCC campus. Students in the 2+2 program take their first 2 years of course work at KCKCC with community college faculty and their last two

years of coursework at KCKCC but with KU faculty and instructors. These students graduate with a B.S.W. degree from the University of Kansas. The program began in spring 2005 with only 6 students attending part-time; as of fall 2009, it has graduated 25 students and serves over 50 current students with a full complement of required junior and senior-level courses.

KU recognizes the importance of developing collaborative programs and sharing academic programs with other institutions, understanding that many such programs address critical workforce issues. However, since developmental activity to get these programs underway can be costly, every effort must be made to ensure that these collaborative programs are efficient and economically viable for all entities involved in establishing these programs.

4. Increasing the number of courses and programs offered online or through distance learning

KU fully supports this recommendation. The University constantly looks for ways to better serve Kansas constituents in areas where KU has a particular expertise and to attract new audiences to KU. The University also recognizes that the Board of Regents is exploring ways to expand online learning to meet the educational needs of Kansans.

Examples of new KU online/distance learning efforts include:

College of Liberal Arts and Sciences. The College has revised the B.G.S. in Liberal Arts and Sciences and that degree is now targeted to be an avenue for students to complete the degree requirements online.

School of Social Welfare. To make the M.S.W. program more accessible to a larger variety of students (working adults, residents outside the Kansas City/Lawrence area), the School of Social Welfare is offering “blended classes,” which provides about 50% of the class time on campus and 50% of class time online. Distance drivers (100 miles round trip) can take all of their classes on one day and/or in the blended format. On the Edwards campus, blended classes are offered on Saturday and traditional classes are available in the late afternoon and evening timeframes during the week for working adults.

School of Pharmacy. An online M.S. program in Pharmaceutical Chemistry not only serves students in Kansas, but across the U.S. and abroad as well. Additionally, online noncredit pharmacy courses are in development and are being targeted for the Middle East and Asia.

School of Business. The School of Business is developing online courses to help part-time students complete their degrees. (*See Attachment 4 for more details.*)

School of Education. The School of Education is planning an online M.S. in Secondary Special Education, transition courses in Urban Education, and a Gifted Education endorsement. Furthermore, the School has a project funded by the U.S. Department of Education to increase the number of Highly Qualified Kansas teachers who provide effective instruction to the growing English Language Learner (ELL) student population. The School of Education will create a highly interactive, distance-learning format for English for Speakers of Other Languages (ESOL) endorsement curriculum. (See *Attachment 5 for more details about KANTELL.*)

Providing distance education courses will improve service and access but will not necessarily improve efficiencies. KU recognizes that hidden inefficiencies in distance education warrant careful consideration at the planning stage. For example, the experience of other universities indicates that there are significant start-up costs in the form of investments in technology infrastructure and increases in faculty workload. However, emerging technology providing more lifelike experiences and more optimal modes of communication may prove to be a valuable adjunct to traditional teaching when appropriate course content lends itself to this modality.

5. Increasing faculty workloads

KU's workload policies and practices are similar to other research universities and are designed to keep KU competitive for outstanding faculty who excel in teaching, research/scholarship, and service. We will continue to monitor faculty workload metrics.

The general expectation and evaluation of faculty is based on a 40-40-20 model distribution of faculty workload - 40% of faculty effort is in teaching/course preparation/advising, 40% in research/scholarship/creative activities, and 20% in professional service.

Teaching. KU is in the process of formalizing in all schools specific teaching workload expectations and practices through written teaching workload policies. Currently, most faculty provide individual student instruction, a hallmark of a research university education, in addition to their regular organized class teaching responsibilities. KU will continue to monitor this practice in light of established teaching practices/policies. All department chairs have access to a dynamic information system that allows the monitoring of teaching loads and student credit hour enrollment, with daily updates during enrollment periods.

A four-year average comparison of KU with sister AAU public institutions finds that tenured and tenure-track faculty at KU teach 9% more student credit hours per FTE than the average of their AAU public institution counterparts, and that these KU faculty teach the same number of organized sections as their AAU peers.

Research. Research is a critically important element of faculty workload. It provides benefits to stakeholders within the state, enhances and strengthens classroom instruction, expands the frontier of knowledge, and often has a significant economic impact on the State. For example, KU's Life Span Institute attracted \$26.5 million in combined federal, state and private dollars in sponsored project support in FY 2009. Twenty-three faculty served as principal investigators on \$9.3 million of this amount and 30 faculty-equivalents served as principal investigators on the remaining \$17.2 million. For each state dollar of support, an additional \$7.23 in external dollars was received. This is a significant improvement over FY 1990, when each state dollar of support returned only \$3.30 in external support.

Professional Service. KU faculty provide expertise to State and local government agencies via formal contracts and/or as part of their service role. For example, a faculty member in Public Administration contracted with the Unified Government (UG) of Kansas City, Kansas, to conduct a survey. The UG paid for the administration of a survey but the faculty member and doctoral students in the department contributed time for interviews, survey design, and other related survey activities. Additionally, most faculty offer their expertise free of charge to community groups, schools, service organizations, among others, via speaking engagements, consultations, and presentations.

While the 40-40-20 model is useful as a general guide to establishing faculty workload, it is critically important to note that faculty workloads will not always precisely fit this model. Tenured faculty may have a *differential workload* which targets their effort in ways that leverages their strengths for furthering University goals. For example, a faculty member with exceptional research abilities may well have a higher research assignment and a lower service percentage, thus allowing him/her to focus more effort on research; in essence, to allow the individual to do what he/she does best for the University.

Rigorous enforcement of a 40-40-20 approach to faculty workload could be costly and counterproductive, since it could negatively impact research capacity and productivity and in turn, economic development for the State. KU closely monitors, and will continue to monitor, faculty workload to ensure that faculty are meeting academic expectations and are engaged in those academic endeavors that best matches individual expertise with University needs.

6. Modifying the delivery of remedial courses

Since KU offers only one remedial course and at a low cost, no further action is planned.

7. Maximizing the use of existing classroom and laboratory space

KU will continue to aggressively pursue opportunities to maximize the utility of its classroom and lab space, consistent with sound academic instruction and research principles and practices.

The demand for classroom space is directly related to enrollment, which at KU reached a record in fall 2008 and was down only slightly in fall 2009. In addition to the need to accommodate more students in classrooms, externally funded research at KU-Lawrence, which nearly doubled over the past decade, growing from \$64.1 million in FY 1998 to \$122.8 million in FY 2008, also required more space. Space needs for offices and research labs reached a peak in 2008.

In an effort to maximize the use of existing classroom space, the Monday, Wednesday, and Friday class schedule was changed in 2006 to start classes on the hour instead of on the half-hour. This resulted in 2,748 students in class at 8:15 am on Wednesdays in spring 2006, in comparison to 990 students in class at 8:15 am on Wednesdays in spring 2005. Likewise, at 3:45 pm on Wednesdays, there were 6,531 students in class in 2006, and only 4,246 at that time in 2005. This schedule change redistributed the number of students in class during the peak class hours between 9:00 am and 3:00 pm. Similarly, starting in 2004, classes scheduled at non-standard times had to be formally justified and specifically approved. This decreased the number of classes that overlapped onto two or more standard class times, further increasing classroom-use efficiency.

Wide variance in the kinds and usage of laboratories is typical of a comprehensive major research university like KU. Some of KU's class laboratories, such as the Organic Chemistry lab in 4022 Malott Hall, are in use 45 hours per week in fall 2009. On the other hand, class laboratories such as the Aircraft Design lab in room 3101 Learned Hall are in use only 11 hours per week. Low-use laboratories such as the Aircraft Design lab contain very expensive and specialized equipment or museum collections that represent security risks if opened for wider use by the general student population. It is important to note that, in general, class laboratories, especially those with expensive and specialized equipment, also serve as research laboratories.

Steps have been taken to report space utilization data in a manner that better reflects the mission of a campus. The traditional model of academic classroom space utilization assumes high usage levels during the hours of 8 am to 5 pm, Monday through Friday. In Kansas, this model was first modified in the late 1960's to accommodate the class patterns at Wichita State University by expanding the usage parameter to include a 24-hour day. This was necessary due to the historical practice of WSU's predecessor municipal institution, the University of Wichita, to schedule morning and evening classes but not afternoon classes, since the majority of UW students worked in the afternoon.

Today, a number of KU-related campus locations, including the Capitol Center in Topeka and the Kansas Law Enforcement Training Center near Hutchinson, have unique, non-traditional class schedules. Their classroom usage data are not included in the KU data. The KU Medical Center and the KSU Veterinary Medicine School are also unique in that usage data are collected only for certain classrooms that are scheduled centrally.

The Edwards Campus is not a traditional, residential campus. It is primarily a late afternoon and evening campus serving regional commuter students, most of whom come to class in the late afternoon and evening after their normal working day. This unusual campus does not fit into the traditional formula for determining the efficiency of classroom usage. Except for rental of classroom space during the day to outside, mission-based, professional workforce training groups, including Johnson County Community College, the Edwards Campus classroom “day” is from 4 pm to 10 pm. In FY 2009, the Edwards Campus rented space to 1,209 mission-based groups, ranging in size from 10 to 240, with a total of 57,540 attendees. In FY 2009, the Edwards Campus took in \$243,524 in total fees, of which \$158,336 was used to pay debt service on the outstanding bonds. The remainder covered the cost of administering or supporting the programs (mostly tech support). The Edwards Campus administration has been very aggressive in attracting people to their Campus to expose them to KU programs and community services.

The overall usage data for the Lawrence Campus indicate that KU-Lawrence exceeds the Regents’ standard for classroom space utilization. However, when Edwards Campus data are combined with Lawrence Campus data, KU’s usage falls short of the Regents standard. To address this situation, Eric King of the KBOR staff has indicated staff approval of an improved methodology (described below) for evaluating classroom utilization.

The KBOR improved methodology will require that the Edwards and Lawrence Campus data be reported separately, with classroom utilization for the Edwards Campus based on those hours when students can normally be expected to attend, i.e., the evening hours. This will yield more accurate and appropriate space utilization data for the Edwards Campus, and provide a clearer picture of the demand for academic programs on this important campus.

8. Consolidating or changing administrative functions or processes

The University of Kansas will continue to identify opportunities to consolidate, streamline, and modify administrative functions and processes, and will pursue and implement change, where appropriate, to enhance administrative operations.

Internal and external process improvement and efficiency have been areas of consistent focus for all University faculty and staff. Individuals are encouraged to suggest changes in KU business and administrative practices, and in these times of severe financial constraint, these suggestions can lead directly to substantial monetary and time savings and increased operational efficiency.

External Procurement. KU has made significant progress in enhancing the external procurement process. One of the most important recent legislative actions which enabled KU to both improve the procurement process and to make more efficient use of operating funds was the passage of Senate Bill 52 during the 2006 Kansas Legislative Session. This legislation allowed KU to purchase supplies, materials, equipment, property, and services (including travel) without going through the State Division of Purchases. Additionally, KU was exempted from the

provisions of the Prison-Made Goods Act. As a result, KU was able negotiate new contracts with vendors. This institutional ability to fully negotiate and execute contracts has led to innumerable opportunities to save on contracted services, and has allowed KU to make its purchasing processes far more cost-effective and efficient. In FY 2007, when the State Division of Purchases reviewed all transactions over \$25,000, the average processing time was 33.9 days. The average time over FY 2008 and FY 2009 was 20 days, for an average savings of 13.9 days per transaction. Hard-dollar savings realized at KU-Lawrence as a result of Senate Bill 52 totaled \$784,000 in FY 2008 and \$979,000 in FY 2009.

Procurement, Purchasing and Voucher Audit. KU-Lawrence is implementing an electronic procurement solution through SciQuest that will maximize spending on preferred contracts and improve the purchasing process. The system will provide work-flow approval processing, an on-line, Amazon.com-type contract catalog shopping experience, on-line competitive bidding, an electronic contract administration database, and electronic invoicing/payment capabilities for key business partners. KUMC is implementing a similar procurement system through Microsoft's E-Commerce software. The automation of these currently manual processes will free significant staff time to be spent on providing more value-added services, as well as generating hard dollar savings due to improved access to item-specific purchasing information that can be used to negotiate better pricing with vendors.

The Lawrence campus has increased the volume of purchasing on the Business Procurement Card (BPC) from \$300,000 in July 2008 to \$1.7 million per month in September 2009. Increased utilization of the BPC has improved the efficiency of KU's purchasing process and has earned the University additional revenue from the issuing bank. It is estimated the rebate received from UMB (United Missouri Bank) for BPC calendar 2009 transactions will be approximately \$120,000. The number of vouchers processed has been decreased by 42%.

Over the past year, the Lawrence campus has streamlined the voucher audit process by placing greater emphasis on the review of larger transactions with more inherent risk. Transactions under \$100 are now audited via reporting and spot-checking, and are not reviewed individually. The net effect is to streamline the process for 39% of the vouchers submitted. The 39% represents only .002% of the dollars processed via voucher. This change has increased auditing efficiency, thus freeing time for staff to focus on providing more value-added services.

Facilities Management - Maximo Server. The University is exploring expansion of the existing Facilities Operations Maximo asset management system to serve the workflow and management needs of multiple campus departments, including Design and Construction Management, Information Technology, and Space Management. This would eliminate the duplication of software and hardware systems, and necessary IT support. At KUMC, utilization of the Maximo server has eliminated the need for 3 FTE positions due to the Human Resource interface being used for all work order generation.

Facilities Operations - Direct Debit. Facilities Operations implemented direct debit billing for internal charges that streamlines the payment process and eliminates most paper transactions. The estimated savings from this improved process is \$14,000 annually.

Joint KU-Lawrence/KUMC Activities. With both KU campuses working together on common functions, processes, and needs, significant dollar savings and operating efficiencies are being realized. Major efficiencies and future cost savings were realized through the recent negotiation of a KU-Lawrence and KUMC Oracle Campus Agreement for enterprise database products and a Microsoft Campus Agreement for office productivity, server, and desktop operating system software. For Microsoft Office licenses for faculty/staff, each campus previously paid \$51.00 (Lawrence) or \$46.80 (KUMC). Under the new collaborative Microsoft Campus Agreement, each faculty/staff license is \$39.18. KU-Lawrence will save approximately \$81,800 on this one product alone. In addition to improved pricing, each campus will realize efficiencies in software version standardization, deployment, training, and support of these products.

KUMC and KU-Lawrence are implementing a joint electronic time and effort certification system to improve the accuracy of cost assignment to research projects. This system provides standardization and enhanced administrative efficiency, replacing a cumbersome and error-prone, paper-based process. Such electronic certification reduces error and audit risk by increasing compliance with highly complex federal research guidelines.

The two campuses are also now jointly utilizing new electronic software for the complex federal grant proposal process. The software facilitates proposal preparation, utilizing institutional databases, electronic internal routing, and validation against current federal grant specifications and requirements; provides critical, time-sensitive proposal communications with, and submission to, federal granting agencies; and allows significant gains in efficiency and accuracy in this complex process.

Dykes Library at the KU Medical Center and the KU Libraries on the Lawrence and Edwards campuses have a long history of jointly licensing electronic resources, journal collections and databases. Examples of resources jointly licensed include: Web of Science, Elsevier Science Direct, Science Online, the Lippincott Williams & Wilkins Total Access Collection, and Springer Ebook and Protocol collections, as well as the journals of the American Association for Cancer Research, American Medical Association, American Society for Microbiology, Nature Publishing Group, Informa and Informa Health Care, among others. These joint initiatives have resulted in over \$1 million in *annual* savings across both campuses, but even more importantly have extended access to more journal titles for both KUMC and KU-Lawrence. Further, through KU's participation in GWLA (Greater Western Library Alliance) and ESIG (EPSCoR Science Information Group) both campuses have obtained joint access to several very large journal collections. The benefit to KU of the GWLA and ESIG relationships is access to more journal literature. For approximately \$1.1 million spent annually across both campuses, KU purchases access to approximately 900 titles from publishers such as Sage, Wiley-Blackwell, Springer, and Oxford,

but as a result of the GWLA and ESIG consortial licenses, KU and KUMC gain access to over 2,600 additional titles that would otherwise have cost over \$3 million annually.

The KU and KUMC libraries also collaborate on two very important IT applications, Voyager and ILLIAD. Voyager is the integrated library system used by both campuses and ILLIAD is the interlibrary loan system used by both campuses. Both systems are hosted on the Lawrence campus, thus minimizing hardware and system support duplication. The estimated savings because of cross-campus collaboration is \$150,000 annually.

Future Project Areas. Future focus areas within KU's administrative functions and processes include time and leave reporting, in which paper-based time and leave reporting will be replaced with a more efficient, time-saving electronic process. The establishment of Centralized Business Centers, which would centralize certain complex administrative tasks to improve efficiency and reduce strain on individual departments, is being explored.

Additional focus areas include implementing campus-wide document management and document imaging platforms to reduce paper use and improve transaction processing time, reducing financial and personnel transaction processing time by implementing a workflow system that facilitates the review and approval of such transactions, and reducing salary and benefit costs in some administrative areas by utilizing part-time, seasonal staff, including student help.

Regents Universities: System-Wide Collaboration Opportunities. In addition to KU-specific opportunities to enhance administrative operations, there are significant opportunities to enhance and streamline administrative activities across the Regents university system. An example of successful, multi-Regent university collaborative action is the purchasing of property insurance, which has maximized the purchasing power and value of increasingly scarce dollars, and has allowed each university to acquire insurance at a lower cost than could otherwise be obtained by each institution individually. For KU-Lawrence, the annual savings for the first year, with significantly increased coverage, was \$140,000.

Combined institution utilization of the state's lease/purchase mechanism could result in substantial technological advancement across the system. KUMC has successfully utilized this mechanism to leverage an estimated \$3.2 million in critical telecommunication upgrades that would not have been possible without this lease/purchase option. This also allows for a planned and consistent upgrade refresh cycle for this equipment.

Eliminating unnecessary administrative activities is another approach to enhancing system-wide administrative operations. For example, the production of the Annual Budget Request, which is required of all Regents universities, is a very time-consuming effort to generate and publish financial data which are readily available from other existing sources. The estimated annual cost for KU-Lawrence to prepare this budget document is nearly \$60,000, and requires over 1,250 staff hours. Annual system-wide savings from eliminating this activity could easily total over \$250,000.

The University of Kansas endorses and encourages, where appropriate, a systemic approach to reviewing, evaluating, and modifying Regents universities administrative activities.

9. Outsourcing non-academic functions

The University of Kansas will continue to pursue opportunities for outsourcing non-academic functions, and will outsource non-academic functions in those areas in which outsourcing is both prudent and cost-effective.

Among the more recent examples of KU's outsourcing of non-academic operations are the following:

Hosted e-Procurement System. In December 2008, the University entered into an agreement with SciQuest for purposes of automating the current manual processes and content delivery administered by KU Purchasing Services. SciQuest is a "software as a service" product, which means that the application is hosted and maintained on contractor-owned servers at the contractor's off-campus location. KU is charged an annual fee by the contractor that covers the application license, system development, and software maintenance. The net effect is the University does not have to, (1) purchase and maintain the servers required to run the application, (2) have developer personnel on staff to perform system upgrades and maintenance, and (3) have staff to provide customer support for campus users. SciQuest also manages the content in vendor-hosted catalogs so KU staff are freed to focus on more value-added services. SciQuest also is constantly upgrading the software to insure the system always delivers best practice processing for all SciQuest customers.

Hosted e-Commerce System. During fall 2008, the University moved e-commerce services from a locally hosted hardware environment to a vendor-hosted platform. This shift in the KU e-commerce infrastructure provided efficiency in service delivery, an upgraded and more feature-rich software application, and eliminated hardware costs and maintenance.

Server Virtualization. The University has implemented a server virtualization infrastructure to increase computing efficiency and savings. By utilizing seven physical machines to virtually host 220 servers (as opposed to having 220 individual physical servers) KU-Lawrence has realized annualized savings of approximately \$89,000 in materials and replacement costs, utilized 87% less physical data center space than the 220 individual servers (or a savings of 104 cubic feet), and reduced energy consumption by almost 90%, from 59,400 watts for 220 individual servers to 5,984 watts for the seven servers. At KUMC, server virtualization has reduced data center space required by 77% and has reduced energy consumption by 73%.

Electronic Transcripts. Through Avow Systems Inc., KU-Lawrence has implemented a process by which student transcripts are delivered in electronic form. Students and alumni now are able to request, receive and pay for secure electronic transcripts from any location, replacing an

outdated paper-based ordering system. This streamlined process allowed the University Registrar to eliminate a staff position to contribute to the FY 2009 budget reductions, without negatively impacting services.

Admissions Application Systems. KU-Lawrence utilizes a hosted admissions application vendor, CollegeNet, for graduate and undergraduate applications. The KU-Lawrence Graduate Application Processing Center (GAPC) has been able to increase automatic communication to graduate applicants, increase the quality of support offered to the graduate programs, and improve timeliness while decreasing the security risk associated with moving confidential documents through a paper-based campus mail system. Graduate applicants can now apply online, process and update their application to a particular department, and receive their admission decision in a secure web-based format. Graduate programs can customize their specific application forms and processes in a secure environment and more efficiently work to recruit the best students to their programs. This system continues to provide the base for expanding improved services and processes related to graduate application processing. As a result, the University has increased the level of service provided to graduate applicants, improved the transparency and effectiveness of internal processes, and decreased the risks associated with processing graduate student application materials.

Spend Compass Project. In October 2009, KU became a charter member of the Spend Compass Project, which will provide KU with comprehensive, comparative information and data to benchmark the prices KU currently pays for services, equipment, and supplies against the prices paid by other comparable institutions. By knowing what comparable universities are paying for specific goods and services, KU can see where it is obtaining good value for each dollar spent, and can identify those areas where it needs to bid more aggressively to maximize its return on investment. The project also allows KU to insure that correct contract prices are being invoiced by vendors, and to identify sourcing and contracting opportunities that would result in significant cost savings or cost avoidance.

Job Order Contracting. KU is utilizing job order contracting services for construction services. Nouveau Corporation performs general construction, and Centimark performs roofing work, in addition to the use of On-Call professional services and contractors. These two new job order contractors perform work that internal KU resources are unable to perform, due to schedule or lack of resources, and the process allows projects to be completed in less time than going through the traditional bid process.

Future Project Areas. KU's outsourcing success has led to discussion about outsourcing possibilities over the next 3 to 5 years in other areas, including:

- Equipment leasing
- Enterprise system hosting and development
- General services, landscaping, and janitorial services
- Fleet management / motor pool operations
- Residence hall networking services

- Telecommunications
- E-mail services
- Storeroom inventory and operations

In each of these areas, a thorough, comprehensive cost-benefit analysis, using appropriate evaluation metrics, must be conducted prior to any outsourcing decision.

Outsourcing Considerations. In outsourcing, there are potential pitfalls and problems that must be addressed. Like many universities, KU has traditionally performed work and provided services using in-house resources. In many cases, these in-house services are cost-effective. Decisions to study or implement outsourcing projects can lead to angst and confusion among staff and the University as a whole. For this reason, it is critical that a high degree of communication among all parties be maintained and the status/direction of outsourcing plans be open and transparent.

Additionally, outsourcing requires a commitment to be made that can be hard to reverse if outsourcing does not achieve the results desired. Unless coordinated by a central authority, outsourcing can lead to decreased standardization and predictability of results, and less flexibility in the future. Involving the right personnel in the review and implementation process, and having strong central and departmental oversight and coordination, as well as a concerted effort to provide training for those personnel and process affected, are essential to achieving outsourcing success.

When considering outsourcing, it is important to establish goals and success metrics as part of the criteria for determining whether to outsource a service, and following implementation, to measure actual performance versus these metrics as service is provided. When developing goals and metrics, it is important to measure KU's performance in meeting internal goals, as well as measuring our performance against other high achieving higher education institutions.

While many outsourcing decisions are driven by budget needs, the decision to outsource must be based on a cost-benefit analysis, and increasingly the decision to consider outsourcing opportunities is driven by service quality improvement and the accessibility of new technologies. KU has been given increased delegated authority from the State to pursue more efficient fiscal practices that has helped to create opportunities for the study and implementation of outsourcing opportunities. A decision to outsource does not have to be an "all or nothing" approach. Right-sizing and more targeted outsourcing can be very effective in achieving the University's defined goals.

10. Reducing energy costs, improving recycling efforts and the like

The University of Kansas will continue to aggressively reduce energy costs and to stimulate and enhance campus recycling efforts.

Energy Efficient New Construction. By constructing energy efficient facilities, KU can effectively reduce energy needs on a long-term basis. Toward this end, KU has adopted a building energy efficiency standard which requires that all new facilities on campus must exceed the American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) minimum standards by *at least* 30%. This high standard has been adopted to significantly reduce energy consumption. The first KU facilities to be constructed to this standard are the new School of Pharmacy buildings on the Lawrence and Wichita campuses.

Reducing Electricity Consumption. During the past year, the Facilities Operations staff on the Lawrence campus has implemented an electrical load-shedding program, insulated steam and condensate piping across campus, and added night temperature setback schedules, along with other measures that have significantly reduced energy consumption. In FY 2009, the total dollar savings of these measures is estimated to be \$338,000, based on current utility rates. In addition, this effort resulted in a 4.2% decline in energy use per square foot of space, reversing a trend of escalating energy use of approximately 5% annually.

Energy Audit. Energy Solutions Professionals, an independent energy service company based in Overland Park, has completed an Investment Grade Audit for the Lawrence campus. The intent of this audit project was to leverage the energy savings resulting from deferred maintenance spending to address additional deferred maintenance needs. This audit includes approximately \$25 million in projects to be implemented with a 15 year payback. Additionally, preliminary energy audits have been completed for the Student Recreation and Fitness Center and the Athletic facilities.

Waste Management Activities. The University has completed an audit of the City of Lawrence waste collection frequencies to help reduce cost. By analyzing collection schedules and taking advantage of reduced trash volume due to increased recycling, the KU Center for Sustainability suggested changes to the trash collection schedule that have resulted in annual savings of approximately \$8,400. Additional savings may be generated by adjusting the collection schedules during holidays and semester breaks.

Recycling Activities. The KU Environmental Stewardship Program (ESP) collected over a million pounds of recyclable paper, cardboard, plastic and aluminum materials last year, which is equivalent to the annual Greenhouse Gas (GHG) emissions reduction of removing 280 cars from the road. Over the past two years, ESP has distributed over 1,200 surplus furniture items to campus departments at a significant savings when compared to buying new furniture.

During Student Housing move-out last spring, ESP collected an additional 4,500 pounds of reusable clothing and household items, and 1,500 pounds of non-perishable food items for donation to the Douglas County United Way, Planet Aid, Lawrence Habitat for Humanity, and the Phi Kappa Phi – Just Food Project.

To date, ESP efforts have diverted over 6,000 tons of recyclable material, including scrap iron, and over 340,000 pounds of reusable surplus furniture from the landfill option. At KUMC, some 125 tons of various materials are recycled each year.

Given its history of outstanding success in recycling, KU will continue to focus on developing and expanding its current recycling stewardship role and will undertake new opportunities as appropriate.

Attachment 1

School of Education to Move to Four Year Teacher Preparation Model

In this, the 100th anniversary of the formation of the School of Education (SOE) at KU, Dean Rick Ginsberg announced that the SOE will move from a five-year to a four-year teacher preparation program beginning sometime in 2011. Since the 1980s, the School has offered a five-year model with students receiving a baccalaureate degree after four years, then spending a fifth year in clinical experiences and graduate education courses. The program was built on the best thinking about teacher education in the 1980s and has served the state, region and nation well. Indeed, school districts strongly recruit KU's graduates. As the SOE launches into its second millennium, the new program will maintain the key strengths of the five-year model, add the latest advances in teacher preparation, and provide a four-year program that will best meet the needs of the state in today's educational and economic climate.

The SOE regularly monitors its programs. For the past year a committee of faculty members carefully reviewed strengths and weaknesses of the current program and several alternative approaches. The committee presented its findings to the Dean, who also analyzed current research, data about the current program including feedback from students, alumni, principals, superintendents and educational leaders from around the country. As a result, Dean Ginsberg proposed that the School adopt a four-year model to meet today's needs given the environment surrounding teacher preparation, the need for efficiencies and economies, and with the goal of maintaining the high standards of the five-year model in a more concise four-year structure. Students will have the option of pursuing a master's degree upon completion of the four-year degree. The program will require approval from the University and state officials.

Implementation is planned for sometime in 2011.

Dean Ginsberg emphasized that he and the entire faculty are proud of the five-year program that has served its many graduates very well for over twenty years. But times and circumstances change. He highlighted the following key reasons for moving to a four-year model at this time:

- The teacher education landscape offers students a variety of new ways to get licensed to teach. Moving to a strong four-year model is consistent with this very dynamic environment and will best serve today's students and schools.
- The cost of tuition has increased and requiring an additional year places undue hardship on students. In addition, moving to a four-year program will allow students to enter the workforce a year earlier.
- Developing a strong four-year model will meet the state demands for greater efficiency in University operations.
- A well crafted four-year model can maintain the high standards that KU demands of its teacher licensure programs while also offering experiences with differentiated populations, possibilities for English Speakers of Other Languages (ESOL) and special education endorsement, and provide the choice for students to obtain a master's degree after licensure is obtained.

The details of the program, including specific courses, timelines, requirements and expectations remain to be determined. As students raise questions, we will be posting statements on the SOE web-site that will be periodically updated about the new model and its impact.

Attachment 2

School of the Arts

Now that the Department of Dance and Department of Visual Arts are in the new School of the Arts in the College of Liberal Arts and Sciences, students can now enroll in courses in Dance and Visual Arts that were not previously available to them through the College of Fine Arts. Students in Theatre can now minor in Film and Media Studies and vice versa. A number of courses in Theatre and Film and Media Studies now carry HL status, meaning that the general college student can now enroll for principle course credit for classes that previously did not hold that distinction. More students on campus overall will be exposed to the Arts in all areas.

Attachment 3

Project Life

Significant statewide personnel shortages, particularly in certain geographic areas throughout Kansas, affect the capacity of Kansas schools to provide appropriate education to students from low-incidence disability categories (i.e., severe and multiple disabilities, deafness, blindness, deaf/blindness, and significant cognitive impairments). Given that the Kansas Department of Education (KSDE) has reported that only 67% of special education teachers serving students with severe and multiple disabilities (i.e., under the Kansas functional endorsement) are endorsed in this area, the need to train and produce fully qualified low incidence teachers is at critical levels across the state (KSDE, 2007). In fact, research appears to suggest that Kansas is experiencing shortages not only in sheer numbers but in significant geographic areas, primarily urban and rural areas of the state (McNabb, 2007). Such shortages have been exacerbated in recent years by the shift in the state teacher education licensure division to a bifurcated endorsement system for special education – from categorical endorsement to endorsement in learners needing an adaptive or functional curriculum. This has resulted in most students entering special education teacher preparation programs opting for the high incidence adaptive endorsement category (Sailor, Roberts, Wehmeyer, 2002). In addition, the state’s universities that currently train special education teachers in the functional endorsement area have experienced significant challenges in maintaining such programs including limited faculty with low incidence expertise, low student enrollment, and more recently, state budget cuts.

Therefore, the goal of Project LIFE (Low Incidence Functional Endorsement) is to bridge the gap in qualified teachers serving students with the most significant disabilities in Kansas. We will do this by working in collaboration with the Low Incidence Consortium, supported by the KSDE State Personnel Development Grant, other institutions of higher education (IHEs) offering functional endorsements, as well as appropriate statewide support mechanisms for serving this population of students in preparing and supporting a satisfactory supply of teachers with the Kansas functional special education endorsement in targeted areas of need across the state of Kansas. The end result of this effort will be the development of a single point of entry for a functional special education endorsement that will be coordinated and taught across all IHEs responsible for functional endorsement programs. The primary mechanism for this effort will be the utilization of eLearning distance education strategies including online synchronous and asynchronous course instruction, interactive video conferencing for practicum supervision, and Web2.0 methodologies for instruction.

The enabling objectives of Project LIFE include:

1. Align existing coursework across IHEs to transform standards-based course content into an eLearning delivery format, and ensure its accessibility throughout the State of Kansas.
2. Develop and implement strategies to align and coordinate KSDE, Regents, and IHE policies regarding teacher preparation and teacher licensure/endorsement.
3. Develop appropriate accreditation/program approval, and student matriculation procedures.
4. Use existing regional and statewide resources, conduct geographically-targeted recruitment of new provisional functional endorsement teachers each year, and support their (a) online training, (b) employment in positions for which they are trained, and (c) induction into the profession.

Attachment 4

School of Business

The School of Business is developing two online courses and has been advised to keep enrollments below 30 because it is more difficult to teach these courses. The Post Audit document mentions that to maintain quality in online courses, enrollments need to be kept between 20 and 25. In our case, this will mean that enrollments in the online courses will be less than our average class size, and definitely more costly. Nevertheless, we are doing this for two reasons: first, to experiment and develop the in-house skills and knowledge to offer online instruction, and second, because one of the courses will help serve the part-time MBA students who occasionally have to take a semester off because of travel obligations.

Attachment 5

Kantell: Kansas Teachers for English Language Learners

KANTELL is a collaborative professional development project funded by the U.S. Department of Education to increase the number of Highly Qualified Kansas teachers who provide effective instruction to the growing English Language Learner (ELL) student population.

Background

ELL students are the fastest growing population in public schools across the United States. According to the USDE Survey of the States, the Kansas ELL student population increased 350% from 1991 to 2001. This growth in culturally and linguistically diverse students provides an opportunity for Kansas children and schools to interact with classmates and families who have different life experiences, world views, cultures, and languages. It also presents new challenges for Kansas teachers as they share the responsibility for an effective, meaningful education for all students, including those with limited English proficiency.

KANTELL Objectives

Kansas teachers in geographically-isolated areas need access to specialized training and support to effectively teach ELL students. KANTELL responds to this need through the following objectives:

- Create a highly interactive, distance-learning format for the University of Kansas [ESOL endorsement](#) curriculum.
- Pilot the curriculum with participating Southwest Kansas teachers.
- Increase the number of ESOL endorsed, secondary-content teachers who graduate from the University of Kansas.
- Evaluate the program’s impact on teacher effectiveness.

Partners

KANTELL operates through the [Institute for Educational Research and Public Service](#) in the [School of Education](#) at the University of Kansas, in collaboration with the [TESL Faculty](#), the [Southwest Plains Regional Service Center](#) (SWPRSC), and SWPRSC partner school districts.

KANTELL is a five-year grant project, funded by the National Professional Development Program (CFDA #84.194N), Office of English Language Acquisition, U.S. Department of Education.

1. Master’s Degree in Special Education with an emphasis on Transition Services – ready to market. Waiting for pricing of distance courses.
2. Endorsement courses in Gifted Education – post-baccalaureate sequence of courses for teachers wishing to add an endorsement in Gifted Education. Currently under development.
3. Urban Education – preparing courses for delivery on-line for spring 2010 semester. Eventually will develop a certificate program and then a specialization in the master’s in Educational Leadership and Policy Studies.