RCM 3 Year Review & Analysis
July 1, 2014 thru September 5, 2017
White Paper

Background

Institutions of public higher education have felt economic strains in recent years, and Temple University is no exception. The Commonwealth of Pennsylvania was once a major underwriter of public higher education, but significant financial pressures in the state have resulted in declining support. The decline in public dollars has put increasing pressure on tuition. At the same time, our Board has resolved to make affordable access to quality education Temple's highest priority.

Temple University's decision to implement a decentralized budget model was influenced by the model's ability to:

- Allow for changes in response to concerns as they are recognized;
- Decentralize responsibility and involve more faculty in budget and planning decisions;
- Emphasize transparency and access to information that can lead to significant efficiencies and streamlining;
- Encourage multi-year strategic planning, aligning resources with top priorities; and
- Incentivize schools and departments to strive for excellence in teaching and research.

In October 2012, to gain a better understanding of Temple's readiness to transition to a decentralized budget model, interviews were conducted with deans, faculty and staff who participate directly in budget activities or have an interest in its management. This "listening tour" included individual and group interviews with faculty and staff. **Common themes** emerged including:

- a desire to create an environment of **improved financial planning**;
- a budget system that is **transparent, easy to understand** and well communicated;
- financial **resources supporting academic priorities**, where revenue generation is not the lead or sole factor in the decision making process;
- units ("revenue centers") responsible for generating the revenue should be able to **keep the revenue generated**;
- **access to reliable data** and standard reports;
- the importance of **periodic review** to ensure the budget model is continuing to meet the needs of the university community and is responsive to the broader macro environment; &
- promoting shared governance to ensure broad understanding of, and **participation in fiscal matters among faculty and staff**.

Guiding Principles

Based on these themes and the thoughtful consideration of the implementation steering committee a set of **guiding principles** was developed to help frame the process. These principles served to guide the process irrespective of changes in its goals, strategies or leaders:

Mission-driven: In order to support the University's mission of providing an excellent education at an affordable cost, Temple's budget practices must contain appropriate incentives to support academic quality and efficiency. Certain priorities, initiatives or activities that are central to the overall university mission may require the financial support of the revenue centers. The budget model recognizes that Temple's primary mission is to support its teaching and research enterprise first, and its goals and success supersede those of the individual units and revenue centers.

Align Authority with Responsibility and Accountability: The closer the point of an operating decision is to the point of implementation, the better the decision is likely to be. Realign the authority for making decisions with their financial outcomes. Authority to make decisions should be pushed down to the revenue centers along with the responsibility or accountability for such decisions.

Fairness: The budget model should be consistent, predictable and transparent. Considers a student-focused approach to the delivery and funding of services to ensure equitable access to services and facilities while allowing for schools/colleges to offer additional services to their students.

Encourage Innovation, Entrepreneurship and Efficiency: Create and introduce financial incentives to encourage and recognize appropriate risk taking and efforts to enhance revenue or reduce expenses. Support and reward units for interdisciplinary collaborations and discourage unnecessary internal competition.

Simplicity: The budget model, including the allocation of revenues and indirect expenses, should be simple to understand, explain and maintain.
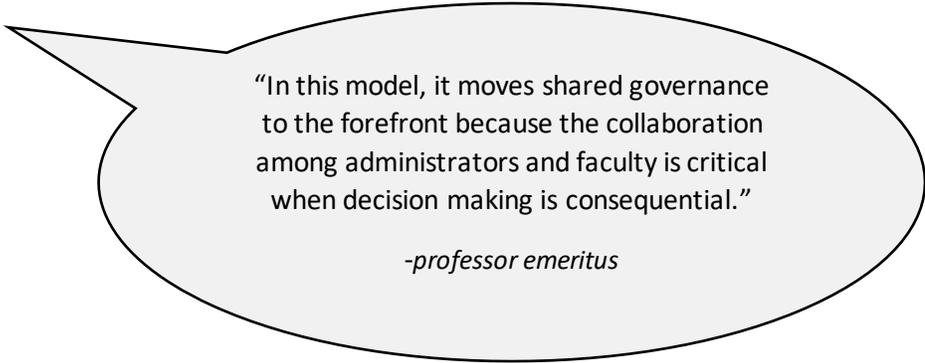
"In this model, it moves shared governance to the forefront because the collaboration among administrators and faculty is critical when decision making is consequential."

-professor emeritus

Impetus for Review and Assessment

In July 2014 (FY2015), Temple implemented a Responsibility Centered Management tool ("RCM") with the promise to conduct a thorough review as early as spring 2017 having had the model in place and active for almost three full fiscal cycles. The university wished to review the performance of its model to identify any unexpected structural challenges, unforeseen inequities, or unintended consequences which may have resulted from the model's design and implementation.

This assessment focused on gathering feedback from campus leaders and users in both the academic and administrative units to understand their perceptions of the current model's strengths and weakness. The ultimate outcomes of this effort were to:

1. Gather both qualitative and quantitative evidence for potential model changes for fiscal year 2019, including addressing possible unintended consequences or incentives created by the model.

2. Improve, as necessary, the governance structures and operational components of the budget and budget model.

Project Approach
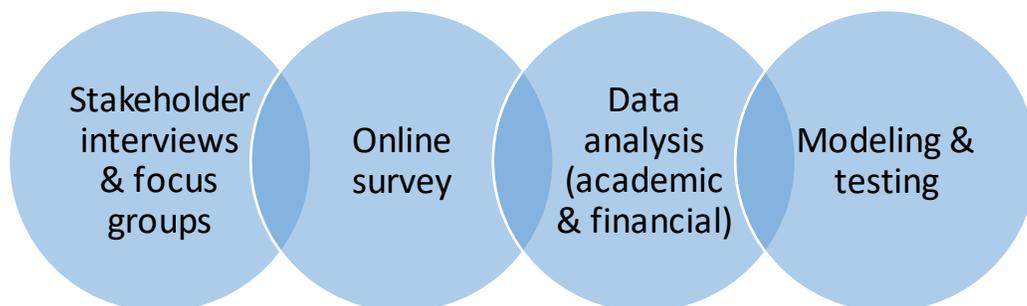
Interviews & focus groups → 86 participants including the President, Provost, 16 Deans, 12 officers and administrators, 57 faculty and staff, and 1 student

Online survey → Of the 2,384 full-time faculty, department chairs and administrators invited to the survey, there was a total of 1,164 participants; 835 completed and 329 partially completed the survey. For purposes of analysis, the 45 participants who responded to only two or fewer items are excluded from the raw data set. Therefore, the total number of participants included in the final data set for analysis is 1,119 for a response rate of **46.9%** (see appendix B)

Data analysis → Academic and Financial performance (see appendix A)

Academic Quality Indicators (AQIs) provided information related to: enrollment, retention, graduation rates, faculty tenure status, headcount, course sections, distance learning, credit hours

Financial performance data included the income and expense categories for each responsibility center. Income categories included: tuition, research, gifts, subvention, and strategic funding. Expense categories included: financial aid, salaries and benefits, and allocated central costs

Timeline

- ❖ Pre-Budget Model baseline: July 1, 2013 - June 30, 2014

- ❖ Budget Model Year 1: July 1, 2014 – June 30, 2015

- ❖ Planning meetings with external reviewers: August 2016 – February 2017

- ❖ March & April 2017: on campus visits to conduct interviews with deans, officers & faculty. *Interview/Focus Groups: 3/10, 3/17, 3/24, 4/3, 4/14, 4/20 & 4/21*

- ❖ March & April 2017: survey deployed to faculty and senior administrators *Survey schedule: 3/10 deploy, 3/15 and 3/23 reminders, 3/28 close, 4/11/17 end*

- ❖ June 2017: on campus visit with consultants to share preliminary data analysis

- ❖ July 2017: FY2018 Budget approved by the Board

- ❖ September 2017: presentation of findings to President, CFO & Provost

- ❖ October 2017: presentation of findings to the Deans

- ❖ November 2017: presentation of findings to Faculty Senate

- ❖ December 2017: determine what changes will be implemented for FY2019 budget

- ❖ January 2018: identify and communicate implementation plan

- ❖ July 2018: FY2019 budget approved by the Board

Key Findings

To achieve the institution's goals and earn the trust of its key stakeholders, the university committed to developing a budget approach that is data driven and transparent with clear accountability for all allocated resources.
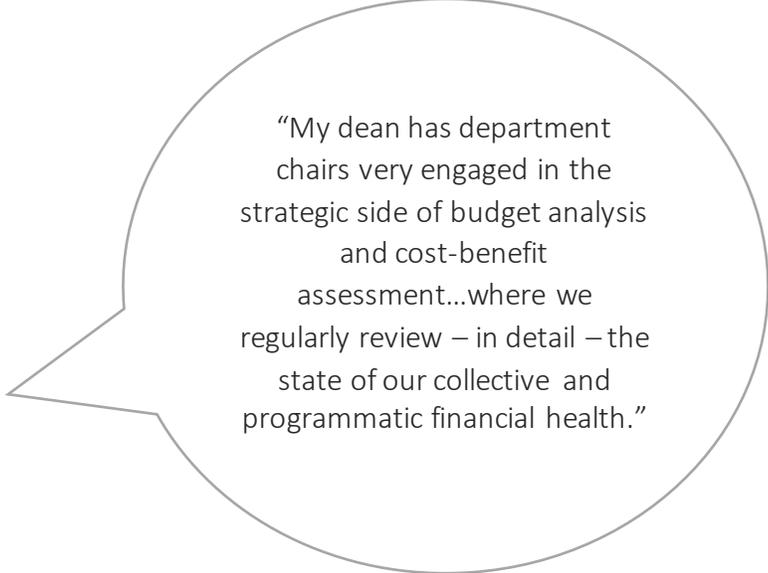
The model is designed to promote efficiency and focus service units on providing high-quality services. Overall the budget model has created certain positive outcomes for Temple and has laid the groundwork for further improvement. Temple is still in an early phase of RCM (*age 3 or toddler stage)* and the transition to incentive-based budgeting is ongoing. For the model to be optimally implemented, clear strategic priorities must be stated and incentivized.
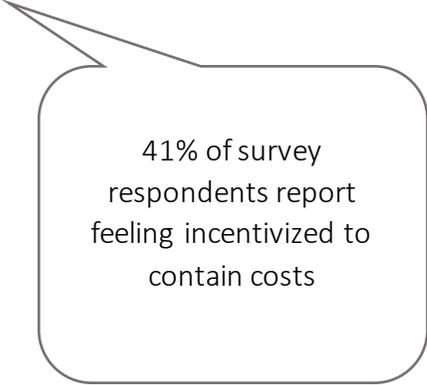
> 41% of survey respondents report feeling incentivized to contain costs

Other key findings that were underscored by the nearly 1200 faculty, staff and officers who participated in the review:

I. Leaders and budget/finance managers believe that the current model is more transparent however it is more complicated than necessary and allocated costs are not fairly aligned with activities;

II. Key stakeholders indicate they still have insufficient information driven by a combination of a lack of data access, data awareness, training, and/or staffing capacity;

> "My dean has department chairs very engaged in the strategic side of budget analysis and cost-benefit assessment…where we regularly review – in detail – the state of our collective and programmatic financial health."

III. At the school level, faculty report varied levels of transparency and engagement with their deans (*important to note that surveyed faculty expressed varying levels of interest in participating in budgetary discussions*);

IV. Concern with the influence of leadership changes (9 dean transitions and 7 officers since 2013) which also has affected the perception that the RCM model is "CFO driven" and that, historically, the university culture has demonstrated a preference for more centralized and less transparent methodologies.

Principle Alignment

As part of a campus-wide budgeting survey, respondents were asked to evaluate how well the RCM model adhered to its founding, guiding principles. A sampling of the results are below (scale 1-5).

Mission-driven **avg rating: 2.75**
- Encourages growth in course sizes, cannibalization of other schools' courses or areas of expertise
- Dis-incentivizes research due to high associated costs
- Although most respondents consider the model adequately well aligned with the guiding principles, the significant number of faculty who consider it poorly aligned with Temple's mission indicates a potential issue.

Fairness **avg rating: 2.50**
- Process is not sufficiently transparent, particularly for administrative unit oversight or strategic funding decisions
- "Fixed" subvention is not equitable or dynamic enough

Encourage Innovation, Entrepreneurship and Efficiency **avg rating: 2.92**
- Drives intra-university competition rather than true growth, such as interdisciplinary collaborations
- Insufficient support to launch long-term growth initiatives

Simplicity **avg rating: 2.57**
- Too many rules / allocation formulae
- Lack of support resources and service to help navigate model and process

Align Authority with Responsibility and Accountability **avg rating: 2.79**
- College/School academic leadership often feels accountability exists for them, but not for central administration leadership or service units

As you will see from the assessment and recommendations (*beginning on page 8*), there are substantial opportunities to: simplify the budget mechanics; better align incentives with the University's mission, enhance productive revenue growth, reduce and control costs, and increase transparency. One of the major findings is that there is tremendous variation across the university in understanding, use and impact of RCM. Accordingly, the primary focus of Temple's post-review effort is to build institutional capacity for RCM through:

- Expectation-setting and accountability mechanisms for both academic units and administrative support units
- Developing and better supporting the utility of data, reporting, and analytical resources and tools
- Implementing robust training and RCM support services

9 of 16 deans and 7 officers are new to their role since 2013...

As well as 25% of survey respondents

(see appendix D)
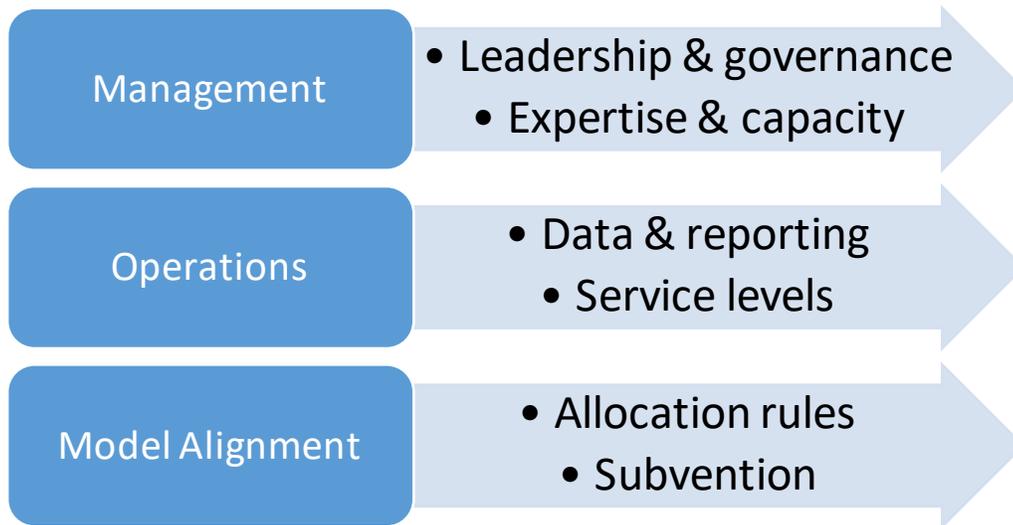
Additional Challenges

Over the course of this review, several issues were ascribed to the RCM model which appear to be symptomatic of other institutional challenges. The following challenges were identified throughout our stakeholder discussions. Although some may be exacerbated or highlighted by the RCM budgeting approach, there is no viable way to overcome these challenges with a change to the RCM approach alone.

- **Commonwealth of PA Appropriations**
  Flat or slow growth of revenues outside of Temple's direct control are often conflated with other financial management challenges

- **Lack of College/School Input on UG Admissions**
  Approaches to engaging schools in undergraduate admissions should be considered, but outside the bailiwick of RCM

- **UG Financial Aid Cost Under-projection**
  Past issue with financial aid budget reduced strategic fund pool and led to misplaced criticism on RCM (versus aid projections)

- **Course Cannibalization across Colleges/Schools**
  Vigilance regarding replicated courses is appropriate, but Temple's review of academic courses and programs process ("TRAC") appears to be a sufficient safeguard

- **High Administrative Costs Discourages Research**
  Research costs are intrinsically high across the sector currently and historically regardless of cost allocation rules, and the costs of research are never fully recovered

- **Ambler Campus Utilization**
  Questions regarding the treatment of Ambler in the RCM model beget questions about Temple's overall Ambler strategy

- **Rome Campus and the Honors Program**
  It is often more effective to manage certain strategic priorities outside of the RCM model rather than rely on the mechanical design to address it

Academic Quality Metrics and Planning – Faculty are typically the most concerned with the prospect of course cannibalization that can be incentivized by RCM. Temple's commitment to academic excellence and ensuring the quality of courses and programs has been a significant focus for institutional data monitoring and analysis. Our model of transparency was recently acknowledged by the Education Advisory Board in their 2017 research publication finding 2 key ingredients to forestalling unhealthy cannibalization: using faculty disciplinary knowledge to identify and assess; and leveraging innate faculty desire to maintain colleges' prestige and enrollment.

Assessment & Recommendations

Our external reviewer interviewed more than 86 faculty, deans and staff; surveyed 2100 full-time faculty and 180 administrators; and analyzed three fiscal years of academic and financial data. Review and analysis of the data collected resulted in the following broad categories:

Management	• Leadership & governance • Expertise & capacity
Operations	• Data & reporting • Service levels
Model Alignment	• Allocation rules • Subvention

Recommendations described below highlight that Temple's implementation of RCM was successful, but further evolution of its approach is necessary to continue to optimize incentives and outcomes.

Leadership & Governance

The President, Provost & CFO cohesively drive the model which is a management tool and not merely a financial tool. Leaders must understand the model, be willing to operate within its parameters, and have difficult discussions with academic and administrative leadership to enforce principles.

- Ensure all support units (SU) and revenue centers (RC) play by the same rules of transparency and accountability

- Engage in deliberate and transparent reviews (i.e., annual budget conferences) to understand each SU's and RC's economic reality and assess how their services and funding requests support the mission and University strategic priorities

> 53% report they do not know how their school/college establishes funding priorities
> *Survey Q9*

- Provide greater transparency in strategic funding outcomes and how resource decisions are made to incentivize the University's academic priorities

- Align oversight committee structures and purpose with the recommendations from this review (e.g., deans' advisory for review of costs and services, faculty engagement at the school/college level)

Expertise and Capacity

Academic and Support Units do not have a sufficient understanding of RCM, nor the tools and internal capabilities to fully manage unit-level planning and decision making.

- Enhance existing training & education offerings as well as develop additional methods to support decision-makers (e.g., topical user group sessions, on-demand training tools, onboarding for new deans & budget managers)

- Consider additional staff or restructuring existing structures (i.e., finance and human resources collaboration centers) to support data analysis, reporting and forecast modeling (see Leadership Academy 11 Team research report in appendix E)

12.8% report participating in RCM training
Survey Q11

50.2% report they do not feel they have adequate access to data to help make informed decisions
Survey Q6

Data and Reporting

One of the core tenets to success in the RCM environment relies on having access to relevant information to make effective decisions. "The budget model should be consistent, predictable and transparent."

- Leverage existing technologies to provide stakeholders easier, more robust access to relevant data in ways they can use it

- Develop a short-term forecasting tool to enable predictive modeling

Are people getting the right data at the right time? Need to develop/deliver more modeling tools so deans have a better understanding of the decisions that need to be made.

Best practices right here at home - Look at internal model of Provost > Institutional Research & Assessment > Student Collaboration Center > outcome → AQI creation and evolution to dashboard.

Leadership Academy 11 team research and recommendation: Develop a data governance team to tie in academic quality indicators, financial metrics and a dashboard to elevate high level data and trends. The issue is not with the inventory of what we have, it is HOW TO USE THEM. (see appendix E)

Service Levels

Lack of visibility into how centralized services are managed has increased scrutiny of allocated costs and the value of the service provided among the schools and colleges. The following recommendations will jointly support the University's assessment of institutional effectiveness and Middle States' standards.

Have we incentivized the right things?
Cost of new program creation is reported by deans as dis-incentivizing, however the total number of active degree programs increased 33.7% from 404 (AY2014) to 540 (AY2017)

- Establish performance management framework for each service provided (e.g., Key Performance Indicators and Service Level Agreements)

- Utilize a Cost & Services oversight committee or alternative mechanisms for defining services, setting expectations, measuring impact, and validating funding

- Adapt the annual budget conference process to better evaluate performance and effectiveness

Refine Allocation Rules

Reduce the unnecessary complexity of the model by simplifying the 15 indirect cost categories, 8 different metric drivers, and 11 unique allocation formulae (see appendix C)

- Align allocations to true costs as much as possible and adjust the cost allocation formula for research administration and advancement to be fairly aligned with activities

- Subvention and/or strategic funding pools are often more flexible and effective tools for creating mission-focused incentives than across-the-board formulaic options and will be evaluated annually for alignment

14.8% report they DO NOT perceive inequities in the RCM budgeting approach; 48.3% report they DO perceive inequities; and 36.9% did not respond

Q19 survey

Next Steps

October 2017	Share the findings and recommendations with the deans and officers
November 2017	Share the findings and recommendations with the faculty senate
	Implement communication plan for widely sharing the review findings and recommendations
December 2017	Implement any changes to the financial model for FY2019
	Distribute updated process documents in preparation for annual budget conferences
	FoxMC student research team presents findings and recommendations for Temple's Building Institutional Capacity initiative
	Prepare for January 2018 launch of RCM@Temple Canvas classroom of resources available to all Temple faculty and employees

Appendix

APPENDIX A

Data list for academic and financial analysis

Prepared by University Budget Office[1]:

- ➢ FY15 Allocated Cost Workbook with tabs for metric data table, per metric calculations, allocation spread across the schools/colleges and the auxiliary subsidy
- ➢ FY16 Allocated Cost Workbook with tabs for metric data table (& census points), per metric calculations, allocation spread across the schools/colleges
- ➢ FY17 Allocated Cost Workbook with tabs for metric data table (& census points), per metric calculations, allocation spread across the schools/colleges
- ➢ FY2015-FY2017 Budget and Actuals – Revenue Centers (4/20/17)
- ➢ FY2017 Support Unit Budget Groupings (PDF 4/20/17)

Prepared by University Institutional Research & Assessment:

- ➢ Guide to the Academic Quality Indicators (definition of terms & rationale for IR to build this data as we prepared for RCM)
- ➢ Academic Quality Indicators reports, pre-RCM FY2012, FY2013 & FY2014
- ➢ Academic Quality Indicators reports, RCM FY2015, FY2016 & FY2017
- ➢ RCM Survey Data with combined with HR variables N=1119 (4/18/17)

University Data Sources:
- ➢ Service Level Agreement for Facilities Management is available on their website
- ➢ Powerpoint presentation: background FY2013 to present with summary of feedback collected from deans, faculty and business managers to guide the goals for the review
- ➢ Leadership Academy 11 Team – Final Report: "Access to Data & Reports in the Temple University Responsibility Center Management (RCM) Environment"

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[1] Budget data such as the documents provided for the review will be available now in the newly launched TUportal Budget channel accessible to all employees

RCM SURVEY SUMMARY

The RCM survey was developed and administered at Temple University using the Qualtrics Survey web interface. The survey was administered to 2384 faculty and staff and administrators at Temple University. The survey was distributed via the Qualtrics email server to 2384 participants on the following dates:

Date	Email type
March 10, 2017[1]	Initial email invitation
March 15, 2017	Reminder email
March 23, 2017	Final Reminder email

Distribution Notes:

Responses were not required on any survey items and therefore, participants could skip any or all survey items.

RCM Survey:

On April 11, 2017, the survey was closed so that the team could collect responses from all participants – those who completed (clicked through to the end of the survey) and those who partially completed (opened the survey, answered some questions, but did not click through to the end) the survey. The data were exported from Qualtrics.

Of the 2,384 full-time faculty, department chairs and senior administrators invited to the survey, there was a grand total of 1,164 participants; 835 completed and 329 partially completed the survey. For purposes of analysis, participants who responded to only two or fewer items are excluded from the raw data set. In accordance with this cut-off point, 45 participants were removed from the raw data set. Therefore, the total number of participants included in the final data set for analysis is 1119 for a response rate of 46.9%. Some descriptives for the data set are shown in tables below:

Description	N	Response Rate %
Completed	835	35.0%
Partial: Responded to 3 or more survey items	284	11.9%
Total	**1119**	**46.9%**

eClass Description	N	% of Sample Participants
TAUP NTT Faculty	316	28.2%
TAUP Tenure Track Faculty	354	31.6%
Medical Faculty/Clinical	169	15.1%
Faculty Chair	53	4.7%
Admin T26 or above	101	9.0%
Executive Comp – deans and vps	18	1.6%

The majority of survey participants are full-time faculty (84.7% or 948) with 71% of 948 respondents represented by TAUP. Key data points include:

- faculty sense of responsibility for driving revenue and containing cost at the school/college level (Q3, Q14, Q15);
- faculty understanding of the budget process (Q7), how the school/college establishes funding priorities (Q9),
- how much their dean engages them in the financial planning and budgeting process (Q10)

Not included in this report is an extensive amount of qualitative data (open text responses) from survey participants. This will require more reading and time to codify the voluminous responses collected. A modest sample has been included below.

QUICK STATS:

25% of survey respondents have joined Temple since 2013 when RCM began

Q3 Do you have responsibility for the financial outcomes (driving revenue, containing costs) of your school/college/department?
>   760 or 73.4% of school/college respondents report they DO NOT have responsibility for the financial outcomes (i.e., driving revenue or containing cost)

Q6: Do you feel you have adequate access to data to help make informed financial decisions?
>   520 or 50.2% report they DO NOT feel they have adequate access to data to help make informed financial decisions

Q8 Describe your level of awareness of your school's/college's budgeting process?
>   458 or 44.3% report they are slightly aware or not well aware
>   118 or 11.4% describe being extremely or very well aware

Q9 Do you know how your school/college/department establishes funding priorities?
>   434 or 52.5% report they DO NOT know how their school/college establishes funding priorities
>   198 or 23.9% did not respond to this question
>   195 or 23.5% report they DO know how their school/college establishes funding priorities

Q10 How much does your Dean or administrative leader engage you in the financial planning and budgeting process?
>   24.3% did not respond to this question
>   32.5% report not at all
>   17.5% report a little
>   11.8% report a moderate amount
>   4.5% report a lot
>   6.1% report a great deal
>   3.2% report not applicable

Q11 Did you participate in any of the budgeting training sessions offered by the CFO portfolio when RCM was introduced?
>   133 or 12.8% report YES they participated in training
>   656 or 63.3% report NO they did not participate in training
>   247 or 23.9% did not respond

Q19 Do you perceive there to be inequities in the RCM budgeting approach?

    153 or 14.8% report they DO NOT perceive inequities in the RCM budgeting approach

    500 or 48.3% report they DO perceive inequities in the RCM budgeting approach

    383 or 36.9% did not respond

RCM SURVEY: Sample qualitative data from deans, associate/vice deans, business managers

Qualitative Data: Transparency, Planning & Governance

I appreciate we are doing this and hope we will not be afraid to make major changes.

One of the benefits that was often touted before RCM was implemented was the transparency of decision-making and the power that colleges would have in university governance. However, a lot of decisions are still centrally made with little or no input from colleges or negative input from colleges but done anyway. It seems that this model was adopted to give faculty (and deans) the illusion of power/control over their destinies when in reality that has not been ceded to the colleges. We have set up a system where colleges are not starting on equal footing (tuition differential, staffing types, program types) and then expected to perform entrepreneurially and cross-disciplinarily but the reality is that we are all working in a competitive environment against each other.

We also don't know how the money that we send for allocated costs is being used-- e.g. we are charged for financial aid that is not given to CLA students, we pay into a plant fund that does not seem to be reinvested significantly into the CLA buildings, and this is true for some of our other costs, too. If we (the CHG generators) have to run as efficiently as possible, other administrative offices should have to do so, too.

It is understandable that with the implementation of RCM, there had to be a start…followed by an assessment (as we are doing now)--the %'s were set for allocated costs, plant, financial aid--but with this review, there should be a comprehensive look at individual school needs, that (for example) may not be a research institution, but pay a significant amount to this area thru allocated costs, or to IA--we pay a considerable amount to IA, but most schools/colleges do not feel supported or feel that feel that the amount they pay in is not justified; Scholarship--again, we have zero control over this allocation, yet we pay a considerable amount to this area

There have been few opportunities for those responsible for revenue generation (e.g., Enrollment Management, marketing, admissions) to understand RCM.

There have been minimal changes in the way university administration supports and manages the revenue generation and spending by schools and colleges. In fact, there remains no accountability measures or metrics to evaluate the support provide by central administration to the revenue centers. Other examples include the fact undergraduate admission remains the sole discretion of central administration, yet the schools and colleges live with the consequences of these decisions. An objective of RCM was to incentivize interdisciplinary collaboration. Instead, RCM has prompted unhealthy competition and institutional redundancy.

It would be great to understand senior leadership's financial and capital priorities.

University needs a new strategic plan

I do not see how the strategic fund aligns to the mission. I also do not see a clear correlation between decisions made at the university level and our mission.

Because of lack of transparency and decisions that are made at the Board level, many decisions do not 'seem' fair

Many centrally and especially within the Provost Office are still operating under the old ways and have not adjusted to the new model.

The current budgeting model is an excellent starting point for further analysis of the assumptions that have animated the University as a whole, especially of late, while providing an unambiguous assessment of the financial realities of each academic unit. This is not to say that each unit should be expected to generate every last dollar needed to deliver its programs; rather that it provides sobering data that can inform future initiatives as we contemplate possible further reductions in the state appropriation.

There needs to be better incentives for growing and creating new programs.

The lack of transparency has created some of this. There is the lack of communication from the Provost Office. There is the perception that some schools and colleges are treated differently.

Still have no control over allocated costs. Also, less incentivized to invest in research and new graduate programs given RCM tax (vs. model pre-RCM where auxiliary tax was much less and therefore created more of an incentive to invest/start new programs).

It is inequitable to tax schools on the potential of a gift or research funds, this drives up allocated costs which accounts for over 50% of our revenue.

Service units need more oversight and accountability to colleges.

Formula drivers for allocated costs need to be reexamined to align resource utilization by colleges more closely with their assessment.

Not enough transparency with overhead, and involvement of Deans to impact expense base/budgets.

More thoughtful use of the state appropriation/subvention is necessary. Why would schools who don't even get a subsidy take a budget cut if the appropriation is reduced - that's not RCM. Why were hold harmless subsidies to schools with huge surpluses continued? Anytime that a strategic fund is an addition to a school's base budget, that is a perversion of RCM -- it is taking more money from everyone and permanently giving it to the "preferred" school - isn't RCM supposed to eliminate "deals" for those in favor?

Subvention for the small schools needs to be revisited; subvention declines each year while allocated costs increase. The feasibility to reduce the number of metrics for allocated costs should be explored.

The quality of the data has not really changed but it is different data that we need and not all of that data if readily available.

There are not proper tools in place to manage RCM budgets or project current/future years, or cross comparison between 2 fiscals to monitor or assess +/- in revenue, allocated cost calculations, etc. Too many variables to consider, and no reports to simplify the analysis.

Significant gaps in availability of pertinent data remains. For example, the schools and colleges lack the availability of data regarding the financial support provided by the university to its students. This support is part of the Assessment charged to revenue centers, yet data remain unavailable.

We need access to reports that pulls our (schools) specific data together easily so that we can assess and project and make educated decisions on finance and budget. There are so many variables to consider: instate/out of state/PT/FT/full-paying/Scholarship students--transfer credit. to have information readily available for projection and assessment without having to create our own spreadsheets with uncertain/clear data, leaves us feeling less than confident of our projections

It is not a simple budget model. Difficult to project or assess properly.

I have had to think more globally about the many programs run by my department (and the data views that are necessary are not available or not integrated).

In CLA, courses are taught by faculty who cross disciplinary boundaries, (e.g. cross-list within CLA and with other colleges at Temple). Also, we have numerous programs running in a variety of locations (e.g. online, on other campuses, etc.) so there is potential for complication that was not there prior to RCM.

I do not think we have implemented the systems needed to properly implement RCM. Our ability to examine financial data is very restricted. I believe Cindy Leavitt has a real understanding of how to implement data sharing and we should make use of her expertise to do this. There is no outcomes data or accountability for the administrative units.

Lack of transparency and communication

Have always felt quality of data was very good -- before and after.

While the RCM model excludes the Clinical Enterprise, I am overall confident in both the Controller's Office and OBM in providing accurate accounting data.

Banner has taken some to provide the detail that we were accustomed to with FMS.

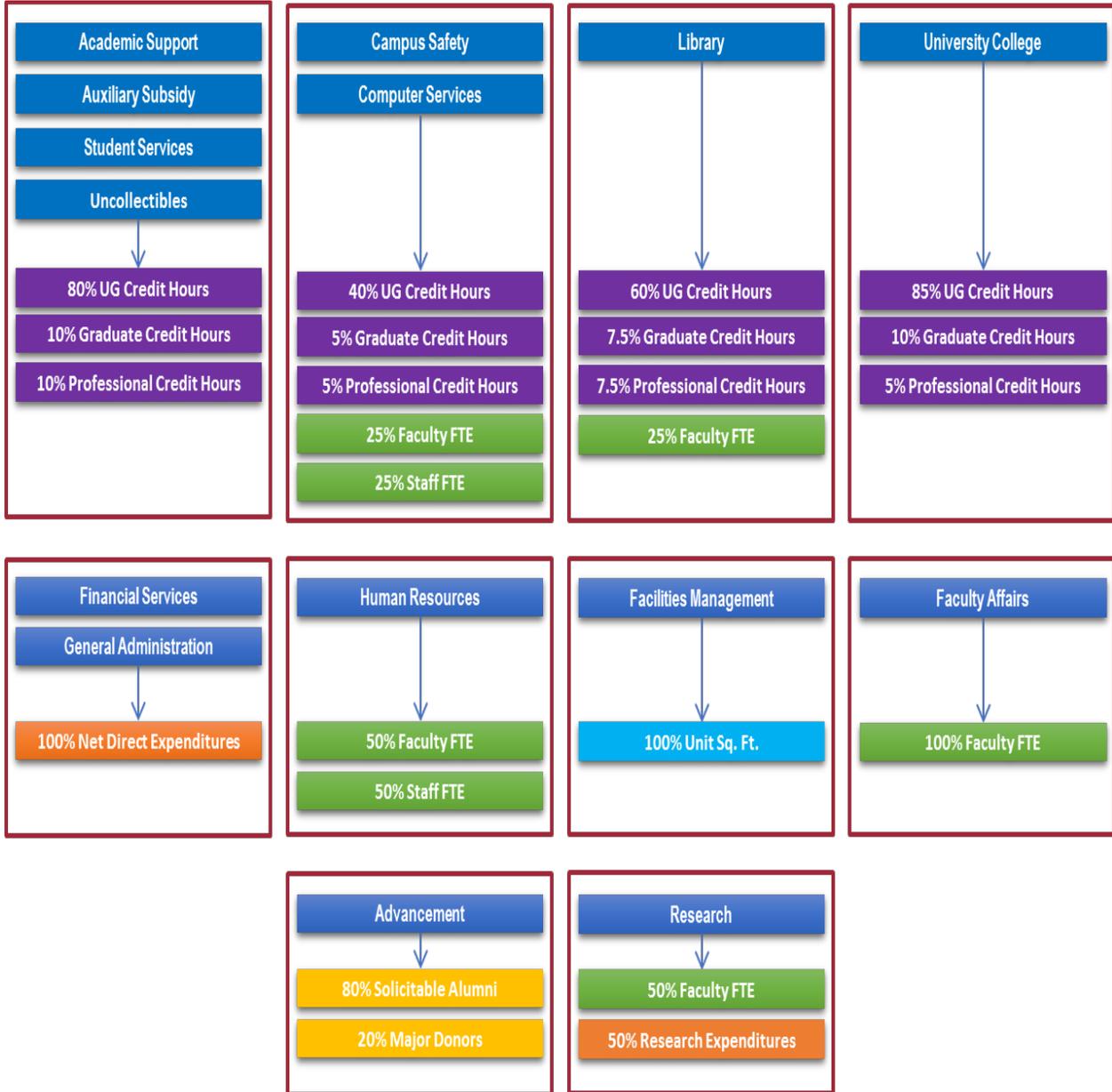The amount and relevance of data has been consistent throughout the process.

I arrived at Temple during the implementation of RCM so it is hard for me to judge.
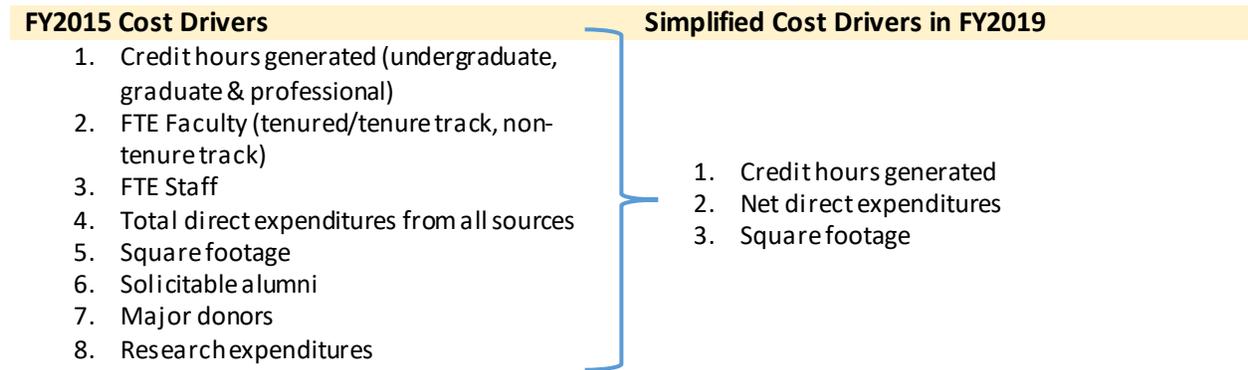
More reports are available
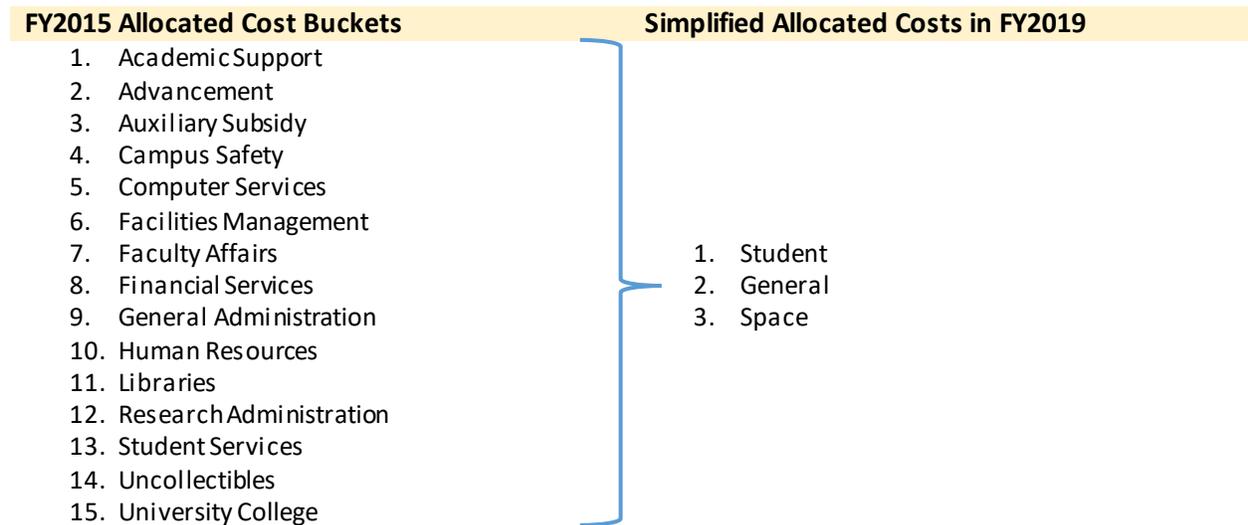
Simplify the Allocated Cost Formulae

A significant number of interview and survey respondents indicated a strong desire for the simplification of the financial model formulae such as reducing the number of cost allocation buckets (15) and drivers (8) that today comprise 11 unique allocation formulae described below:

Academic Support	Campus Safety	Library	University College
Auxiliary Subsidy	Computer Services		
Student Services			
Uncollectibles			
↓	↓	↓	↓
80% UG Credit Hours	40% UG Credit Hours	60% UG Credit Hours	85% UG Credit Hours
10% Graduate Credit Hours	5% Graduate Credit Hours	7.5% Graduate Credit Hours	10% Graduate Credit Hours
10% Professional Credit Hours	5% Professional Credit Hours	7.5% Professional Credit Hours	5% Professional Credit Hours
	25% Faculty FTE	25% Faculty FTE	
	25% Staff FTE		

Financial Services	Human Resources	Facilities Management	Faculty Affairs
General Administration			
↓	↓	↓	↓
100% Net Direct Expenditures	50% Faculty FTE	100% Unit Sq. Ft.	100% Faculty FTE
	50% Staff FTE		

| Advancement	Research
↓	↓
80% Solicitable Alumni	50% Faculty FTE
20% Major Donors	50% Research Expenditures

With minimal change, allocated costs can be charged equitably across fewer buckets using these 3 cost drivers: credit hours generated, net direct expenditures and square footage:

FY2015 Cost Drivers	Simplified Cost Drivers in FY2019
1. Credit hours generated (undergraduate, graduate & professional) 2. FTE Faculty (tenured/tenure track, non-tenure track) 3. FTE Staff 4. Total direct expenditures from all sources 5. Square footage 6. Solicitable alumni 7. Major donors 8. Research expenditures	1. Credit hours generated 2. Net direct expenditures 3. Square footage

Further, simplification is also recommended by collapsing the 15 allocated cost buckets to 3 core support services: student, general operating and space:

FY2015 Allocated Cost Buckets	Simplified Allocated Costs in FY2019
1. Academic Support 2. Advancement 3. Auxiliary Subsidy 4. Campus Safety 5. Computer Services 6. Facilities Management 7. Faculty Affairs 8. Financial Services 9. General Administration 10. Human Resources 11. Libraries 12. Research Administration 13. Student Services 14. Uncollectibles 15. University College	1. Student 2. General 3. Space

By reducing the number of variables it will greatly simplify the financial model making it more predictable and better support long term planning:

Student → 100% Total Credit Hours (all terms)

General → 100% Net Direct Expenditures

Space → 100% Unit Square Footage
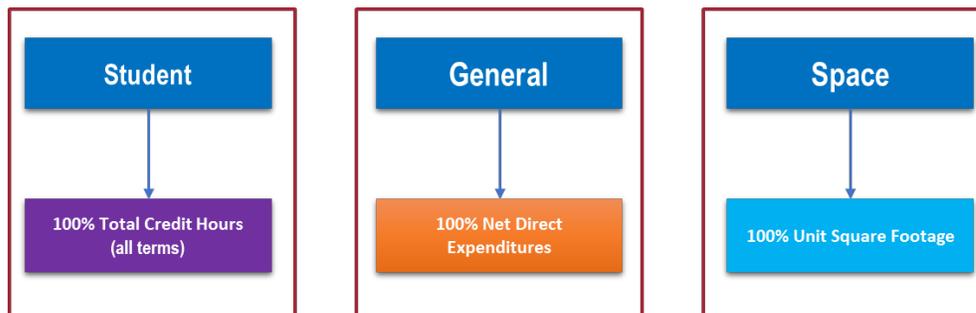
APPENDIX D

Leadership Transitions Since RCM Preparation Began

Since the inception of RCM, Temple has experienced significant transition in top leadership positions. Below was provided to the Deloitte team to indicate the timing of deans' and officers' start date in their current roles:

Deans:	
Greg Anderson, Dean, College of Education	7/2013
Peter Doukas, Dean, School of Pharmacy	11/1969
Greg Mandel, Dean, Beasley School of Law	2/2016
Amid Ismail, Dean, Kornberg School of Dentistry	2008
David Boardman, Dean, School of Media & Communication	9/2013
Larry Kaiser, Dean, School of Medicine & Senior Executive Vice President for Health Affairs	4/2011
Michael Klein, Dean, College of Science and Technology	6/2013
John Mattiacci, Dean, School of Podiatric Medicine	1998
M. Moshe Porat, Dean, Fox School of Business and Management & School of Sport, Tourism & Hospitality Management	1980
Keya Sadeghipour, Dean, College of Engineering	1987
Laura Siminoff, Dean, College of Health Professions	3/2014
Teresa Soufas, Dean, College of Liberal Arts (RCM Steering Committee) Bill Stull, Acting Dean, College of Liberal Arts Richard Deeg, Dean, College of Liberal Arts	thru 1/2014 thru 8/2016 9/2016
Robert Stroker, Dean, Boyer College of Music and Dance & Center for the Performing & Cinematic Arts	2002
Hester Stinnett, Interim Dean, Tyler School of Art Susan Cahan, Dean, Tyler School of Art	9/2015 8/2017
Hilary Link, Dean, Temple University Rome	12/2013
Joe Lucia, Dean, University Libraries	7/2013
Officers:	
JoAnne Epps, Provost	Dean 2009 Provost 7/2016
Richard Englert, President	Original 1976 and President June 2012 and July 2016
Tony Wagner, EVP, CFO & Treasurer Ken Kaiser, CFO & Treasurer	2007-2013 11/2013
Hai-Lung Dai, formerly Provost, formerly dean of Science & Technology Began as VP International Affairs	Provost Fall 2012 – July 2016 7/1/2017
Cindy Leavitt, Vice President & CIO	8/2016
Kevin Clark, Executive Vice President/ COO Jerry Leva, Vice President Facilities & Capital Projects	11/2012 11/2015
Jim Dicker, Vice President for Institutional Advancement Jim Cawley, Vice President for Institutional Advancement	5/2014 9/2017

Leadership Academy 11 Research findings and recommendations

Project Title: Access to Data & Reports in the Temple University Responsibility Center Management (RCM) Environment

Team Members:
- Kelly Hart: Director of Employer Partnership | Career Services Administration
- Mark Haubrich: Director of Information Technology | Computer Services
- Andrew Lessman: Associate Director | Office of Digital Education
- Joseph Master: Assistant Dean of Marketing and Communications | College of Liberal Arts
- Stella Ouellette: Administrator | College of Public Health, Center for Obesity Research & Education
- Sean Roche: General Manager | Temple Performing Arts Center
- Brent Whiting: Director of Information Systems | Computer Services

Project Description
One of the central principles guiding the implementation of Temple's budget model and decision-making within it is, "The budget model should be consistent, predictable and transparent." A way to assure that we achieve this is having accessible data available to decision-makers when they need it. Determine the extent to which data is accessible (able to get it, understand it, and use it) to the people who need it and what improvements should be made to the availability of reports and budget planning tools. Project consisted of interviewing 15 Assistant/Vice Deans to determine reporting and data needs and creating a data/report wish list and plan for schools and colleges to gain access to their data needs independent of current internal resources.

Problem Statement
> "The budget model should be consistent, predictable, and transparent."

To accomplish this, we need to provide accessible data to decision-makers when they need it

+

Determine what improvements should be made to the availability of reports and budget planning tools

Project Path

Process
The group process to evaluate and inform the current status of RCM data and reporting at Temple, took the form of initial sponsor & business manager interviews, which subsequently informed the questions developed in the survey to receive more broad responses to the topics and discussions resulting from the initial interviews.

Timeline
> December 19, 2017
> Initial team meeting

January 5, 2017
Met with sponsors and received a list of school/college business contacts (16 people)

January - February 2017
Interviewed 6 business managers

February 12, 2017
Used interview information to produce and distribute a survey

February 21 – 28, 2017
Analyzed survey results and compared with interview notes

February 28, 2017
Reviewed results with project sponsors for validation

Interview Information
Business Manager Interview Participants:
Diana Breslin-Knudsen: Fox School of Business
Steve Lengkeek: College of Engineering
Kevin Glass: College of Liberal Arts
Don Heller: Lew Klein College of Media and Communication
Michelle Lai: College of Public Health

Administrative Staff Consultations:
Marjorie O'Neill: Fox School of Business
David Kaiser: Fox School of Business
Bernadette Mulvey: Computer Services
Michael Dagar: Computer Services
Sally Frazee: Institutional Research and Assessment
Seward Johnson: Finance: General Accounting
Fulton Hutchinson: Lewis Katz School of Medicine

Survey Response Information
Business Manager Survey Participants
Cheryl Carreno: Tyler School of Art
Diana Breslin-Knudsen: Fox School of Business
Barry Dahlen: Kornberg School of Dentistry
Cynthia Gale: Beasley School of Law
Deborah Feldman: Beasley School of Law
Steve Lengkeek: College of Engineering
Kevin Glass: College of Liberal Arts
Don Heller: Lew Klein College of Media and Communication
Julia Kershaw-St. George: College of Education
Ann Untalan: Lewis Katz School of Medicine
Aubrey Kent: School of Sport, Tourism, & Hospitality Management
Carol Buck: School of Pharmacy

Rod Jones: School of Podiatric Medicine
Greg Wacker: College of Science & Technology
Sue Alcedo: Center for the Performing & Cinematic Arts

Survey of 15 School/College Business Managers Summary:

- **Data/Reports Utilized or Needed:**

  a. **Student:**
     Admissions, transfer, course & summer enrollment, historical comparisons
  b. **Human Resources:**
     Faculty load, faculty effort, faculty/student ratios, salary, active employee listing
  c. **Central Funding:**
     Plant, central services
  d. **Other:**
     Indirect cost recovery revenue, clinical revenue, student course fees

- **Time spent running reports:**
  1-10 hours / month

- **Technical skills required for reporting:**
  8 of 12 responded 'yes'

- **Non-technical skills required for reporting:**
  4 of 12 responded 'yes'

- **Need to better understand Temple RCM:**
  7 of 12 responded 'yes'

- **Did schools/colleges receive the right training:**
  50% responded 'maybe' or 'no'

- **What training would help:**
  In person, hands-on training from the Budget office

- **Would Cognos training help:**
  8 of 12 responded 'yes', 2 responded 'maybe'

"We're the best centralized, decentralized university."

"While the university has acted fast to decentralize budget units, it has been slow to decentralize its thought process."

Case Study: Effective/Efficient Reporting Model
Fox School of Business Reporting Data Workflow

Background

Fox's reporting and data analysis under RCM has been successful. By the 2nd year of RCM at Temple, Fox started offering auxiliary programs (programs offered in addition to regular courses) to provide additional revenue to the college and incentivizing faculty to teach by offering additional compensation for teaching these programs. Additional revenue received from auxiliary programs was reinvested in marketing; and since that time, Fox has seen a 75% increase in graduate enrollment

Challenges

All colleges were on their own to figure out how to make RCM work without sufficient data made available at University level

Fox initially faced challenges during the University transition to RCM: No reliable databases existed within the University to help decipher inefficiencies. (no way to easily determine faculty workload and average classroom size, undergraduate tuition is a 1 year lag, and blended transfer rate doesn't take into account out of state tuition)

Solution

Fox relies on experienced team members to access and summarize Banner/Cognos data efficiently.

- Financial Reporting:
  Marjorie O'Neil has background in advanced MS Excel functions, including building workbook macros
  Marjorie uses daily extracts of raw general ledger data from COGNOS, feeds it into an Excel file that distributes appropriate summary account data to corresponding departments within the school to analyze data and inform the Budget Officer.

- Student Reporting:
  David Kaiser has been using Banner & Cognos since inception at Temple, and has become a power query user
  David uses Query Studio for Cognos and works directly with a member of the business intelligence team to develop queries beyond the canned reports to better understand admissions, enrollment and recruitment.

Results
- Internal mechanisms to distribute consistent data to budget heads and individual departments for discussion and accountability

- Using the internally built Excel file they were able to program in functions for data validation and error checking

Insights & Recommendations

Insights
- Central Administration
    a. Frustrations with RCM from a data perspective
    b. Managers define need for data (focus on yourself vs. total transparency)
    c. Business Manager frustration
- Support Units
    a. Overlapping responsibilities
    b. Academic Units unaware of data gathered
- Academic Units
    a. Information access by Business Managers
    b. Preference for broader and deeper levels of transparency
    c. Disparity among Business Managers to organize and manipulate available data

Recommendations
- Central Administration
    a. Improve regularity of current reporting
    b. Develop training programs for new Business Managers
    c. Increase data access where possible
- Support Units
    a. Clarify data request responsibilities
    b. Expedite and improve efficiency of data requested
    c. Disseminate data to Academic Units
- Academic Units
    a. Utilize Business Manager network to share tools and techniques
    b. Ensure decision-making need for data requests
    c. Provide Academic Unit staff with training and tools

Global Recommendation & Specific Action Items

We see value in exploring the creation of a university committee with representation from each school and college, the Budget Office, Institutional Research & Assessment, HR, Business Intelligence and each of the collaboration centers to meet semi-annually to review successes and challenges related to communication, training, and access to important RCM data and reports.

Key areas for this committee to explore include:
- Data related to calculating transfer rates
- Faculty load data
- Post-graduation data
- Admission data sorted by department
- Comparison reports

Survey

Leadership Academy Team Research Questions

Report Section: Are you receiving the right reports with the right information?

Q1:   What reports do you utilize through the Cognos System on a monthly/ quarterly basis in order to obtain the necessary data for your school/college budgeting? (We have included the top 10 list with the option to include others)

Q2:   Is there data that you are not able to obtain through Cognos that would directly assist in your ability to make better informed decisions?

Q3:   Have you ever used Cognos Query Studio to create your own customized Cognos Report?

Information Section: For each category of data listed below, please rank the factors or reports that you feel are most valuable for budgeting and decision making.

Q4:   Student Information

Q5:   Human Resources Information

Q6:   Central Funding Information

Q7:   Other Information

Q8:   Approximately how much time per month is spent on running Cognos reports in order to obtain the necessary data for analysis?

Training Section: This is a valuable component not to be overlooked.

Q9:   What key skills, both technical and non-technical, are required to maximize your school/college's ability to manage the data and reporting functions to be successful in an RCM environment?

Q10:   Do you believe your school or college needs to improve its technical or professional skill set related to RCM-based data management?

Q11:   With the transition to the RCM Model do you feel you or your team received adequate training in order to successfully access the data needed for your budgeting and/or projections?

Q12:   What training(s) would be most beneficial to you or your team?

Q13:   If a more structured and rigorous training program was offered with regard to Cognos reporting would you or your team attend?

Q14:   Do you have any additional concerns or suggestions from your unit regarding decision-making under RCM.

Survey Response Details

Q1: What reports do you utilize through the Cognos System on a monthly/ quarterly basis in order to obtain the necessary data for your school/college budgeting? (We have included the top 10 list with the option to include others)

- Report GL215 - Operating Budget Summary (Budget)
- Credit Hours Generated - Student College Focus
- Credit Hours Generated - Course College Focus
- Report GL210 Cost Center Summary – Revenue
- Report GL211 Cost Center Summary – Expense
- Report GL212 Cost Center Summary – Revenue and Expense
- Report GL214 Cost Center Summary – Grants
- Transactional Report GL050 – Revenue
- Transactional Report GL051 – Compensation Expense
- Transactional Report GL052 – Non-Compensation Expense
- Other

Q1: *Continued*

#		Answer	%	Count
1		• Report GL215 - Operating Budget Summary (Budget)	83.33%	10
2		• Credit Hours Generated - Student College Focus	8.33%	1
3		• Credit Hours Generated - Course College Focus	16.67%	2
4		Report GL210 Cost Center Summary – Revenue	66.67%	8
5		• Report GL211 Cost Center Summary – Expense	75.00%	9
6		•Report GL212 Cost Center Summary – Revenue and Expense	83.33%	10
7		•Report GL214 Cost Center Summary – Grants	66.67%	8
8		•Transactional Report GL050 – Revenue	66.67%	8
9		•Transactional Report GL051 – Compensation Expense	83.33%	10
10		•Transactional Report GL052 – Non-Compensation Expense	66.67%	8
11		Other	33.33%	4
		Total	100%	12

Other

Enrollment Reports - Student Live and Semester Student Listing

GAQ09

Development Report Summary

Unknown

Q2: Is there data that you are not able to obtain through Cognos that would directly assist in your ability to make better informed decisions?

#	Answer	%	Count
1	No	41.67%	5
2	Yes - Please briefly describe you would like to obtain.	58.33%	7
	Total	100%	12

Yes - Please briefly describe you would like to obtain.

I would love a tuition breakdown by department

Enrollment detail data for Special Fees in the same format as the Student Live report

Expanded CHG reports allowing the user to create reports by dept., by year, without Japan and Rome.1

It would be ideal if there was a more user friendly way to get PO balance i.e.. A monthly report listing all PO #s under an ORG: Beginning Balance, amount spent to date, available balance and ending date of PO

Detail of allocated costs and assessments

a differential report by current year and previous year to help project tuition revenue, make assessments, etc.

Need credit hour report that relates to the transfer CHG for your students who take classes in other colleges and vice versa as well as the dollar amount that tie into the actual transfer; detail report on the metrics (drivers) so we know exactly how the amounts were calculated; a drill down to the actual transaction from the GL215 report; the ability to go directly to a cost center on the Financial Organizational Hierarchy listing of all FOAPAL (we used to have this in the old system)

Q3: Have you ever used Cognos Query Studio to create your own customized Cognos Report?
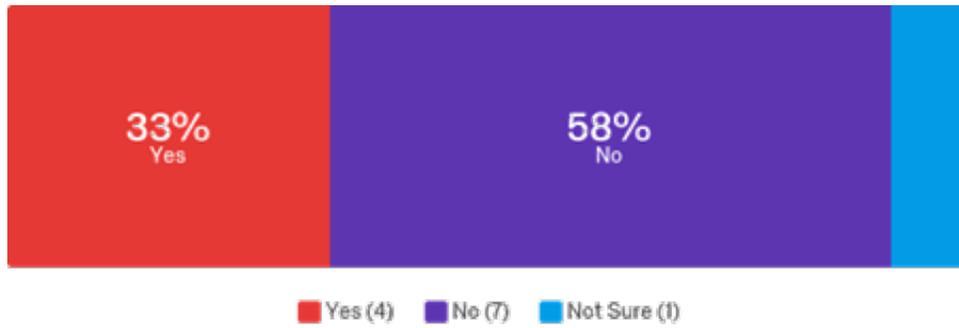

#	Answer	%	Count
1	Yes	33.33%	4
2	No	58.33%	7
3	Not Sure	8.33%	1
	Total	100%	12

Q4: Please rank the factors or reports that you feel are most valuable for budgeting and decision making
Student Information
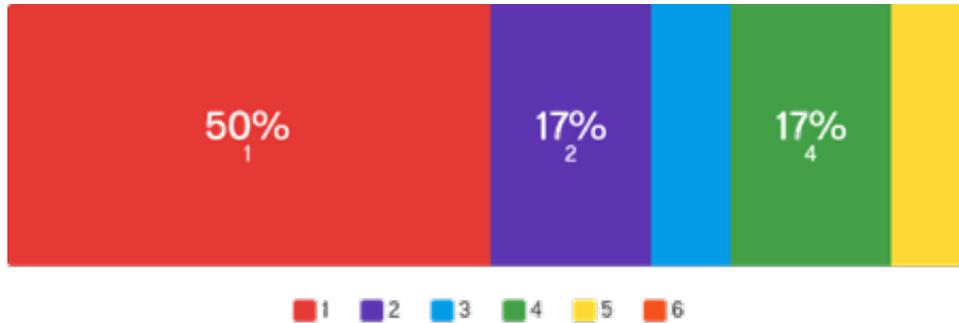
#	Question	1		2		3		4		5		6		Total
1	Admissions Data	50.00%	6	16.67%	2	8.33%	1	16.67%	2	8.33%	1	0.00%	0	12
2	Transfer Data (internal and external to TU)	16.67%	2	25.00%	3	25.00%	3	16.67%	2	16.67%	2	0.00%	0	12
3	Course Enrollment	25.00%	3	41.67%	5	25.00%	3	8.33%	1	0.00%	0	0.00%	0	12
4	Summer Enrollment	0.00%	0	8.33%	1	25.00%	3	41.67%	5	25.00%	3	0.00%	0	12
5	Historical Comparisons	8.33%	1	8.33%	1	16.67%	2	16.67%	2	50.00%	6	0.00%	0	12
6	Other	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	100.00%	12	12

Q5: Please rank the factors or reports that you feel are most valuable for budgeting and decision making
Human Resources Information
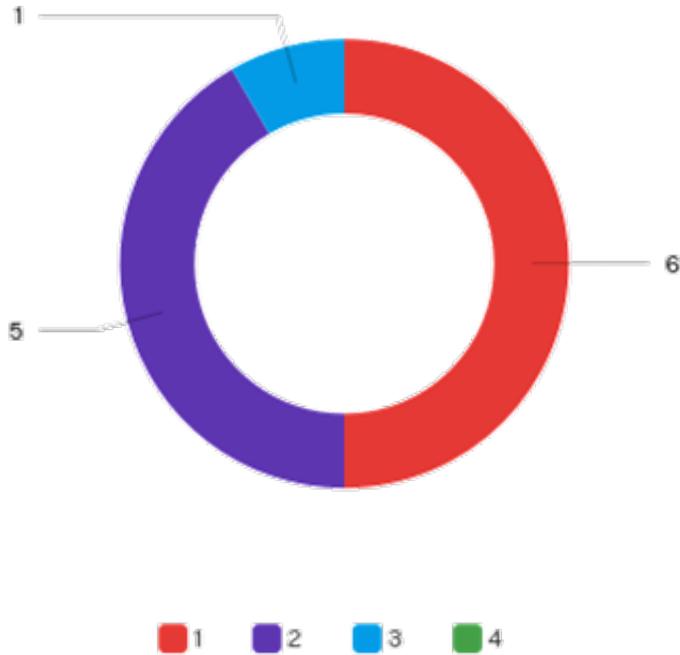
#	Question	1		2		3		4		Total
1	Faculty Load/ Faculty Effort supported by sponsored projects	50.00%	6	41.67%	5	8.33%	1	0.00%	0	12
2	Faculty/Student Ratio (likely needs combined HR & student data source)	25.00%	3	41.67%	5	33.33%	4	0.00%	0	12
3	Faculty/Staff Ratio	8.33%	1	16.67%	2	58.33%	7	16.67%	2	12
4	Other	16.67%	2	0.00%	0	0.00%	0	83.33%	10	12

Other

PCN budget vs annual salary

Active Employee Listing

Q6: Please rank the factors or reports that you feel are most valuable for budgeting and decision making
**Central Funding Information**

#	Question	1		2		3		Total
1	Plant Fund	50.00%	6	50.00%	6	0.00%	0	12
2	Central Services Allocations	50.00%	6	50.00%	6	0.00%	0	12
3	Other	0.00%	0	0.00%	0	100.00%	12	12

Other

The Plant Development Fund and Central Support Allocations could both be #1

Q7: Please rank the factors or reports that you feel are most valuable for budgeting and decision making
**Other Information**
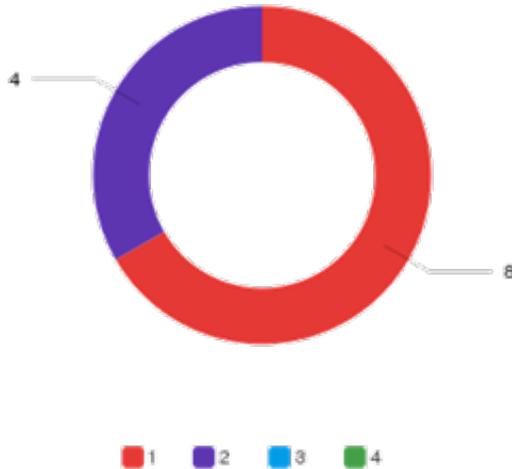
#	Question	1		2		3		4		Total
1	Indirect Cost Recovery Revenue	66.67%	8	33.33%	4	0.00%	0	0.00%	0	12
2	Clinical Revenue	16.67%	2	16.67%	2	66.67%	8	0.00%	0	12
3	Student Course Fees	16.67%	2	50.00%	6	33.33%	4	0.00%	0	12
4	Other	0.00%	0	0.00%	0	0.00%	0	100.00%	12	12

Other

It would be ideal to be able to access a report that details the course fees; a bonus would be if I was able to drill down to get the actual student name

Q8: Approximately how much time per month is spent on running Cognos reports in order to obtain the necessary data for analysis?
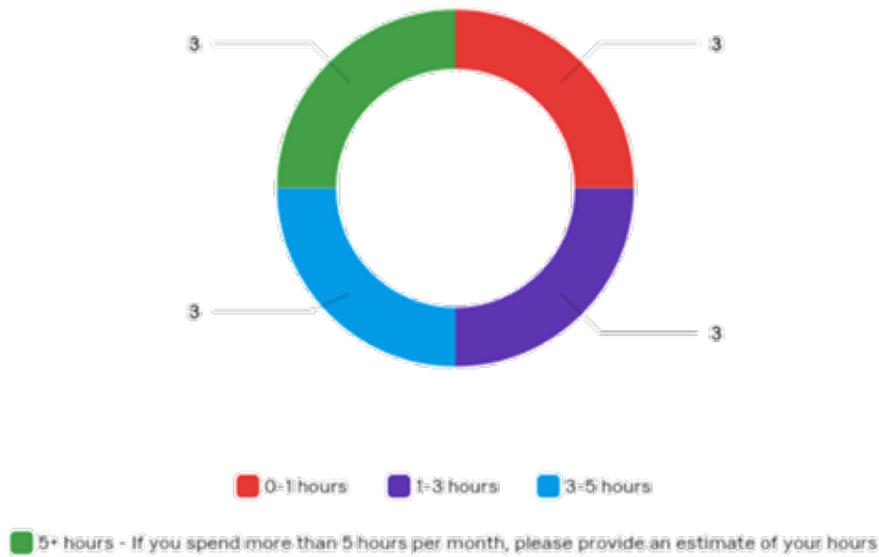
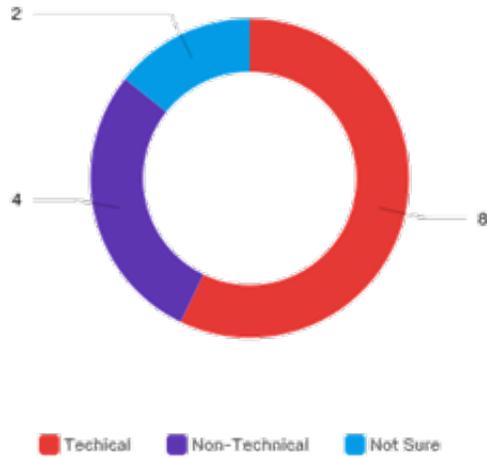| #	Answer	%	Count
1	0-1 hours	25.00%	3
2	1-3 hours	25.00%	3
3	3-5 hours	25.00%	3
4	5+ hours - If you spend more than 5 hours per month, please provide an estimate of your hours	25.00%	3
	Total	100%	12

Description

5+ hours - If you spend more than 5 hours per month, please provide an estimate

I spend about 5 hours per week, running in and then piecing together the data I need.

Approximately 10 hours

Q9: What key skills, both technical and non-technical, are required to maximize your school/college's ability to manage the data and reporting functions to be successful in an RCM environment?

#	Answer	%	Count
1	Technical	66.67%	8
2	Non-Technical	33.33%	4
3	Not Sure	16.67%	2
	Total	100%	12

Q9: *Continued*

Technical

I have been at Temple 1 year and there are no trainings offered in the budget systems

I have never been offered training on customized reporting

Importing raw Banner student data into Microsoft Access for manipulation and custom report creation

Continued training/professional development as technology and software is upgraded…

Basic financial management skills, budget model development

ability to assess CHG's, revenue assessment from tuition, projection of revenue, ability to assess the metrics behind the RCM model with clarity

must have an excel expert on board

Non-Technical

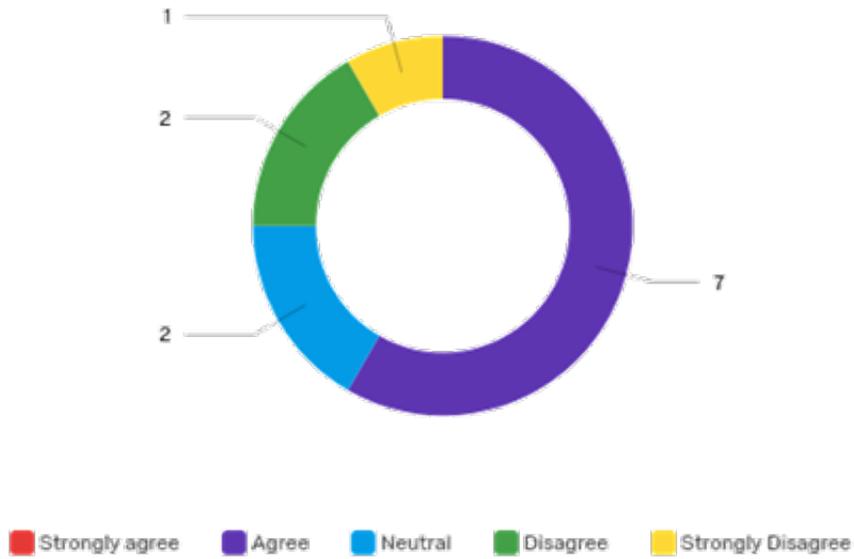It would be important to know how the metrics are calculated

ability to follow the logic of RCM

listening

Q10: Do you believe your school or college needs to improve its technical or professional skill set related to RCM-based data management?

#	Answer	%	Count
1	Strongly agree	0.00%	0
2	Agree	58.33%	7
3	Neutral	16.67%	2
4	Disagree	16.67%	2
5	Strongly Disagree	8.33%	1
	Total	100%	12

Q11: With the transition to the RCM Model do you feel you or your team received adequate training in order to successfully access the data needed for your budgeting and/or projections?
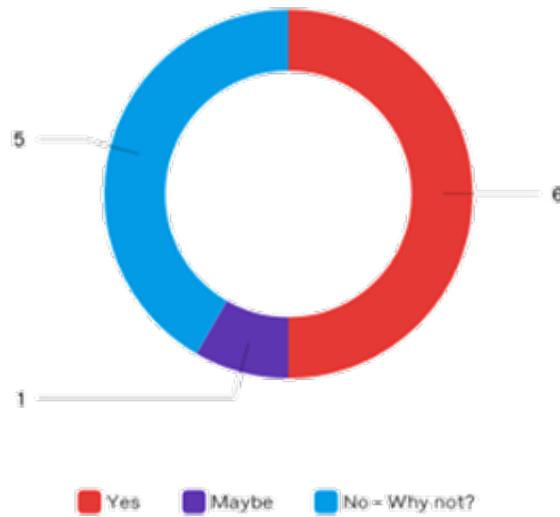
#	Answer	%	Count
1	Yes	50.00%	6
2	Maybe	8.33%	1
3	No - Why not?	41.67%	5
	Total	100%	12

No - Why not?

My understanding was that no training was offered

Not offered training on customized reporting. central offices have reports that we cannot access

Maybe initially, but I think the training has to be continuous

Yes and no…Yes, we understand the model and how it works--there has been plenty of info on this point. The 'no' is simply due to lack of appropriate reports to assess and project properly in order to make solid, educated plans for the future of the school/college.

There really hasn't been much training since RCM began. New reports are added and often we do not know they even exist because they were designed for the person who asked for them. We definitely need more training on all aspects of RCM.

Q12: What training(s) would be most beneficial to you or your team?
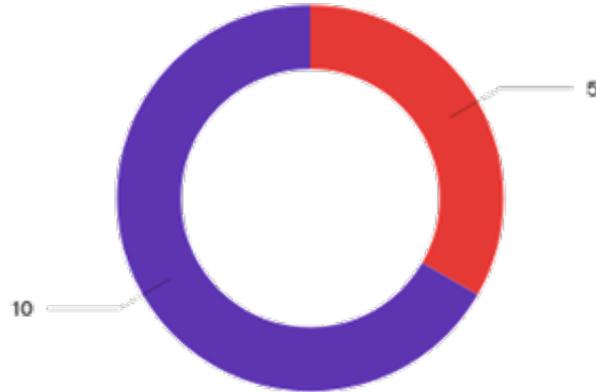
■ In person, hands-on Cognos training conducted by computer services on how to run and download Cognos reports

■ In person, hands-on training conducted by the Budget office focusing on how to analyze or manipulate the data

#	Answer	%	Count
1	In person, hands-on Cognos training conducted by computer services on how to run and download Cognos reports	41.67%	5
2	In person, hands-on training conducted by the Budget office focusing on how to analyze or manipulate the data	83.33%	10
	Total	100%	12

Q13: If a more structured and rigorous training program was offered with regard to Cognos reporting would you or your team attend?
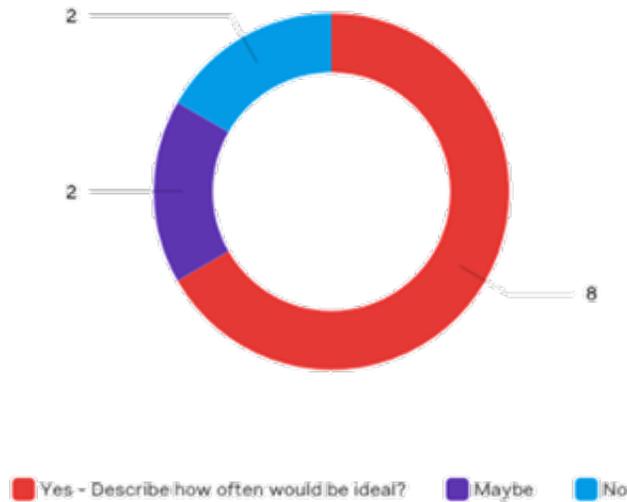
#	Answer	%	Count
1	Yes - Describe how often would be ideal?	66.67%	8
2	Maybe	16.67%	2
3	No	16.67%	2
	Total	100%	12

Yes - Describe how often would be ideal?

Amy Miller at Penn not only offers in depth Query writing classes but also has regular focus groups- they were very valuable

not sure, we are quick leaners

Twice/year - I would probably send new employees only and then give existing employees the option.
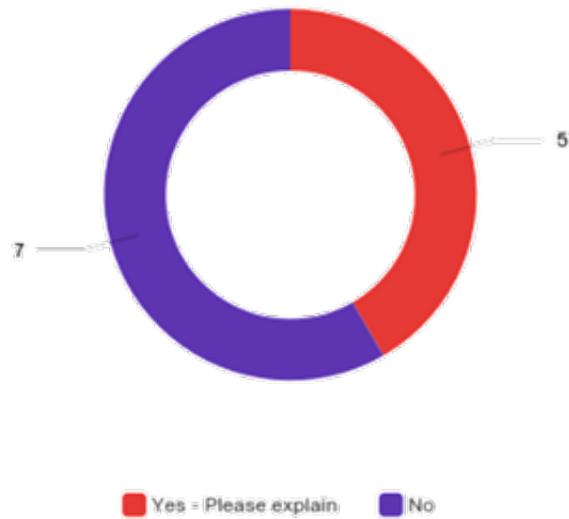
Twice a year

Annual

perhaps--if the training was in direct relation to new reports that would assist in RCM budget revenue assessment/projection

Or they could just build the reports we need and just have one training session on what their use is.

Monthly

Q14: Do you have any additional concerns or suggestions from your unit regarding decision-making under RCM.

#	Answer	%	Count
1	Yes - Please explain	41.67%	5
2	No	58.33%	7
	Total	100%	12

Yes - Please explain

Not at this moment

We would appreciate detailed budget allocation reports for all central support units such as HR, Accounts Payable, Purchasing, etc. It would be useful to see how much each school pays for the individual support units along with future fiscal year projections.

It would be good if allocated costs were a bit more predictable as budgets are crafted, though I'm not sure how this could be accomplished.

RCM in its current form...is not sustainable. with contractual agreements (tugsa, AFSCME, TAUP, etc.) outside of our control--along with increases in allocated costs/ 22M gap--no change in subvention--it's difficult to grow enough each year to offset this, and yet, generate enough revenue to enhance programs and students education year after year.

The Council of Deans needs to be much more involved in the budget process of the central units so that there is more communication as to their needs and their efficiencies.

Leadership Academy Team Research Interviews

Interview 1
1 school/college/department participant

- **Money quote:**
  "We're the best centralized, decentralized university."

- **General Notes:**
  1. A major issue facing deans and college-level budget officers is access to data regarding how college funds are being used by those central units that are funded by college contributions. This is a matter of transparency.
  2. The central units and other indirect cost drivers that would be most helpful to a) receive data reporting from and b) have a seat at the decision-making table based on these data:
     a. Undergraduate Admissions
     b. Revenue per Credit Hour
     c. Plant Development Fund
     d. Career Center
     e. Tuition differentials
     f. Comparisons to competitors
     g. Advancement/Fundraising
     h. Strategic Fund
  3. Undergraduate (UG) admissions accounts for the majority of total budget. However, because admissions is centralized, schools/colleges do not have the ability to have a hand in the admissions process; which means without access to information that the school/college can turn into actionable change, the college cannot gain ground.
     a. Most important admissions data for school/college
        - Lists of waitlisted students (with access to records; the ability to have a hand in ultimate decisions)
        - Lists of incomplete applications (with access to records; the ability to have a hand in ultimate decisions)
     b. What could be done with this data
        - Colleges could have more control over the second half of the admissions process
        - A conversation with central admissions and deans about each college's undergraduate enrollment goals each fall. Does admissions even take into account enrollment needs for individual colleges (other than caps)?
  4. 5 percent of total tuition revenue goes to the Plant Development Fund. College leadership has no way of knowing what this money is used to subsidize, nor does an avenue to make suggestions about budget allocations with these funds.
  5. As RCM came into effect, schools/colleges were forced to allocate significant funds to decentralized career services operations
     a. The necessity to fund proprietary staff devoted to this area means that the college is funding duplicate services

       b. Colleges have no say, and is not aware, of central career services staff allocation to college units

6. Under RCM, it is now necessary to enact a discussion about adding tuition differential fees for those colleges that were not early adaptors
       a. Without increasing volume and price, there is no way to grow
       b. There is case to be made that raising tuition would not deter more enrollment; nay, the price elasticity of demand could be a positive percentage change considering how tuition differentials have influenced other units

7. Strategic Fund: Each school/college must pay a significant fee to the Strategic Fund. The uses of these monies are not transparent.

Interview 2
2 school/college/department participants

- **Money quotes:**
"While the university has acted fast to decentralize budget units, it has been slow to decentralize its thought process."

- **General Notes:**
    1. The main goal of unit budget managers: To build a budget using better, more accurate predictive modeling to stay competitive and entrepreneurial under the parameters of RCM. *A feasible way to do this: Build a dashboard that pulls existing data for budget managers from Cognos, Banner and InfoEd*
    2. Shared a belief that we are effectively in a Hybrid RCM. School/Colleges have been incorporated into the model, but central services may not have been forced to get as lean as the schools and colleges.
    3. There is a general understanding that there is a fair amount of financial transparency and granularity of data from central services that isn't currently available. They recognize that the expansion of RCM reporting coming from these units would need to be part of a future phase. For the purposes of our project, this can be a footnote about future considerations, but shouldn't be a focus for our efforts.
    4. Business managers are mostly looking for more efficiency access to data that helps them understand revenue generation without needing to specifically request it. Currently anything outside of the pre-built Cognos reports requires a request to Jaison. Similarly, any real-time information they need from IRA related to student applicants and current student statistics needs to be requested. In addition to needing to request custom reports, the existing reports in Cognos currently take an unreasonable amount of time to complete.

- **Specific Needs Noted:**
    1. Admissions reports spanning the entire enrollment pipeline for UG and Grad should be put into a central, accessible repository. These reports should include: applicants, deposited, enrolled, waitlisted (and the same for transfer students). These reports also need full scope of available student attributes.
    2. HR employee counts from Cognos for each college, including FTE staff and FTE faculty. This report is frozen each fall. While colleges can run reports on who they have today, they cannot run retrospective reports to see who they had a year ago. *They indicated that they*

would even accept a shared folder with access to a simple document with the numbers from the freeze date.

3. Credit/course hour reports for UG and Grad are needed at the granular level on a semester-by-semester basis. This inlcudes breakdowns by department/program/in-state/out-of-state/our student/outside CLA students)
4. Reports about living alumni *(and validation of information)*
5. "Space" size, usage and ownership reports that can help college units fill rooms and schedule classes efficiently to optimize revenue
6. Other census reports that could back up budget projections
7. Advancement reports (utilizing the existing Advancement Banner module)*This would hopefully provide #4*
8. Facility workflow tracking and request similar to TUHelp with a prescriptive cost/price list

Interview 3
1 school/college/department participant

- **Money quotes:**
  "Everything you want is here. You just have to figure out who to get it from."

  "We're trying to make one size fit all. And it just doesn't work."

  "We're expected to be entrepreneurial, but we don't have the latitude to do it."

- **General Notes:**
  1. Lack of transparency re: percentages taken out for **plant/strategic funds**. Colleges ought to know the exact percentage.
  2. Colleges have no say over "allocated cost." Across the board.
  3. **Development** is a great example. The metric that dictates allocated cost to development is some odd ratio that includes # of living alumni against # of donors, etc … Development's budget should be taken off the top; not from the colleges.
  4. **Credit Hours**. Colleges need gross credit hours; how many are transferred out and how many are not? How many are IUIs (InterUniversity transfers). There needs to be more transparency on credit hour transfer rates.
  5. Budget heads should have direct access to **IRA reports**.
  6. **Admissions** data should be available at the department level. It's there, sure. But you have to ask.
  7. Simple **talks** with Bill Black and Karen West go a long way. There should be a standing meeting- which would minimize the need to actually be friends with someone like Bill Black just for him to know your college's needs.
  8. **TEACHING LOAD** DATA IS HUGE. The internal challenges, though, are even greater than at the university.
  9. Deans need to better understand RCM, in general.

- **Comments submitted by participant in advance of interview:**

1. Consideration should be given to review of allocated cost model especially as it relates to Development and different attributes of alumni of various schools and colleges e.g. Business versus the Arts. If the development cost are significantly greater than the return on the Development investment is this an appropriate allocation of cost. Question: Should Development for example be off the top versus calculated by school?
2. The blended tuition rate includes all tuition for fall/spring. Should schools be rewarded for out of State recruiting?
3. CHG transfers are 100% for each CHG. Should a school or college be compensated some portion of the CHG rate for servicing and advising students?
4. Impact of Student Financial Aid plan is borne by Schools and Colleges who had no input in the decision to implement the plan which cost the university along with Schools and Colleges. Rewards from this program did not inure to Schools and Colleges on a fair basis with most benefit to certain schools.
5. Impact and review of Support Unit Cost should be more open and transparent to the Schools and Colleges who are assessed for their cost.
6. Allocation for Support Services that may or may not be fully used e.g. Career Services, Development (return vs cost)
7. Overall review of metrics for allocated cost - may be too many categories.
8. Need for Benchmarking versus other institutions
9. Reporting and budget Transparency should be implemented. The ability of Schools and Colleges to access information and use for projections is limited.
10. Role of the Deans in the budget process should be clearly defined.
11. No or limited involvement of schools on Admissions i.e. Admissions by school especially the impact of timing of No SAT Option.
12. Limited control but responsibility for expense management given Labor Contracts, Tenured Faculty and central benefits cost really do not permit Schools and Colleges the needed control to manage their enterprises.
13. Tuition calculation – reports and transparency on the blended tuition rates
14. Need to have a directory of available report with descriptions along with the opportunity to have special reports generated as needed on a timely basis.
15. Need to have a set budget for the year with any adjustments indicated as a variance.
16. If 15 is not done then notifications to schools and colleges when changes are to be made to budgets.

Interview 4
2 school/college/department participants

- **General Notes:**
    1. Transfer rate is an issue which is being reviewed. The transfer rate is based on credit hours generated, different schools/colleges have different transfer rates.
    2. Not a lot of Cognos reports are published
    3. Grants hit hard
    4. Some other schools using RCM have simplified down to 4 drivers including FTE, square feet, credit hours
    5. The Temple RCM model needs to account for exception schools like Tyler (note: this interview was not with representatives from Tyler)

6. Merit scholarship issue
7. Measure faculty on load and off load
8. Would like more transparency especially into the centralized units. Would like to see year of year budget with explanations.
9. Summer school – becoming an issue – all schools have a number to enroll and if they don't enroll at least that number they need to make up the difference. And some of the Temple policies relate more to a centralized structure and not RCM (i.e. if summer class enrollment drops to less than 10 people 8 weeks before starting the school is required to drop the class)
10. Undergrad tuition lags by one year; grad tuition is "real time"
11. Plant fund and strategic fund – would like to know more detail; would like to know what is covered by these funds? Plant fund is supposed to fund public places.
12. Information is based on faculty load; efficiencies; class sizes; hiring adjuncts, faculty release time; have strict standards
13. Faculty – if not performing research then they are teaching
14. Banner has faculty load data but no report
15. Would like to know statistics about graduates- job upon graduation or beyond
16. Believe all the data is available but people cannot report on it for various reasons
17. Excel skills are needed to understand downloaded and refined reports
18. Comparison reports are key (i.e. past month, past 6 months, fiscal year, past one and two years, etc.)
19. Banner and Cognos list reports, better descriptions are needed and these are higher level not much detail

Interview 5

2 school/college/department participants

- **General Notes**
    1. The Cognos report descriptions are not good
    2. Utilizes daily extract data
    3. On the TUportal there is Cognos training material
    4. Work with CS for report requests to ensure built report is accurate
    5. Use 3-5 years for trending analysis; use predictive modeling for rapid impact
    6. The drop/add date is considered the end of the semester (from a data perspective)
    7. There are 3 levels of reporting – 1. Canned reports, 2. Cognos studio, 3. Coding
    8. Data is usually in two different places – need to look at both
    9. Extracts are created every day; however, not every piece of data is available in an extract
    10. Generating reports take much to long

Interview 6

1 school/college/department participant

- **General Notes**
    1. The three reporting areas include HR, Finance and Students
    2. Developed a faculty scorecard to be able to evaluate faculty better
    3. Would like to see KPI's (key performance indicators) and SLA's (service level agreements) for the Central Services

4. Concerned about the transfer rate: revenue/credit hours = transfer rate; each school/college has a different transfer rate, Engineering commonly loses money as their transfer rate is lower than other schools
5. The space model for RCM has been successful – they know exactly what they have
6. Measurement of utilities has not been successful – all are lumped together
7. The Dean's have high level statistics like by credit hour, transfer information
8. Hover over a report for name/description would be a good idea.
9. There is an anticipation of Jodi in IR creating a new report (not sure if this will be something like a dashboard)
10. We need to know when a report needed – once a week, once a month, etc.
11. The Temple culture is getting in the way
12. Need more training for new people

Additional Consultations

Consultation 1
1 school/college/department participant

- **General Notes**
  1. This interviewee responds to user requests related to Cognos and reporting
  2. Receives about 5 calls per week re: questions on how to pull reports in Cognos. There is no most common report for which questions are asked.
  3. The controller's offices conducts quarterly training on Cognos (how to pull reports). Next one will be in sometime March & sign-up will be on HR L&D site
  4. Suggested that it would be beneficial to have quarterly trainings where someone from controller office, CS, and a few current Cognos users (budget officers) provide training for new employees/ or those needing additional help with how they utilize Cognos
  5. Questions about needing customized Cognos Reports are directed to CS. CS is able to make some custom reports, but Seward does not know if this reports can pull data from outside what is already in Cognos. Customized reports are created by CS or Query Studio (see notes below) and pull data into a format that meets individual school/ dept needs. The more info a user can provide about what data they need to see on the report, the easier it is to customize (see link to training guide below)
  6. Customized Report Training is offered on occasion for individuals wanting to learn how to customize their own reports. This is called "Cognos Query Studio"
  7. Customized reports are created and saved in that user's Cognos folder (not public)

Consultation 2
1 participant

1. LKSOM utilizes both Cognos and Hyperion for data reporting
2. Cognos does not have the ability to create one comprehensive PNL (Profit and Loss) report for an entire ORG or an entire School.
3. Hyperion? Oracle Hyperion Financial Management is a comprehensive, Web-based application that delivers global financial consolidation, reporting and analysis in a single, highly scalable software solution. Oracle Hyperion Financial Management utilizes today's most advanced technology, yet is built to be owned and maintained by the enterprise's finance team.
4. LKSOM need to provide deans with a high level overview in one comprehensive report summarizing revenue/ expense for one ORG (or multiple ORGs) without the providing the transactional detail. LKSOM has been utilizing Hyperion for about past 13 years to create these consolidated financial reports
5. In addition to consolidate PNL reports, LKSOM utilizes Hyperion to generate individual physician reports for about 600 physicians through an automated process, which run the reports and email each individual. The information on the reports are key metric indicators, such as charges, payments, RVUs and Visit information. Recently, LKSON added productivity information to each reports, as define by national organizations such as MGMA and AAMC. The source of information is IDX and not Banner for the physicians metrics.
6. Also with Hyperion, users are able to create ad hoc reports using an excel add in that retrieves the data out of Hyperion. The feature allows you to drilldown from top to bottom so you can see data at various levels and rollups. The add in allows downloading of reports into a word or PowerPoint document, as well as retrieve specific data into those documents.

Consultation 3
1 participant

1. Tyler utilizes three separate active databases to pull student admission info for all applicants into one Filemaker Pro database, creating a complete student profile that is updated regularly. Tyler's class sizes are very limited due to needing more physical space for some classes. Since schools are charged $22/23 per square foot, constant monitoring of student enrollment is necessary to meet class space needs and staying within budget constraints.
2. Currently, Tyler exports data from both Admissions and Cognos into their Filemaker Pro database and checks for changes to this data against another database. This process involves constant auditing and is far from foolproof.
3. There is a lot of crossover from Admissions dB here, and a lot of data that could potentially be harvested from Banner if we were linked to it.
4. Tyler is considering alternatives, including Google Drive for upcoming Fall semester. This would be more accessible to the Advising group and can be worked remotely.

Consultation 4

2 participants

1. Training is provided through Cognos user group meetings (attendance at these meetings have ranged from approximately 25-50 participants)
2. Business unit managers and users that attend training have access to a Cognos Blackboard course with links and resources for additional information
3. There is some confusion, even within data support/administrative units, on what department should respond to which requests (BI, IRA, Collaboration Centers, etc...)
4. Data supporting departments are fully on board in improving/adding efficiency to accessing data, and are actively reaching out to schools and colleges to find data challenges

Consultation 5

1 participant

(below summary provided by IRA)

Institutional Research and Assessment produces admissions and enrollment summary reports and distributes these through Blackboard, under the heading Catalog of Institutional Reports. In addition to the admissions and enrollment reports, the Bb site includes (by semester) Campus Reports, Student Profiles (Incoming Students, by semester), Credit Hour Reports, and Academic Quality Indicators reports. Deans, their representatives and university administrators are enrolled and have access to these reports.

The Admissions and Enrollment Reports contain comparative data for the current and prior two years. The Undergraduate Admissions Summary Report provides data regarding admissions applications, admitted students, students who have paid the tuition deposit, and students registered for the upcoming semester. The report includes summary information on all incoming freshmen and transfers, and additional information about "standard (non test-optional) freshmen", Temple Option freshmen, all freshmen, and all transfers, as well as school/college data for both incoming freshmen and transfers. There are various demographic breakouts for each category, and once a month we distribute full school/college reports. The Enrollment Summary Report provides data on the semester university level headcounts, with breakouts by class level, residency, status, race-ethnicity, and school/college. Class level breakouts are included for each of the schools and colleges.

The admissions reports are weekly, starting in January for the fall semester and then in October/November for the spring. The enrollment reports are weekly for the couple months leading up to the semester, and then daily for two weeks right before the first day of class through drop/add which is typically two weeks after classes start. The semester census reports are produced shortly after drop/add, with data through the end of drop/add, and are the official university admissions/enrollment numbers. I send out an email when new reports are available. The reports each have a guide that provides general information about the report, specifics about records that are included/excluded, and a data glossary.