



# 2016/17 Appropriations Request



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Pennsylvania's State System of Higher Education  
2986 North Second Street  
Harrisburg, PA 17110**

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*There are three vacancies*

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**March 2016**

**Pennsylvania’s State System of Higher Education:  
Reshaping the Universities for the 21<sup>st</sup> Century  
Fiscal Year 2016/17 Appropriations Request**

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CALU



CLARION UNIVERSITY



MANSFIELD UNIVERSITY

Millersville University



Slippery Rock University

WCU WEST CHESTER UNIVERSITY

## Pennsylvania's State System of Higher Education: *Reshaping the Universities for the 21<sup>st</sup> Century*

Pennsylvania's State System of Higher Education is the largest provider of higher education in the Commonwealth, with about 107,000 degree-seeking students and thousands more who are enrolled in certificate and other career-development programs. The universities offer the lowest-cost, four-year degree programs among all colleges and universities in the state. But the numbers behind the numbers tell an even more important story for Pennsylvania.

- Nearly 90 percent of the students being educated at the 14 State System universities are residents of the Commonwealth.
- More than 80 percent of State System university graduates will remain here to live, work, and raise their families.
- State System universities award about 26,000 certificates and degrees each year. The number of bachelor's degrees awarded has increased by 10 percent over the last five years, even as overall enrollment has declined.
- Nearly 540,000 State System university alumni live in Pennsylvania, as everything from business owners, healthcare workers, and teachers to graphic designers, computer security specialists, software engineers, and more. In short, they are an integral part of every community.

***“As a major producer of bachelor’s degrees in the state, Pennsylvania’s State System of Higher Education is poised to be a key contributor to the economic future of the state and its residents.”***

***Georgetown University Center on Education and the Workforce,  
“Degrees of Value”***

The connection between the State System and Pennsylvania's economic vitality is undeniable.

As we move deeper into the 21st century, the State System is at a crossroads—challenged by years of reduced or flat state funding. The current year's appropriation is essentially the same as what the System received in 1997/98, despite the fact that the universities are educating 13,000 more students today, and mandatory cost increases have significantly exceeded modest tuition rate increases.

State System universities are committed to serving students and the Commonwealth in new and innovative ways, revamping their academic programs to meet the ever-changing and emerging needs of employers.

Need evidence of all they are doing? A recent study conducted by the prestigious Georgetown University Center on Education and the Workforce confirmed that the State System “has already taken steps to meet the increasing demand for higher education through the proposals laid out in its strategic

plan, 'Rising to the Challenge 2020.' As part of this initiative, the State System is working to identify opportunities for programmatic expansion and to improve alignment with Pennsylvania's workforce needs."

### Top Degree Awardee

State System universities award more than one-fifth of the bachelor's degrees in the state each year, according to the Georgetown Center study. The universities clearly are evolving, updating their traditional array of academic programs and developing new ones that match the changing skill sets employers require today. The process has required an extraordinary investment of both time and resources by the universities.

In his most recent "State of the System" address, Chancellor Frank T. Brogan described it this way:

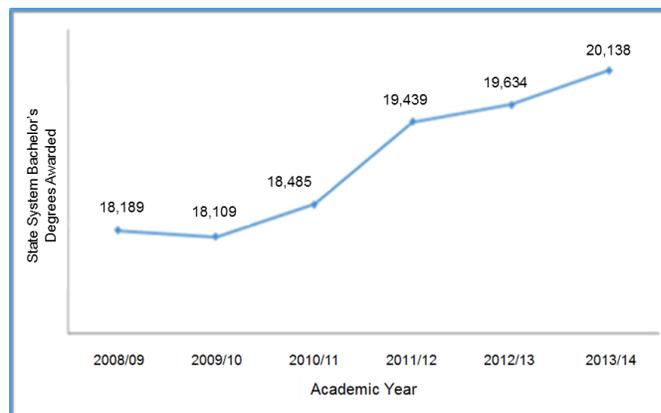
***"It is really about keeping the best of the past and adding to it the genius of the future, and bringing all of that together academically. We truly can be a force with which to be reckoned in the 21st century."***

The evolution of the State System has occurred over many years, but has been dramatic. From their historic roots as normal schools and teachers colleges, the universities have grown into comprehensive, regional universities that today offer more than 2,300 degree and certificate programs in more than 530 academic areas.

The Georgetown Center study reported a number of findings related to the System's evolution, and the key role the System plays in Pennsylvania's economic vitality.

- While collectively the universities still produce the largest number of new teachers in the state, education no longer represents the largest area of study. Business-related majors are

### Bachelor's Degrees Awarded Annually



Source: Georgetown University Center on Education and the Workforce

now the most popular, accounting for 16 percent of graduates receiving a degree from a System university.

- The number of bachelor's degrees awarded by the 14 universities in the STEM (science, technology, engineering, and mathematics) and allied-health fields, collectively referred to as STEM-H, has increased by 37 percent since 2009, representing the System's fastest growing area of study. STEM-H now represents one in every four bachelor's degrees awarded by the universities.

The transition hasn't been easy. STEM-H programs are costly to develop and costly to offer. The universities have been stretched to their limits because of the limited resources they have available.

The State System has not received an increase in its state appropriation since the recession began in 2008. The System's appropriation was cut by more than \$90 million, or nearly 20 percent, in 2011/12. Each year since, the System has been level funded, even as mandatory costs—employee salaries and benefits (primarily healthcare and pensions), plus utilities—have increased by more than \$150 million.

Pennsylvania was not alone in how it sought to address plunging revenues during the recession. Virtually every state in the nation

reduced funding to higher education. Most states have at least begun to restore the cuts that were made during those years. A handful not only have fully restored the cuts, but actually are now spending more on their public colleges and universities than they did before. Only a few—Pennsylvania included—had not restored any of the cuts prior to 2015/16.

### **\$300 million in budget savings over the past decade**

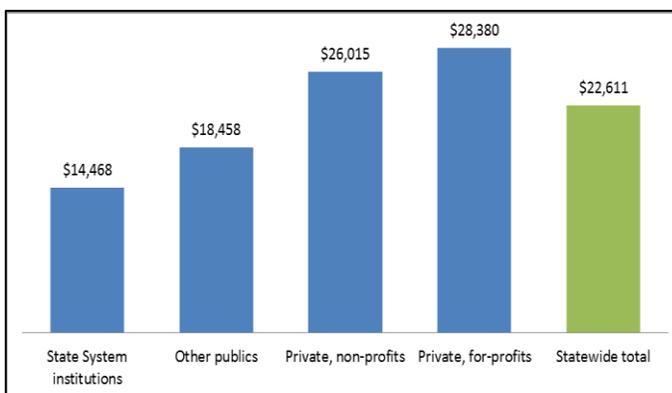
The combination of flat and reduced state funding and rising mandatory costs has required the State System universities to cut hundreds of millions of dollars from their operating budgets in recent years. They have done so by implementing a wide range of strategies that have produced budgetary savings in excess of \$300 million over the past decade. These strategies have included utilizing strategic sourcing, upgrading and installing new energy management systems, automating processes and services, reducing staffing levels, deferring maintenance, and sharing administrative services.

The State System is a national leader in providing cost-effective, quality shared services—including payroll and benefits management, construction support and legal services—for its universities, according to a recent external review.

The sharing of services is producing millions of dollars in savings across the System; for example, the sharing of payroll services alone is saving the universities an estimated \$11 million annually. The universities are continuing their efforts to identify more ways to generate additional savings, both through collaboration and on their own.

At least in part because of its continuing commitment to controlling and even reducing its operating costs, the State System has been able to hold down annual tuition increases for nearly a decade. In most recent years, those increases have been kept to about the rate of inflation. This,

### **Net price of attending college in Pennsylvania**



Source: Georgetown University Center on Education and the Workforce

in turn, has enabled the State System universities' total price of attendance—combined tuition, fees, room, and board—to stay at about the national average for all four-year public colleges and universities and remain significantly below the median in the Middle States region, according to the College Board's most recent annual survey of college costs nationally. This is especially important, given the fact that State System universities enroll the largest percentage of Pennsylvania residents who are Pell grant recipients—those with the greatest financial need.

For students who receive grants and scholarships, the net price of attending a State System university is about \$4,000 less than for those who attend other public institutions in the state, according to the Georgetown Center study.

### **Greater investment needed**

All of the efforts already mentioned will continue, but a significantly greater investment by the Commonwealth is required in order for the Board of Governors to continue to be able to hold down the cost of tuition while providing an excellent educational experience for students.

The cuts that have been made in recent years have had a significant impact on the State System campuses. There are some 900 fewer employees working at the

universities today than there were just six years ago. This has had an obvious effect on student services.

Tens of millions of dollars in maintenance projects have been delayed, leaving some campus buildings badly in need of repairs. More than half of the universities' academic facilities have not had a major renovation in 25 years or longer, contributing to a deferred maintenance and capital renewal backlog of \$1.4 billion.

Recent statements from both the Governor and Legislature have been encouraging. In his 2016/17 proposed budget, Governor Wolf recommended increased funding for the State System, both for the remainder of the current fiscal year—through a supplemental appropriation—and for next year. The proposed increases would total approximately \$42.3 million.

### **State's investment reaps significant return**

Funding the State System receives from the state through its annual appropriation represents an important investment in the Commonwealth's future, and one that results in a significant rate of return. The most obvious beneficiaries are the students, whose personal success also benefits the Commonwealth.

An economic and workforce impact study conducted last year by an independent consultant also showed that:

- The State System generates more than \$6.7 billion annually in economic activity across the Commonwealth.
- In addition to the approximately 12,000 employees who work at the universities, the System also supports about 62,000 external jobs statewide, including those with the hundreds of small businesses that thrive in the campus communities.
- On average, each university has an economic impact of more than \$300 million annually and supports about 4,400 external jobs in its community, region, and state.
- In the simplest terms, the State System produces nearly \$11 of economic impact for every \$1 invested by the Commonwealth through its annual appropriation.

The State System's Board of Governors is requesting a 2016/17 appropriation of \$521.2 million, to cover rising costs and to support investment by the universities in strategic new initiatives that will serve students and fuel Pennsylvania's economy deep into the 21<sup>st</sup> century.

## 2016/17 Appropriations Request for Pennsylvania's State System of Higher Education *Educational and General (E&G) Budget Overview*

In fiscal year 2011/12, the Commonwealth reduced its annual investment in Pennsylvania's State System of Higher Education by \$90.6 million. For the last four years, the Commonwealth's budget has continued to fund the State System at that reduced level, which in real terms has significantly reduced the buying power of the appropriation the System and its universities have received. Universities began 2015/16 with a System-wide budgetary gap of over \$33 million, resulting from mandatory cost increases that exceeded available revenue and level state funding as provided in the Commonwealth's enacted budget. If the System's 2015/16 state appropriation increases by \$20.6 million, as included in the Governor's recommendation, the System's budgetary gap will decrease to approximately \$11 million.

State System universities have become more efficient, as reflected by an estimated \$300 million reduction in base budget costs over the last 10 years. However, mandatory expenditure requirements have continually eclipsed annual revenue growth. Additional targeted support from the Commonwealth is critical to the continued success of Pennsylvania's public universities and the students and communities they serve.

In accordance with statutory requirements, the State System's appropriation request is developed based upon university budgets submitted in adherence to specific guidelines. The System and its universities continue to operate with limited growth in operating costs through strategic redirection of resources; embracing efficiency initiatives; and aggressively managing physical, financial, and human resources.

State appropriations have provided a diminishing portion of the System's



Annual revenue—supporting only 26 percent of the System's current E&G budget. At the same time, System universities continue to experience enrollment declines, with a corresponding adverse effect on tuition and fees, their only other major source of revenue.

The following adjustments are reflected in the 2016/17 E&G budget.

### Enrollment

Fall 2015 enrollment statistics indicate a continuing enrollment decline at all but three System universities, resulting in an overall reduction of approximately 1,800 full-time equivalent (FTE) students, or 1.8 percent. The general economic environment and declining number of high school graduates in the Commonwealth are contributing factors. Three universities anticipate continued reductions in enrollment for 2016/17, resulting in System-wide budget estimates based on an overall enrollment increase of 329 FTE students, or 0.3 percent. However, enrollment projections vary significantly by university.

### Employee Complement

The State System has worked diligently in recent years to manage its human

resources, filling only essential positions as they become vacant. With annual workforce cost increases outpacing anticipated revenue increases, the System continues to work to ensure the proper alignment of human and fiscal resources with the strategic directions and operational responsibilities of the System. Through a combination of retirements, voluntary separations, and furloughs, the System has approximately 900 fewer permanent employees today than six years ago, in fall 2009.

### **Anticipated Revenue Adjustments**

**Tuition and Fees**—Assuming no change in the System’s tuition rates, university 2016/17 revenue estimates reflect a \$26.0 million increase in tuition and fee revenue attributable to projected increases in enrollment at eight universities, falling or stable enrollment in others, changes in the mix of students (e.g., full-time versus part-time, residency, and student level), and implementation of pricing flexibility pilots at 13 universities (*see Appendix B-14*).

**State Appropriation**—In the absence of a finalized Commonwealth budget for 2015/16, the Governor’s Office of the Budget instructed that the System’s appropriation request submission reflect a 2015/16 E&G appropriation of \$433.4 million, a 5 percent increase. (Since the submission of the System’s appropriation request, the Commonwealth’s enacted budget provided level funding. However, the Governor’s budget recommendations, as recently presented, include a 5 percent increase in 2015/16 for the System.) For 2016/17, based on the revenue and expenditure requirements of the 14 universities, the System’s request includes an appropriation of \$521.2 million.

**All Other Revenue**—Most universities do not anticipate increases and/or continuation of certain miscellaneous revenue sources, including gifts, grants and contracts, and interest income, until these revenues are received. Accordingly, they limit

expenditures supported by these specific revenue streams in their budget estimates. In 2016/17, these revenues are projected to decrease by approximately \$800,000.

**Planned Use of Carryforward**— Typical initiatives funded with carryforward—non-recurring assets—include the cost to implement new academic programs, major equipment purchases and upgrades, facilities improvements, and transitions through demographic changes. Universities also anticipate a Planned Use of Carryforward in 2015/16 to partially fund ongoing expenses as a transitional tool, while implementing multiyear realignments of programs and workforce. This use of one-time funds is not projected to continue at the same level in 2016/17; instead, the universities plan to rely on their recurring revenue sources, including the state appropriation, to fund many of these operating expenses. If the State System receives the entire appropriation amount requested, it will reduce the amount of one-time funds universities are projecting to use in 2016/17 by approximately \$20 million.

### **Anticipated Expenditure Increases**

**Compensation/Academic Enhancement (\$17.0 million)**—The universities plan to hire the equivalent of 91 full-time employees in 2016/17, mostly faculty to address projected targeted increases in enrollment and to teach newly implemented academic programs designed to better align with the Commonwealth’s workforce needs (*see Appendix B-2*). Additional costs also will be incurred as the residual effect of midyear salary adjustments that occurred in 2015/16 for some bargaining units will be realized. The combination of those two factors will result in an estimated increase in employee salaries and wages of \$17.0 million, or 2.1 percent. Compensation requirements for approximately 87 percent of System employees are established in collective bargaining agreements that have already expired or will expire on June 30, 2016; therefore, 2016/17 salary and wage requirements are not fully known.

**Employee Benefits (\$26.2 million)**—The System’s primary mandatory cost drivers for 2016/17 are retirement and healthcare costs, as described below. These two factors alone account for more than 90 percent of an expected \$26.2 million overall increase in the cost of employee benefits.

The two primary Commonwealth pension programs, State Employees’ Retirement System (SERS) and Public School Employees’ Retirement System (PSERS), continue to experience financial stress that is resulting in significant rate increases as employers are required to make larger contributions to bolster the funds’ solvency. Approximately half of the System’s employees have chosen SERS or PSERS as their retirement vehicle. In accordance with Commonwealth budget guidelines, the most common SERS employer contribution rate is projected to increase from 24.9 percent of salaries to 30.0 percent of salaries, or an increase of 21 percent. PSERS rates are expected to increase 15 percent. Retirement rates associated with the alternative retirement programs remain the same. Combined retirement costs—various rate increases applied to a relatively stable salary and wage base—are expected to increase in 2016/17 by \$15.6 million, or 13.7 percent.

Of those employees who receive health benefits, approximately 65 percent are enrolled in the System’s healthcare program. The employer share of healthcare costs for active and annuitant employees within the System-managed programs is expected to increase by an average of 6 percent next year based upon a combination of national trends, the System’s healthcare experience, participation in the wellness program, and the anticipated change in complement. These estimates also include additional costs required by federal healthcare laws. The remaining 35 percent of System employees receive healthcare through the Pennsylvania Employees Benefit Trust Fund (PEBTF). The Commonwealth budget guidelines anticipate no increase in the 2016/17

employer contribution rates for either PEBTF or retiree healthcare. Combined healthcare costs are, therefore, anticipated to increase \$8.2 million, or 4.1 percent.

Since the submission of the System’s appropriation request, the System has implemented plan design changes to its healthcare program, effective January 2016. These design changes apply to nonrepresented employees and two union groups and are proposed to be expanded to all groups that participate in the System’s healthcare program. These design changes, as currently applied, will reduce healthcare costs by \$3.5 million in 2016/17 (**see Appendix B-22**).

Additionally, new nonrepresented employees, along with new employees in three union groups, who are hired on or after January 16, 2016, will not be eligible to participate in the System’s retiree healthcare plan when they ultimately retire from the organization. This change will help to ensure that a State System university education will remain affordable for future students and their families.

**Student Financial Aid (\$7.7 million)**—In April 2014, the Board of Governors amended policy to allow university councils of trustees to establish institutional scholarship programs using a limited amount of Educational & General (E&G) revenue. Given the growing emphasis on affordability, minimizing student debt, retention, enrollment management, and the net price to the student, significant growth in the use of institutional unrestricted resources for student aid is reflected in the System’s 2015/16 budget. This trend also corresponds with the recent flexibility provided by Board policy and expectations regarding affordability of pricing flexibility pilots. E&G student aid expenditures in 2016/17 are expected to grow \$7.7 million, or 18 percent, to almost \$51 million, representing a 33 percent increase over two years in university-funded assistance going directly to students and their families.

**All Other Basic Operating Expenditures (\$16.1 million)**—Capital expenditures and

transfers, which represent the universities' investment in their physical resources from the E&G budget, are projected to increase by \$10.8 million, or 13.9 percent, to address critical deferred maintenance and equipment needs. Utility costs are anticipated to increase \$1.0 million, or 2.9 percent, to address anticipated rate adjustments and additions to university square footage. Rate increases are partially offset by energy conservation efforts derived, in part, through the use of energy savings contracts and some universities converting to more efficient energy sources. University utilities cost increases vary significantly, depending on the mix of utilities, changes in space, and status of energy conservation efforts on each campus.

Given the current fiscal environment, universities continue to limit nonmandatory spending. Therefore, anticipated expenditures for all other services, supplies, and materials are projected to increase \$4.3 million, or 1.7 percent. In total, all nonpersonnel expenditures are projected to increase \$16.1 million, or 4.5 percent.

### E&G Appropriation Recommendation

As described above, the State System is requesting a 2016/17 appropriation of \$521.2 million, an increase of \$87.8 million over the recommended 2015/16 appropriation. This will fund \$41.1 million of anticipated mandatory expenditure increases, primarily driven by higher pension and healthcare costs and an expansion of student financial aid. This also will provide the universities with new resources to address other operational and structural changes that will further align university academic offerings with Commonwealth workforce needs and enhance the students' learning experience.

Additional support from the Commonwealth is critical to the continued success of Pennsylvania's public universities and the students they serve, while ensuring the continued relevance and contributions of

Pennsylvania's State System of Higher Education Appropriation Request	
<b>Anticipated 2015/16 Appropriation</b>	\$433.4 million
<b>Mandatory Cost Increases</b>	\$ 41.1 million
<b>Investment in Operational and Structural Change</b>	
Aligning academic programs with workforce	\$ 29.0 million
Adapting to changing student population	13.0 million
Greater flexibility in learning alternatives (How, when, where students learn)	4.7 million
<b>Total New Investment</b>	<b>\$ 46.7 million</b>
<b>Total Requested Increase</b>	<b>\$ 87.8 million</b>
<b>2016/17 Requested Appropriation</b>	<b>\$521.2 million</b>
<i>This appropriation request excludes any funding requirements of future, unknown collective bargaining agreements.</i>	

System universities to the workforce needs of the Commonwealth.

The demands and expectations for higher education have never been greater. System universities are responding to those demands and the opportunities they present by:

- **Aligning academic programs with real workforce and personal growth needs.**

The State System is preparing students to meet the changing workforce needs of the Commonwealth. For example, as described on Page 2, enrollment in STEM-H programs has increased 37 percent in the last five years. Bachelor's degrees in STEM-H programs now represent one in every four such degrees awarded by the State System universities. STEM-H occupations are projected to grow in Pennsylvania by more than 175,000 jobs by 2024. These graduates are becoming a part of the Commonwealth's high-growth job sectors, including in healthcare, information technology, and engineering, which also provide among the highest earnings of all positions.

Offering such programs is expensive because of the need for specialized laboratory equipment and necessary limitations on class size. It is estimated the shift of enrollment to

these more expensive programs and courses since 2008/09 has increased instructional and student support costs by approximately \$15 million annually. In addition, the implementation of new academic programs to address changing employer demand, will increase costs by \$14 million on average annually. The combined fiscal impact of the enrollment shift and new academic offerings is estimated to increase instructional costs by \$29 million annually.

- **Adapting to an ever-changing student population**

Prospective students are becoming more diverse in terms of age, race, ethnicity, socioeconomic background, academic support needs, military background, and prior academic experience (credits and credentials). State System universities enroll the largest percentage of Pennsylvania residents who are federal Pell grant recipients, meaning they are more economically disadvantaged and, in many cases, require a range of academic support services to succeed in college.

System universities continue to develop initiatives to attract and retain students of all backgrounds, and to ensure they succeed in college and after graduation. The National Bureau of Economic Research has stated that college graduation and persistence is linked to greater expenditures on student services that contribute to students' intellectual, cultural, and social development, as well as their emotional and physical well-being. Students who receive necessary academic, administrative, and other support services progress through college and will enter the economy sooner, which benefits them and all Pennsylvanians.

In addition to providing the kinds of services students need to succeed, the State System also is committed to providing the safest environments possible for students, staff, and visitors.

It is estimated that State System universities are increasing their annual financial commitment to student success initiatives, enrollment management services, and safety and compliance requirements by approximately \$13 million annually.

- **Providing greater flexibility in how, when, and where students learn.**

In addition to *what* is taught, it is important *how, when, and where* it is taught, and that student learning is evaluated. State System universities have been meeting student demand for alternative learning options—especially for the expanding adult student market—through the development and expansion of off-campus learning centers (for example, most recently sites have been added in Philadelphia, Lehigh Valley, and Erie); through expansion of distance education programs and courses; and through collaborations among System universities and with neighboring community colleges. Serving students across all modalities and at a growing number of educational sites requires state-of-the-art student support services, including in the areas of registration, financial aid, course material management, and library access, as well as the technology infrastructure to support these services. In the past two years alone, State System universities have launched more than 40 academic programs online. It is anticipated that next year the universities will invest at least \$5 million into off-campus locations,

online modalities, and information systems to help enhance access to higher education. That is important because, by 2020, more than 60 percent of jobs in Pennsylvania will require at least some postsecondary education.

Funding of the State System's 2016/17 budget requirements is essential for continued progress toward meeting the expectations of the Commonwealth, its

businesses, and its citizens; and ensuring a high-quality, high-value education for the coming year and for years to come. In fact, the State System is tracking performance on these efforts, which also are outlined in its strategic plan. A renewed funding commitment of \$521.2 million from the Commonwealth for its state-owned universities will facilitate making the fundamental changes that are both necessary and largely inevitable.

## **2016/17 Line Item Appropriation Request for Cheyney University of Pennsylvania's Keystone Honors Academy *Supported by a General Fund Appropriation to PHEAA***

The Cheyney University Keystone Honors Academy is an initiative developed by Pennsylvania's State System of Higher Education in collaboration with the Commonwealth of Pennsylvania's administration and the Pennsylvania Department of Education. The Cheyney Keystone Academy line item, appropriated to PHEAA, was first funded in fiscal year 1999/2000 as a result of a partnership with the U.S. Department of Education's Office for Civil Rights (OCR). The original intent was to provide continuing support for the Keystone Academy at \$2.0 million annually; since 2011/12, \$1.525 million has been appropriated for this purpose each year.

The State System partners with the Pennsylvania Higher Education Assistance Agency (PHEAA) for the Academy's funding. The Keystone Academy Scholarship Program supports students with scholarships that cover the cost of tuition, fees, room, and board (after all other financial gift aid has been used). All participants must be residents of the Commonwealth. The standard period of support for students is the equivalent of eight semesters, prorated for students transferring from community colleges or

other higher education institutions. Retention in the Keystone Academy and renewal of scholarship support are dependent upon satisfactory academic progress. A portion of the funding is used to support administration of the Keystone Academy and provide special programming for its students.

The Keystone Academy is a dynamic educational initiative that complements Cheyney University's historic contribution to the Commonwealth and the nation by enhancing the university's ability to attract, retain, and graduate high-achieving Pennsylvania students. Typically, there are 115-140 students enrolled in the Keystone Academy each year. Not all receive the Keystone Academy scholarship, although there are other restricted scholarship funds that are made available to some of the other students.

The program graduates students at a rate that is twice that of the national average for African Americans, of which an increasing number continue their education in graduate programs.

Not only is this program essential to the success of students receiving the scholarships, it also plays an important role in the success of all Cheyney University students and the vitality of the university.

The Keystone Academy further enriches the living and learning environment for the entire campus community by providing cultural and intellectual programming. Its students serve the campus community as tutors, assistants in the writing center, resident assistants, and student leaders. As models of success, the university's honors students serve as a source of inspiration and motivation for all Cheyney students.

The Keystone Academy adds to the number of qualified college graduates in the Commonwealth. Although racial background is not a criterion for the Academy, the

program provides access and opportunity to students of underrepresented minorities who would not otherwise be able to pursue a college education in the Commonwealth. Graduates of the Keystone Academy add to the intellectual capital of the region and help to influence future generations of potential college students.

This 2016/17 request seeks to return funding to the Commonwealth's original commitment of \$2.0 million annually. The Governor's recommended funding level of \$2.5 million is a welcome investment into Cheyney University and its Keystone Academy. If it is received, the university will use the additional resources to improve university recruitment, retention, and enrollment management, while increasing the number of Keystone Academy scholarship recipients.

## 2016/17 Governor's Budget Recommendation

The Governor's budget for Fiscal Year 2016/17 recommends the State System receive an E&G appropriation of \$455.1 million next year, which would represent an increase of \$42.3 million above the \$412.8 million included in the currently enacted general fund budget—the same amount of funding the System has received each year since 2011/12. In his proposal presented to the General Assembly on February 9, 2016, the Governor recommended the State System receive a supplemental appropriation of \$20.6 million in this fiscal year, and an additional \$21.7 million next year to arrive at the \$455.1 million total for FY 2016/17.

The State System's Board of Governors in October 2015 approved a 2016/17 appropriation request of \$521.2 million, both to address \$41.1 million in anticipated mandatory expenditure increases and to provide the universities with new resources to support other operational and structural changes necessary to further align academic offerings with Commonwealth workforce needs and to enhance the students' learning experience.

Additional support from the Commonwealth is critical to the continued success of Pennsylvania's public universities and to the students they serve, as well as to their continued relevance and contributions to the workforce needs of the Commonwealth. The State System remains committed to providing students a high quality education that is of high value (*see Appendix A-3*).

The Governor's budget also recommends continued funding for deferred maintenance through the Keystone Recreation, Parks and Conservation Fund (Key '93). This funding source, allocated from realty transfer tax revenue, was established in 1993 specifically to help address the State System's \$1.4 billion deferred maintenance backlog in academic facilities. The Governor's budget estimates the State System's allocation of Key '93 funds would increase by \$4.1 million to a total of about \$17.2 million in 2016/17. Although relatively small in comparison to the deferred maintenance backlog, these funds are an integral component of each university's facilities management plan (*see Appendix B-18*).

The Governor also recommended \$2.5 million for the Cheyney University Keystone Honors Academy, which is funded through the appropriation to the Pennsylvania Higher Education Assistance Agency (PHEAA). The Honors Academy is currently receiving an appropriation of \$1.5 million. The Governor recommended it receive an addition \$1.0 million in the current fiscal year through a supplemental appropriation, then continue to be funded at the higher level in 2016/17. The Governor's recommended funding level of \$2.5 million in both years is a welcome investment in Cheyney University and its honors program. If the higher level of funding is received, the university will use the additional resources to improve university recruitment, retention, and enrollment management, while increasing the number of Keystone Honors scholarship recipients (*see Appendix A-4*).

## **Appendix A**

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## **Appendix A-1**

### **Mission of Pennsylvania's State System of Higher Education**

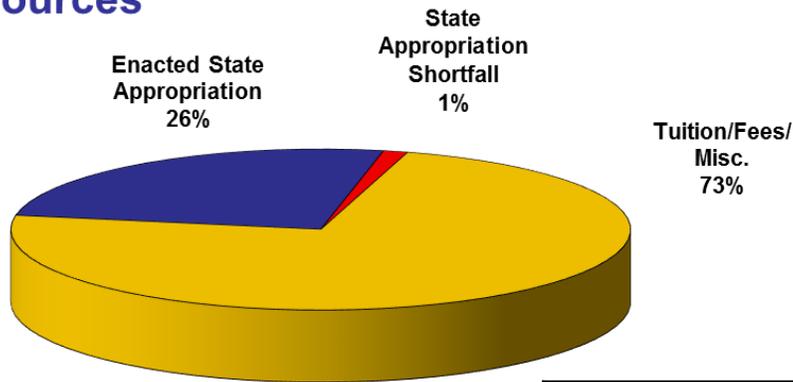
“The State System of Higher Education shall be part of the Commonwealth’s system of higher education. Its purpose shall be to provide high quality education at the lowest possible cost to students. The primary mission of the System is the provision of instruction for undergraduate and graduate students to and beyond the master’s degree in the liberal arts and sciences and in applied fields, including the teaching profession.”

***Act 188 of 1982***

Appendix A-2

**Pennsylvania's State System of Higher Education  
Summary of Sources and Uses  
FY 2015/16 Educational and General Budget**

**Sources**



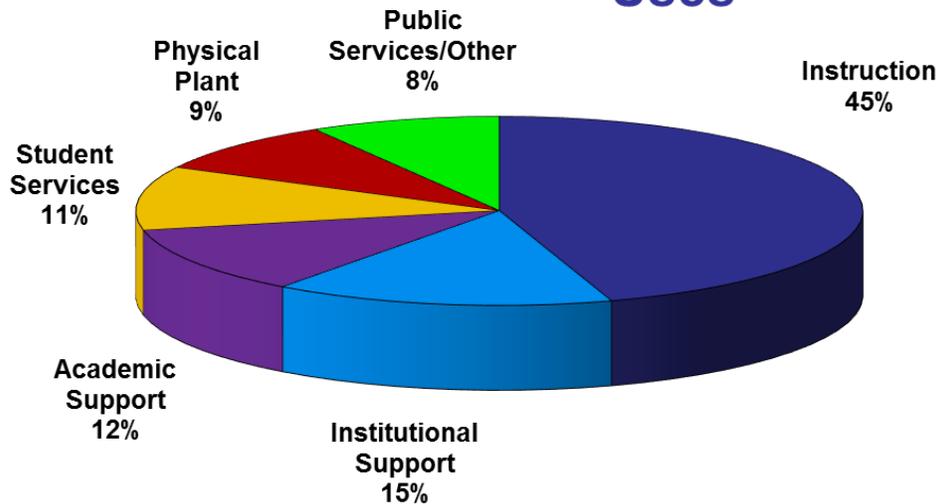
**Sources of Revenue (\$000)**

Enacted State Appropriation	\$412,751
Tuition/Fees/Misc.	1,186,696
State Appropriation Shortfall	<u>\$20,638</u>
<b>Total</b>	<b>\$1,620,085</b>

**Uses of Revenue (\$000)**

Instruction	\$729,361
Institutional Support	244,908
Academic Support	186,834
Student Services	177,137
Physical Plant	144,492
Public Services/Other	<u>137,353</u>
<b>Total</b>	<b>\$1,620,085</b>

**Uses**



**Appendix A-3**

**Pennsylvania's State System of Higher Education  
Summary of Educational and General (E&G) Budget**

(Dollar Amounts in Thousands)

	<b>Actual 2014/15</b>	<b>Current 2015/16</b>	<b>Budget Request 2016/17</b>	<b>Governor's Budget 2016/17</b>
<b>Source of Funds</b>				
State E&G Appropriation <sup>1</sup>	\$412,751	\$412,751	\$521,189	\$0
State E&G Appropriation Recommendation <sup>2</sup>		\$20,638		\$455,058
Augmentation:				
Educational and General	1,144,730	1,186,696	1,165,908	1,165,908
Revenue Shortfall <sup>2</sup>				66,131
<b>Total</b>	\$1,557,481	\$1,620,085	\$1,687,097	\$1,687,097
<b>Use of Funds</b>				
Personnel Expenditures	\$1,171,216	\$1,221,740	\$1,264,976	\$1,264,976
Operating Expenditures	292,402	320,571	333,532	333,532
Capital Assets/Transfers	93,863	77,774	88,589	88,589
<b>Total</b>	\$1,557,481	\$1,620,085	\$1,687,097	\$1,687,097
<b>Students (FTE)<sup>3</sup></b>				
Undergraduate	91,694.62	89,468.90	89,573.98	89,573.98
Graduate	10,628.07	11,051.85	11,275.96	11,275.96
First Professional	NA	NA	NA	NA
<b>Total</b>	102,322.69	100,520.75	100,849.94	100,849.94
<b>Employees (Unrestricted FTE)</b>	11,648.69	11,623.03	11,718.22	11,718.22

<sup>1</sup>Reflects only Educational and General Appropriation enacted for 2014/15 and 2015/16. Reflects the System's appropriation request for 2016/17.

<sup>2</sup>The Governor's recommendation of \$433.4 million in 2015/16 provides a \$20.6 million increase for the Educational and General Appropriation and the recommendation of \$455.1 million for 2016/17 provides an additional \$21.7 million. This recommendation results in a budgetary shortfall of \$66.1 million for 2016/17.

<sup>3</sup>FTE Student is defined as follows: annual undergraduate credit hours produced divided by 30 credit hours; annual graduate credit hours produced divided by 24 credit hours.

Note: Numbers may not add due to rounding.

**Appendix A-4**

**Pennsylvania Higher Education Assistance Agency  
Appropriation for Cheyney Keystone Academy  
of Pennsylvania's State System of Higher Education**

(Dollar Amounts in Thousands)

<b>Source of Funds</b>	<b>Actual 2014/15</b>	<b>Current 2015/16</b>	<b>Budget Request 2016/17</b>	<b>Governor's Budget 2016/17</b>
Special Purpose Appropriation	\$1,525	\$1,525	\$2,000	\$0
State E&G Appropriation Recommendation <sup>1</sup>	\$0	\$1,025	\$0	\$2,550
Other State Appropriation	0	0	0	0
Tuition/Fees/Other	0	0	0	0
Restricted Funds	0	0	0	0
Revenue Shortfall	0	0	0	0
<b>Total</b>	<b>\$1,525</b>	<b>\$2,550</b>	<b>\$2,000</b>	<b>\$2,550</b>
<b>Use of Funds</b>				
Personnel Expenditures	\$171	\$248	\$257	\$257
Operating Expenditures	1,354	2,302	1,743	2,422
Capital Assets/Transfers	0	0	0	0
<b>Total</b>	<b>\$1,525</b>	<b>\$2,550</b>	<b>\$2,000</b>	<b>\$2,550</b>
<b>Students (FTE)</b>				
Undergraduate <sup>2</sup>	130.00	122.00	170.00	200.00
Graduate	NA	NA	NA	NA
First Professional	NA	NA	NA	NA
<b>Total</b>	<b>130.00</b>	<b>122.00</b>	<b>170.00</b>	<b>200.00</b>
<b>Employees (FTE)</b>				
	4.00	4.00	4.00	4.00

<sup>1</sup>The Governor's recommendation of \$2.550 million in FY 2015/16 and FY 2016/17 provides a \$1.0 million increase for the Cheyney Keystone Academy Appropriation over the amount received in 2014/15.

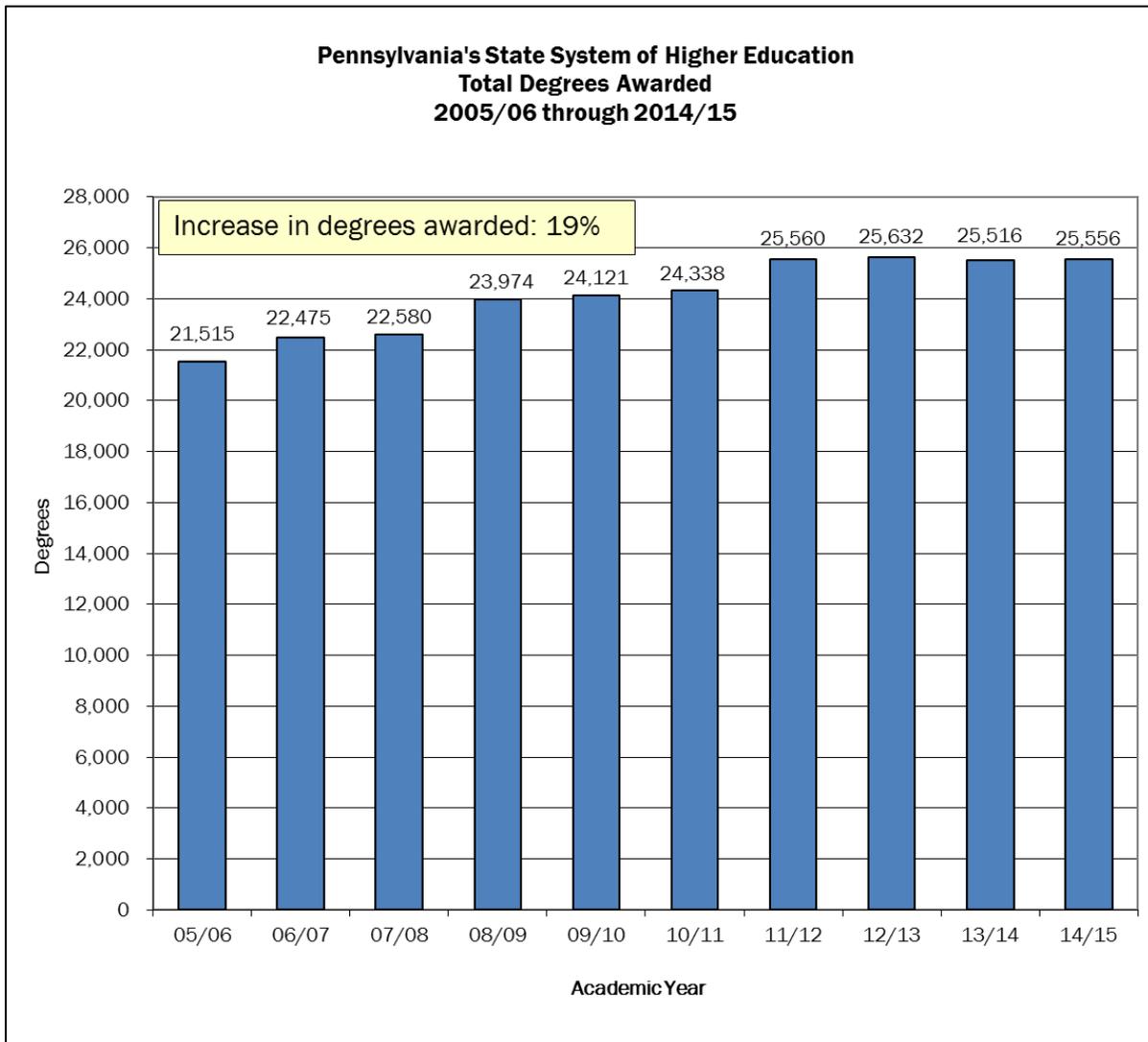
<sup>2</sup>If FY 2016/17 is funded at the Governor's recommended level, 200.00 FTE students may be served through this program.

Note: The line item appropriation has been funded as a special program within PHEAA's budget since FY 1999/2000. It is critical to the recruitment and retention of students at Cheyney University and is vital to the success of the institution and its students.

## Appendix A-5

### Pennsylvania's State System of Higher Education Degrees Awarded

Program Measure	Actual 2014/15	Projected 2015/16	Projected 2016/17
Associate's Degrees Awarded	420	471	529
Bachelor's Degrees Awarded	20,138	20,568	21,008
Graduate Degrees Awarded	4,998	5,129	5,264
<b>Total Degrees Awarded</b>	<b>25,556</b>	<b>26,168</b>	<b>26,801</b>



## Appendix A-6

### Pennsylvania's State System of Higher Education Fall Applications, Acceptances, and Enrollments of First-Time Freshmen of Pennsylvania Residents, by Race

	2006	2007	2008	2009	2010	2011	2012	2013 <sup>1</sup>	2014 <sup>1,2,3</sup>	2015 <sup>1,2,3</sup>
<b>AFRICAN AMERICAN</b>										
Applications	13,195	13,474	15,108	15,412	17,334	16,158	14,801	10,779	12,543	13,624
Acceptances	5,633	5,773	6,321	6,236	6,656	6,682	6,501	6,871	7,854	8,830
Enrollments	1,800	1,862	1,830	1,873	1,802	1,862	1,913	2,013	2,095	1,994
Percent Accepted	42.7%	42.8%	41.8%	40.5%	38.4%	41.4%	43.9%	63.7%	62.6%	64.8%
Percent Accepted Who Enroll	32.0%	32.3%	29.0%	30.0%	27.1%	27.9%	29.4%	29.3%	26.7%	22.6%
<b>HISPANIC</b>										
Applications	1,999	2,383	2,774	2,862	3,323	5,079	4,069	3,553	4,542	4,687
Acceptances	1,156	1,399	1,532	1,606	1,776	3,075	2,387	2,563	3,234	3,504
Enrollments	434	500	502	559	647	987	788	866	983	1,002
Percent Accepted	57.8%	58.7%	55.2%	56.1%	53.4%	60.5%	58.7%	72.1%	71.2%	74.8%
Percent Accepted Who Enroll	37.5%	35.7%	32.8%	34.8%	36.4%	32.1%	33.0%	33.8%	30.4%	28.6%
<b>AMERICAN INDIAN OR ALASKA NATIVE</b>										
Applications	214	182	208	261	197	176	91	79	135	150
Acceptances	118	106	113	143	128	86	38	52	81	107
Enrollments	44	46	46	62	44	23	13	16	25	36
Percent Accepted	55.1%	58.2%	54.3%	54.8%	65.0%	48.9%	41.8%	65.8%	60.0%	71.3%
Percent Accepted Who Enroll	37.3%	43.4%	40.7%	43.4%	34.4%	26.7%	34.2%	30.8%	30.9%	33.6%
<b>ASIAN</b>										
Applications	1,061	1,009	1,062	1,244	1,223	1,177	1,190	1,134	1,199	1,169
Acceptances	667	643	669	784	740	724	729	783	888	896
Enrollments	182	194	209	211	175	166	179	209	208	201
Percent Accepted	62.9%	63.7%	63.0%	63.0%	60.5%	61.5%	61.3%	69.0%	74.1%	76.6%
Percent Accepted Who Enroll	27.3%	30.2%	31.2%	26.9%	23.6%	22.9%	24.6%	26.7%	23.4%	22.4%
<b>NATIVE HAWAIIAN/PACIFIC ISLANDER<sup>3</sup></b>										
Applications					61	42	65	29	55	60
Acceptances					30	32	40	22	38	38
Enrollments					11	14	14	12	17	6
Percent Accepted					49.2%	76.2%	61.5%	75.9%	69.1%	63.3%
Percent Accepted Who Enroll					36.7%	43.8%	35.0%	54.5%	44.7%	15.8%
<b>UNKNOWN</b>										
Applications	4,581	4,978	5,844	6,064	3,208	2,614	2,414	793	1,080	844
Acceptances	2,512	2,883	3,161	3,205	1,551	1,270	1,131	567	849	662
Enrollments	829	1,013	1,076	1,097	457	425	274	176	211	184
Percent Accepted	54.8%	57.9%	54.1%	52.9%	48.3%	48.6%	46.9%	71.5%	78.6%	78.4%
Percent Accepted Who Enroll	33.0%	35.1%	34.0%	34.2%	29.5%	33.5%	24.2%	31.0%	24.9%	27.8%

## Appendix A-6 (continued)

### Pennsylvania's State System of Higher Education Fall Applications, Acceptances, and Enrollments of First-Time Freshmen of Pennsylvania Residents, by Race

	2006	2007	2008	2009	2010	2011	2012	2013 <sup>1</sup>	2014 <sup>1,2,3</sup>	2015 <sup>1,2,3</sup>
<b>TWO OR MORE RACES<sup>3</sup></b>										
Applications					1,656	2,001	2,292	1,885	2,315	2,509
Acceptances					932	1,192	1,389	1,450	1,763	1,937
Enrollments					358	436	500	545	596	664
Percent Accepted					56.3%	59.6%	60.6%	76.9%	76.2%	77.2%
Percent Accepted Who Enroll					38.4%	36.6%	36.0%	37.6%	33.8%	34.3%
<b>Non-Resident Alien (NRA)<sup>2</sup></b>										
Applications									8	2
Acceptances									8	2
Enrollments									1	1
Percent Accepted									100.0%	100.0%
Percent Accepted Who Enroll									12.5%	50.0%
<b>WHITE</b>										
Applications	48,247	49,292	52,460	53,598	57,208	55,592	52,126	44,978	43,447	42,737
Acceptances	34,040	34,678	36,249	38,062	39,801	39,964	38,025	36,783	36,438	36,342
Enrollments	14,053	14,078	14,688	15,266	15,349	15,117	13,768	13,460	13,292	12,426
Percent Accepted	70.6%	70.4%	69.1%	71.0%	69.6%	71.9%	72.9%	81.8%	83.9%	85.0%
Percent Accepted Who Enroll	41.3%	40.6%	40.5%	40.1%	38.6%	37.8%	36.2%	36.6%	36.5%	34.2%
<b>TOTAL</b>										
Applications	69,297	71,318	77,456	79,441	84,210	82,839	77,048	63,230	65,324	65,782
Acceptances	44,126	45,482	48,045	50,036	51,614	53,025	50,240	49,091	51,153	52,318
Enrollments	17,342	17,693	18,351	19,068	18,843	19,030	17,449	17,297	17,428	16,514
Percent Accepted	63.7%	63.8%	62.0%	63.0%	61.3%	64.0%	65.2%	77.6%	78.3%	79.5%
Percent Accepted Who Enroll	39.3%	38.9%	38.2%	38.1%	36.5%	35.9%	34.7%	35.2%	34.1%	31.6%

<sup>1</sup>Methodology changed in 2013 to count only completed applications in calculation.

<sup>2</sup>Beginning in 2014, NRA applicants who meet state domicile requirements are included in Pennsylvania counts.

<sup>3</sup>Native Hawaiian/Pacific Islander and Two or More Races first reported in 2010. Prior to 2010, Pacific Islander was reported with

Source: Datawarehouse

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## Appendix B

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## Appendix B-1

### Pennsylvania's State System of Higher Education Meeting the Needs of the Commonwealth and its Learners

#### Responding to a 21<sup>st</sup> Century Economic and Education Landscape

As a major producer of college-educated workers in the Commonwealth<sup>1</sup>, Pennsylvania's State System of Higher Education is a key contributor to the economic future of the state and its residents. The State System is responding in multiple ways to align with the 21<sup>st</sup> century employer and workforce demands of the state. A few examples are as follows:

- ***Pennsylvania's Increasing Need for Skilled Workers and the State System's Role:***  
As the need for college-educated<sup>2</sup> workers has increased in Pennsylvania, the number of bachelor's degrees (and higher) awarded by the 14 State System institutions has increased by 10 percent (2009 to 2014).<sup>3</sup> Today, more than one-fifth of bachelor's degrees awarded in Pennsylvania are from State System universities. The five major groups that accounted for three-fifths of those degrees were business, education, humanities and liberal arts, health, and social sciences<sup>4</sup>. These majors also represent programs that prepare graduates with a combination of both workforce-specific skills and broad-based knowledge many employers seek.
- ***State System Responding to Regional Needs:***  
Apart from producing bachelor's degrees and higher, seven out of the 14 State System universities are offering associate degrees to help meet regional demands for learners and employers. Of the annual completions, a majority (68 percent) are in health professions and related programs, engineering technologies and engineering-related fields, and homeland security and related protective services.
- ***State System Responding to Emerging and Increasing Demand for STEM-H skills:***  
STEM-H (science, technology, engineering, math, and health) occupations represent one in five jobs in the Commonwealth today and STEM-H jobs are projected to grow by 444,800 (new and replacement) from 2014 to 2024<sup>5</sup>. These jobs typically require postsecondary education, especially at the bachelor's and graduate levels. Responding to these changing dynamics of the state's workforce, the State System has taken steps to meet the increasing employer demand for STEM-H. The number of graduates from the State System with a bachelor's degree or higher in STEM-H has increased by 37 percent since 2009.

The intersection of student success and meeting the needs of the Commonwealth and its learners requires the State System to pay attention to recruiting and retaining students to STEM-H fields. This important body of work is being conducted within the

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<sup>1</sup> Carnevale, Lou, and Ridley, 2016 and State System's Gap Analysis Project, 2016

<sup>2</sup> Defined in 'Degrees of Value: College Majors & State System's Contribution to Pennsylvania's Workforce', Georgetown University, Carnevale, Lou, and Ridley, 2016 as workers with Bachelor's Degree and higher

<sup>3</sup> Carnevale, Lou, and Ridley, 2016; p5

<sup>4</sup> Carnevale, Lou, and Ridley, 2016 p18

<sup>5</sup>Oxford Economics, a premier economic modeling and consulting firm, produced the projections for the State System Gap Analysis Project using an employment base year of 2014 and projected to 2024.

State System via the Student Success Network. This work is backed by research from the National Bureau of Economic Research that states that in order to successfully recruit and retain students in STEM-H, universities must spend \$1,980 to \$2,193 per student on services such as health services and supplemental instruction,

In this context, it is important to recognize that STEM-H programs cost more than non-STEM-H<sup>6</sup>. As the critical need of Pennsylvania's STEM-H workforce increases, to boost Pennsylvania's competitiveness, this cost implication should be considered,

Responding to the changing economic and workforce needs of the Commonwealth and its regions<sup>7</sup> via better alignment of higher education within the State System is neither simple nor straightforward. Irrespective, the State System is committed to ensuring that collectively and individually all 14 universities are connected with the state's economy and they are doing it at a lower cost<sup>8</sup> while serving more economically disadvantaged students.<sup>9</sup>

The State System universities continue to ensure that the collective academic program offerings of the 14 universities are in alignment with current and emerging needs of Pennsylvania. This broad initiative is aimed at creating a better-educated and more productive workforce for the Keystone State **(see Appendix B-2)**.

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<sup>6</sup> American Institute for Research, Data Brief, September 2013, *Costs to Institutions of STEM Degrees*

<sup>7</sup> To conduct the State System's Gap Analysis, the System developed definitions for 'regions' based on the Department of Community and Economic Development's PREP regions

<sup>8</sup> Carnevale, Lou, and Ridley, 2016

<sup>9</sup> Carnevale, Lou, and Ridley, 2016

## Appendix B-2

### **Pennsylvania's State System of Higher Education *Academic Program Review: Universities Adapting to Change***

In keeping with the mission of Pennsylvania's State System of Higher Education and in support of the System's strategic plan, the 14 member universities continually review their academic programs to ensure they line up with the 21<sup>st</sup> century educational and career-readiness needs of students and of their future employers. The State System recently engaged with the Georgetown University Center on Education and the Workforce to study those efforts to ensure those needs continue to be met in the years ahead. The study was funded by grants from the Lumina Foundation, the Bill and Melinda Gates Foundation, and the Joyce Foundation.

The study noted that more than one-third (1.94 million) of Pennsylvania's 5.58 million workers have a bachelor's degree or higher. According to the Center's projections, by 2020 more than 60 percent of jobs in Pennsylvania and nationally will require at least some postsecondary education. More than one-third of the projected job openings expected to occur between now and then will require a bachelor's degree or higher.

As employers' needs change, the State System is adapting its program offerings to ensure a well-educated Commonwealth workforce. The State System has been actively involved in that process for some time, a fact confirmed by the Georgetown Center study.

From their historic roots as normal schools and teachers colleges, the State System universities have grown into comprehensive universities, greatly expanding their array of academic programs, the majority of which are accredited by professional organizations regionally and nationally.

While collectively the universities still produce the largest number of new teachers in the state, education no longer represents the largest major. Business is now the most popular field of study, accounting for 16 percent of graduates receiving a bachelor's degree from a System university. Meanwhile, the number of bachelor's degrees awarded by the universities in the STEM (science, technology, engineering, and mathematics) and health-related fields—collectively referred to as STEM-H—has increased by 37 percent since 2009, representing the System's fastest growing area of study.

The number of graduates with STEM-H degrees is expected to continue to rise. Anticipating the Commonwealth's needs, almost half of the new degree programs developed and introduced by the State System universities within the previous five years have been in the STEM-H fields.

Review of the System's academic program array does not result in only new programs being introduced. These efforts can result in several other outcomes: programs meeting students' and employers' needs can remain unchanged, programs can be updated and reorganized, they can be placed in moratorium, or they can be discontinued.

Over the last five years, the 14 State System universities combined have introduced nearly 300 new degree, minor, and certificate programs while updating more than 100 others as required skill sets have evolved. At the same time, the universities have either placed in moratorium or discontinued more than 400 programs no longer in demand. The results of the latest round of reviews completed in 2015 follows:

- Fifteen programs were reorganized. Reorganized programs are those that have been significantly revised or updated to meet new career and/or certification requirements and market demands.
- Fourteen programs were placed in moratorium. A program placed in moratorium does not admit new students. While a program is in moratorium, the university conducts an assessment to determine whether a redesign of the program would be appropriate or whether it should be discontinued. Normally, the period of moratorium lasts no more than five years. Students enrolled in a program when it is placed in moratorium are able to complete their degree.
- Seven programs were discontinued. Discontinued programs no longer have any students enrolled in them and are eliminated from the curriculum.
- Thirty-four new degree programs were approved by the Board of Governors in the last 12 months. Before a new program is approved, it must meet stringent standards that include a demonstrated need in the Commonwealth and evidence that students will enroll in sufficient numbers to sustain it. New programs are designed to meet new student and workforce demands. Many of the newly approved programs are being or will be offered online, where they will be available to students anywhere/anytime. All new programs are subject to a formal review after five years; in order to continue, a program must demonstrate sustained enrollment and evidence of appropriate student learning outcomes. ***(A brief summary of the new degree programs follows this narrative.)***

Looking forward, the State System has commissioned labor market research to produce a data-driven, supply-demand gap analysis report, which will describe the big economic picture for the Commonwealth and its regions. It will identify areas where educational output in Pennsylvania does not meet market need, and, perhaps, areas where there is a surplus of graduates in the labor market.

Knowing the supply of graduates in a given area and the relative employer demand for those graduates will help university stakeholders evaluate the economic eco-system and determine areas that deserve their attention. The results of the gap analysis project will become part of the State System's Program Alignment Toolkit—a collection of resources that will assist the universities to increase their individual and collective impact on Pennsylvania's economy. These resources will help ensure the universities' academic programming best aligns with the Commonwealth's needs and will further assist in strategic planning and in helping students make career choices within the State System.

## New Degree Programs

### Bloomsburg University of Pennsylvania

- **Bachelor of Science in Business Administration in supply chain management**

This program will prepare graduates to serve as project managers, process schedulers, supply chain analysts, distribution managers, purchasers, and customer relationship specialists in a variety of industries, including manufacturing, retail, healthcare, banking, and logistics. Employment demand in the field is projected to grow by nearly 30 percent in Pennsylvania and the United States over the next decade. (Fall 2015)



### California University of Pennsylvania

- **Doctor of Health Science in health science and exercise leadership**



This program is designed for working professionals seeking career advancement and is being offered completely online. It will enable graduates to work as advanced clinical practitioners; educators in health, exercise and wellness; administrators and managers of health-related enterprises; and in other advanced professional or technical positions in the continually growing healthcare field. (Spring 2016)

### Clarion University of Pennsylvania

- **Bachelor of Science in Business Administration in paralegal studies**

This program is designed to provide paralegals with a broad legal background, as well as to provide them with the skills necessary to manage paralegal departments with law firms and business organizations, including corporate law departments, insurance companies, estate and trust departments of large banks, hospitals and healthcare organizations, real estate and title insurance companies, and professional trade associations. (Fall 2015)



- **Bachelor of Science in sport management**

This program will prepare graduates for jobs in fields such as sports marketing, sports sales, coaching, and scouting. The degree includes a required 12-credit internship designed to provide students with real experience and the opportunity to practice what they have learned, to develop new skills, and to make professional contacts and networks that could help them in their pursuit of employment after graduation. (Fall 2015)

- **Master of Science in applied data analytics**

This program, which is being offered online, will prepare graduates to work in areas including finance, marketing, retail, manufacturing, insurance, government, politics, education, security, science, e-commerce, social media, or other areas that consume large amounts of data. Their skill base will include database development, data processing,

warehousing, mining, and visualization to solve big data problems. Graduates of the program will be prepared to sit for the Certified Data Management Exams offered by the Institute for Certification of Computing Professionals. (Fall 2015)

- **Master of Science in accounting**

This program, which is being offered online, will prepare individuals for careers in public accounting or auditing. As the accounting field has become more specialized, the M.S. in accounting has become the preferred degree for those who desire careers in public accounting, according to the 2015 report from the American Institute of Certified Public Accounting. These programs now enroll 88 percent of all master's level students desiring careers in public accounting. (Spring 2016)

### **Edinboro University of Pennsylvania**

- **Bachelor of Music in music therapy**



This program will prepare students for a career in a field that utilizes therapeutic musical activities as a form of physical and mental healthcare. Music therapists address emotional, cognitive, social, and physical needs of their clients. The new degree will complement the university's programs in art therapy, speech pathology, counseling, social work, and nursing. Graduates will be able to work in a variety of locations, including hospitals, medical schools, clinics, senior citizen centers, and residential settings. (Fall 2016)

### **Kutztown University of Pennsylvania**

- **Bachelor of Arts in art history**

This program will include coursework in art history for students seeking additional graduate-level study in art history or related areas; career opportunities in the arts, museums, and cultural venues; or a path toward a graduate degree in a disparate field, such as law or business. It will prepare individuals for a variety of high-level careers with art galleries, centers, and museums. (Fall 2016)



- **Bachelor of Fine Arts in applied digital arts**

This program will prepare students to work in the creative fields of animation, game art, and interactive media. The digital arts field is growing rapidly, with digital artists often finding work in the contemporary fields of game art, interactive media, animation, multimedia art, computer graphics, sound design, movies, television, and video art. The program will build upon Kutztown's already successful offerings in studio art, crafts, and communication design. (Fall 2016)

- **Master of Arts in arts administration**

This program will prepare graduates with the tools needed to work in an administrative capacity at a wide variety of arts and cultural organizations, including museums, concert

venues, foundations, galleries, symphony orchestras, and arts councils. Coursework will include issues and trends, arts policy and legal issues, marketing and communications, fundraising, budgeting, organizational leadership, and grant writing. (Fall 2016)

- **Master of Education in music education**

This program is designed specifically for working professionals and will be offered fully online. Graduates will be prepared to work as advanced practitioners and leaders of music education in K-12 schools, as well as in after-school programs, community music centers, arts venues, private music studios, and in higher education. (Fall 2016)

### **Lock Haven University of Pennsylvania**

- **Master of Science in actuarial science**

This program will prepare graduates to work as professional actuaries in the business and government sectors. The university will seek to have the fully online program designated as a Professional Science Master's degree. It would be the only online program in the nation with the PSM designation. It will be available to students who already hold a bachelor's degree or as a 3+2 program, where undergraduates would complete three years majoring in mathematics or an approved related field, and then apply to the program for the final two years of study. (Fall 2016)



- **Master of Science in athletic training**

This program will prepare graduates for a variety of career opportunities in the healthcare field, including with hospitals, sports medicine clinics, universities, interscholastic settings, and professional sports. Additional employment opportunities also exist in the performing arts, industry, and the military. (Fall 2016)

### **Millersville University of Pennsylvania**

- **Bachelor of Design in interactive and graphic design**

Millersville  
University

This program will prepare students for careers in areas including interactive design, web design, corporate communications, digital illustration, mass media design, advertising, public relations, marketing, digital publishing, audio-visual publishing, animation, branding, physical computing design, print design, and digital packaging design.

All of the courses were developed over the last few years and represent the latest skills and use of technology. (Fall 2015)

- **Master of Education in assessment, curriculum, and teaching**

This program includes two concentrations, one in online teaching and one in Science, Technology, Engineering and Mathematics (STEM) education, designed to advance the effectiveness of teachers in these high-demand areas. Students who enroll in the program must be full-time teachers or have Instructional I certification and will participate in field-based experiences within their concentration. (Fall 2015)

- **Bachelor of Science in automation and intelligent robotics engineering technology**

This program will prepare individuals to work with multiple types of technology to design and implement projects that have advanced programming needs. Possible career fields include software engineering, research and development, computer and systems engineering, and robotics programming. There is a high demand for robotics engineers in the state and region, according to the state Department of Labor & Industry. As an example, Foxconn Technology Group, a global electronics manufacturer that makes Apple Inc.'s iPhone, is planning to invest \$40 million in Pennsylvania, including \$30 million for a site in Dauphin County. (Spring 2016)

- **Doctor of Nursing Practice in nursing practice**

This program is designed to prepare advanced practice nurses with the higher-level training and skills needed in today's dynamic healthcare environment. The program will focus on practice-oriented, evidence-based research analysis and application within the healthcare community. Unique to this particular program is the regional focus, such as the importance of understanding and addressing the regional health issues among the Amish and Plain communities. (Summer 2016)

### **Shippensburg University of Pennsylvania**

- **Bachelor of Science in Business Administration in entrepreneurship**



This program is designed to prepare students with the skills, experience, and knowledge necessary to develop and succeed at their own businesses. The goal is to help today's students become tomorrow's entrepreneurs by combining a small, supportive incubator environment and linking that to a high-quality liberal arts education. The program was designed to meet the accreditation standards of the Association to Advance Collegiate Schools of Business International. (Fall 2016)

### **Slippery Rock University of Pennsylvania**

- **Master of Science in data analytics**

This program will be offered in both full-time and part-time models to accommodate working professionals. It is designed to prepare graduates to work in the rapidly growing field of data analytics and big data. Students who complete the program will receive a joint certificate in statistical applications and data analytics from Slippery Rock and SAS Institute. SAS is one of the most widely used software platforms in the world for performing data analytics and statistical analysis. (Spring 2016)



- **Bachelor of Science in petroleum and natural gas engineering**

This program will provide students with hands-on, in-depth learning experiences in areas including the exploration, production and transportation of oil and natural gas resources using safe and environmentally friendlier methods. It will provide graduates with the knowledge and capabilities required to successfully practice as petroleum and natural gas

engineers and/or to continue their education at the graduate level. Slippery Rock currently offers a pre-engineering program, in which students are typically enrolled for three years, then transfer to another institution for two additional years to complete their degree. The new program is designed to be completed in four years, with all courses to be taught at Slippery Rock. (Fall 2016)

- **Bachelor of Fine Arts in dance**

This program is designed specifically for students seeking multilayered careers as dance professionals and will provide students with the advanced training needed to pursue performing, choreography, technology, and teaching careers in dance. The university also will continue to offer a Bachelor of Arts (BA) in dance. The Bachelor of Fine Arts will enable students to achieve professional level mastery of dance while the BA degree provides a broad-based curriculum in dance studies and an opportunity to earn a second major in other content areas, such as exercise science and education. (Fall 2016)

- **Bachelor of Science in corporate security**

This program is designed to prepare students for careers in a wide array of corporate security fields, including security management, fraud/economic crime, risk management, personnel security management, and physical security management. Courses will be taught face-to-face, online, and blended, which will maximize flexibility for students. The program will prepare students with the requisite work experience to obtain certifications from the American Society of Industrial Security International, the Certified Fraud Examiners organization, National Association of Legal Investigators, or various private security management firms that offer the Facility Security Officer certificate. (Fall 2016)

- **Bachelor of Science in homeland security**

This program will prepare students to become experts in the prevention, detection, investigation, and remediation of threats to the United States. It will be taught face-to-face, online, and in blended settings. Economic Modeling Specialists International predicts that the investigation and security services industry is set to grow by 17 percent between 2015 and 2025, adding more than 145,000 jobs to the national economy. In Butler County, where Slippery Rock is located, this industry is projected to add more than 400 new jobs in the next 10 years, growing by 28 percent. (Fall 2016)

- **Master of Public Health in public health**

This program will include concentrations in health promotion and wellness and environmental and occupational health. It will include both face-to-face teaching and online learning and can be completed in two years. Classes will be held at the Regional Learning Alliance in Cranberry Township and will be scheduled to accommodate working professionals. The program will follow a practitioner-based approach and the required capstone experience will provide an opportunity for students to further develop relevant experience in an applied setting. (Fall 2016)

- **Master of Music Therapy in music therapy**

This program will provide students with the skills to address client needs through a comprehensive synthesis of theories, research, treatment knowledge, musicianship, clinical skills, and personal awareness. It will complement other related university programs focused on health and wellness, such as physical therapy, counseling, adapted physical activity,

physician's assistant, and nursing. Students, who will be able to enroll full-time or part-time, will take a set of core requirements and will have opportunities to take further electives in music therapy or to take electives in counseling, special education, or gerontology, depending on their preferred area of specialty. (Fall 2016)

- **Master of Science in health informatics**

This program is a 10-month, cohort-based program with options for both full-time and part-time students. Health informatics includes positions involved with the collection, handling, and processing of healthcare information for a variety of purposes, including billing and medical quality assurance. Accurate coding of patient records is fundamental to the healthcare system, both to providing treatment and to ensuring providers get paid by insurance companies. (Fall 2016)

- **Master of Arts in Teaching English to Speakers of Other Languages**

This program will provide a terminal degree for career teaching positions in English as a second, foreign, or additional language. Employment opportunities for graduates will include teaching in a university-level intensive English program, teaching abroad in an English as a foreign language context, or teaching at a community college or urban literacy program in the United States or other English-speaking country such as Canada, New Zealand, and the United Kingdom. Beyond the traditional pathway of the profession, consultant or salaried coaching positions within multi-national companies also serve as potential career tracks. (Fall 2016)

- **Master of Science in athletic training**

The university will offer a 3+2 track that will allow students to enter as freshmen and earn both a bachelor's and a master's degree in five years. The master's program will include blended online and classroom courses along with clinical experiences designed to be completed over two consecutive years, including summer classes. (Summer 2018)

## **West Chester University of Pennsylvania**

- **Doctorate of Public Administration in public administration**



This online program was developed for working professionals seeking leadership roles in the public, nonprofit, and private sectors and emphasizes practical problem solving. It focuses on the areas of strategic management and governance, public sector economic and financial decision-making, policy advocacy and leadership, and performance management. The program's flexible design is intended to meet the needs of working professionals in the region while still allowing for technology-aided, face-to-face advising and interaction with faculty. (Fall 2015)

- **Master of Science in community nutrition**

This program, which is being offered fully online, is the result of the reorganization of an existing program and was designed to better meet the demands of the nutrition profession, undergraduate student demand, market need, and changes in healthcare. This change will allow the Nutrition Department to transition from providing a nutrition concentration within

the Health Department's MPH degree to a M.S. in community nutrition degree completely developed and managed within the Nutrition Department. (Spring 2016)

- **Master of Science in applied and computational mathematics**

This program was designed to equip graduate students with the training necessary to successfully launch careers as industrial mathematicians in government and with financial institutions and private industry, and to pursue doctoral studies. Completion of team-based research projects involving real-world data and problems extracted from industry will equip students with managerial experience, computational know-how, and an ability to apply mathematical theory to investigate and analyze complex problems. Courses are offered in the evenings to accommodate the needs of working professionals in the region. (Fall 2015)

- **Master of Science in clinical mental health counseling**

This program is specifically designed to meet all of the current standards for accreditation by the Council for the Accreditation of Counseling and Related Educational Programs, as well as the educational requirements for counselor licensure in all 50 states. It will prepare students for a broad range of career possibilities, including working in community settings, hospitals, educational institutions, Veteran's Administration treatment centers, and private practice. (Summer 2016)

- **Doctor of Education in education policy, planning, and administration**

This program will prepare regional professionals in proposing evidence-based solutions that will help improve the practice of education and the lives of students in the Commonwealth. It will provide educators in a variety of educational settings the skills necessary to identify site-specific problems and develop site-specific solutions. As part of the program, degree candidates will participate in a research project with an outside agency/constituent such as a partner school district, preschool partner, rehabilitation center, or academic tutoring center. (May 2016)

- **Master of Science in athletic training**

West Chester University offered the first bachelor's degree in athletic training in Pennsylvania and one of the first five in the nation. Its undergraduate program already meets graduate-level standards. The program will require students to participate in practicums during each semester, where they will be mentored by a professional and apply their skills to patients on a daily basis. (Summer 2017)

(Note: Three universities have developed new Master of Science in athletic training degree programs in response to a decision by the Strategic Alliance of the Board of Certification, the Commission on Accreditation of Athletic Training Education, the National Athletic Trainers' Association (NATA) and the NATA Research and Education Foundation to change the first professional degree in the field from a bachelor's degree to a master's degree. Each of the universities currently offers a Bachelor of Science in athletic training degree program. The new master's programs will replace those undergraduate programs.)

## Appendix B-3

### Pennsylvania's State System of Higher Education Investing in Student Success, Campus Safety

Student success is reflected in graduation rates, student debt, and post-graduation employment. Helping to ensure that success requires universities to address many non-academic factors, from campus safety to alcohol and drug use to mental health issues.

National leaders in the field of college access, retention, and graduation emphasize that universities have a responsibility to provide students with the support they need to achieve. The National Bureau of Economic Research has stated that college graduation and persistence is directly linked to greater expenditures on student services that contribute to students' emotional and physical well-being and to their intellectual, cultural, and social development.

Demographic factors such as age, socioeconomic status, race, military status, ethnicity, and gender can have a significant impact on student success. The 14 State System universities enroll the largest percentage of Pennsylvania residents who are Pell grant recipients, those with the greatest financial need. As a group, these students also often have a greater need for additional academic and other support services. In order to provide an educated workforce that is prepared to meet the needs of the Commonwealth and its citizens, the State System must be able to further invest in these vital services.

The national response to addressing sexual misconduct, sexual violence, and harassment at universities has had an extraordinary impact on the administrative and financial operations of State System universities. With the Board of Governors leading the effort, the universities are enhancing and creating the safest environments possible for students, employees, and visitors.

Each university has expended significant resources to develop policies and procedures to address federal Title IX sexual harassment/assault issues. Financial and human resources have been repositioned to address the appointment of Title IX coordinators on each campus, to address ongoing awareness and prevention education for students and employees, and to train staff in how to facilitate Title IX investigations and grievance procedures.

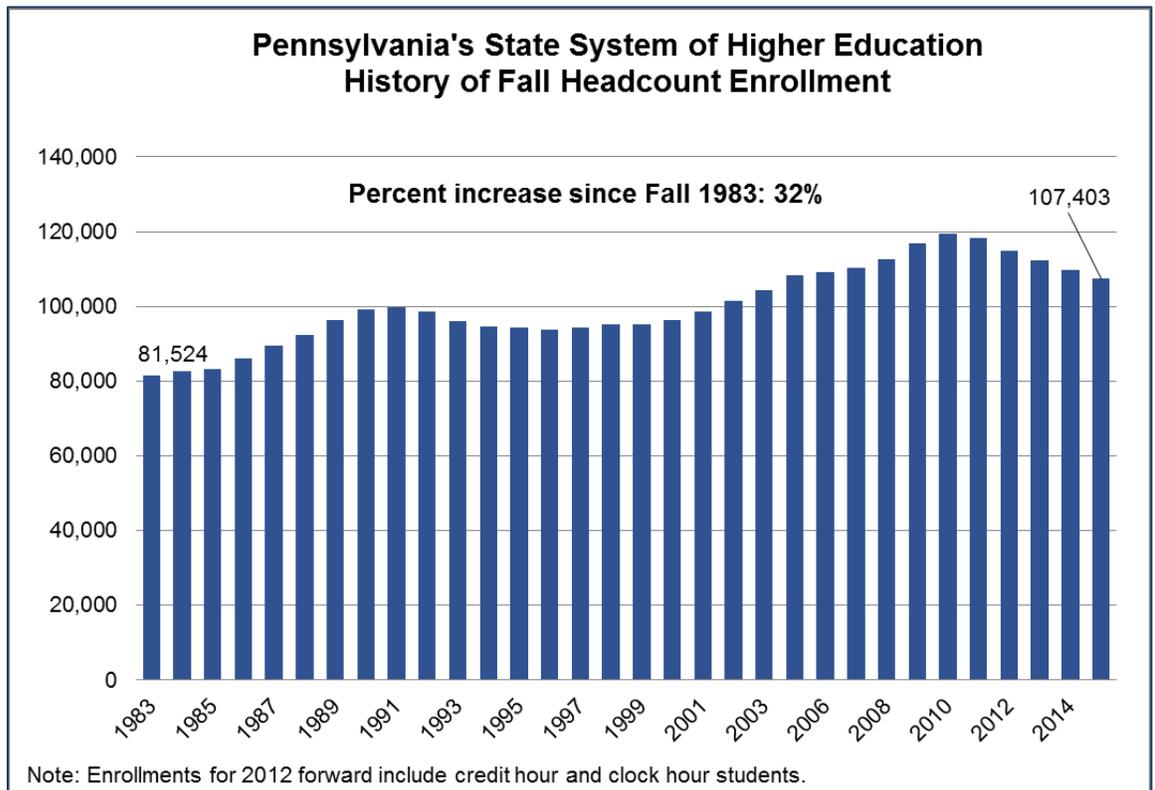
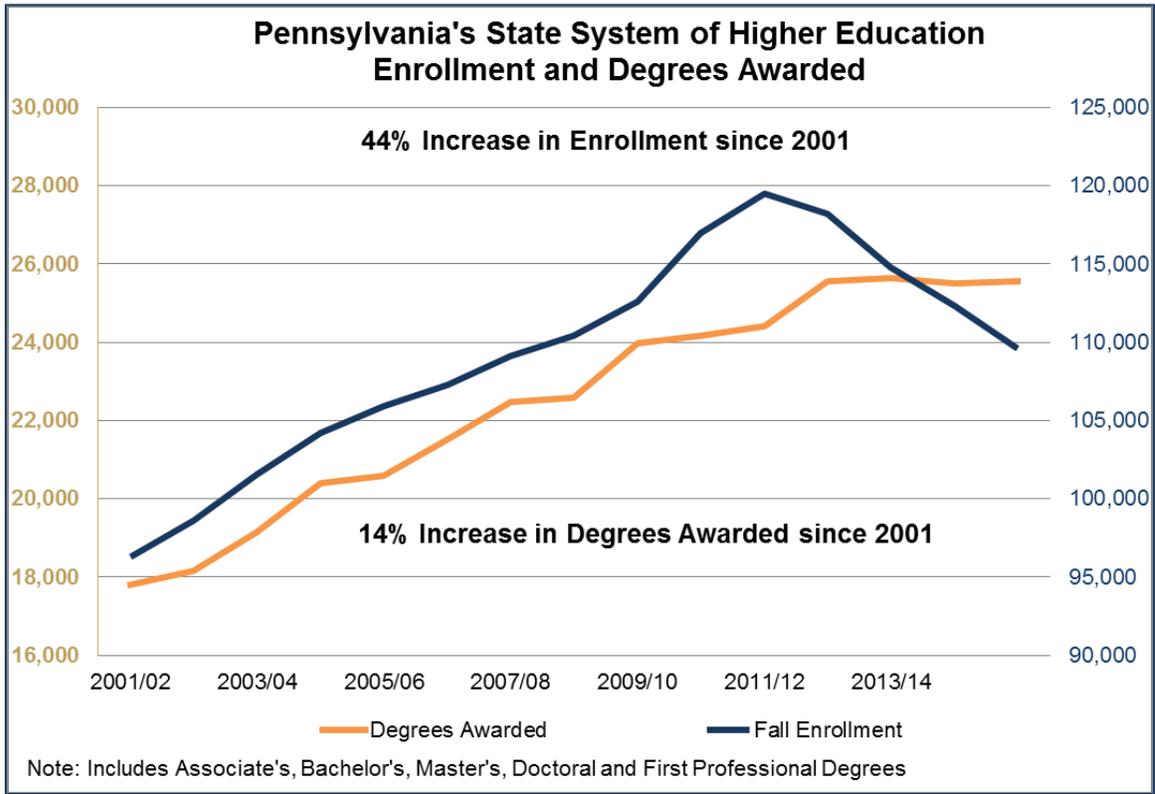
Going forward, the universities will need to add victim advocate positions, employ appropriately trained investigators, conduct campus climate surveys, and address survey findings.

The State System will continue to take a strategic and deliberate approach to educating about and responding to safety issues and to collaborating to proactively address safety and compliance concerns.

#### Campus Safety

- State System universities have 70 percent fewer incidents of serious crimes than the state average.
- The number of serious crimes on the university campuses is half of what it was in 1986, and continues to decline.
- University police are commissioned, trained, armed, and have similar jurisdiction rights as municipal police.

### Appendix B-4



**Appendix B-5**

**Pennsylvania's State System of Higher Education  
Fall Headcount Enrollment by University**

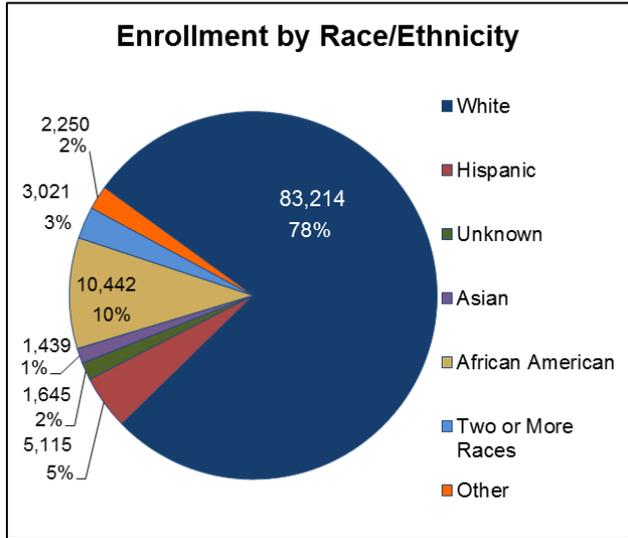
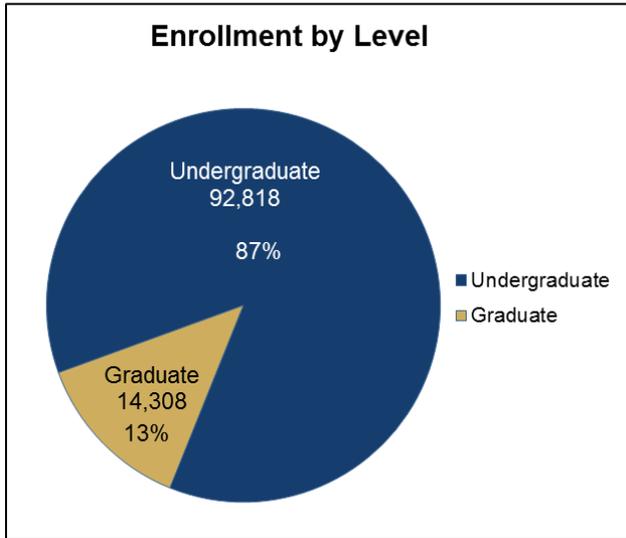
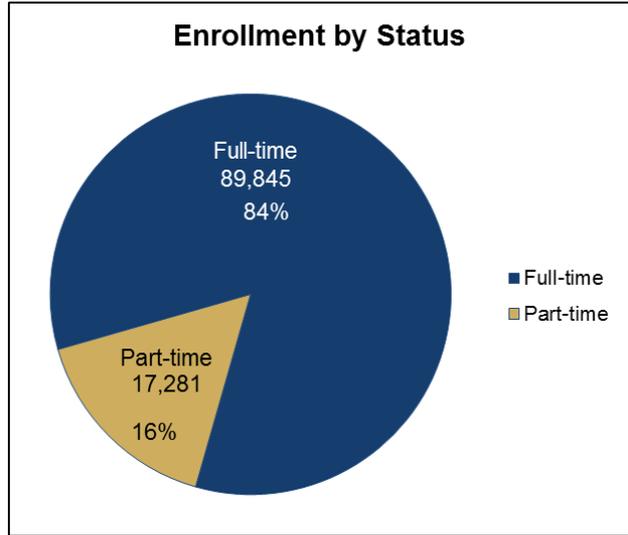
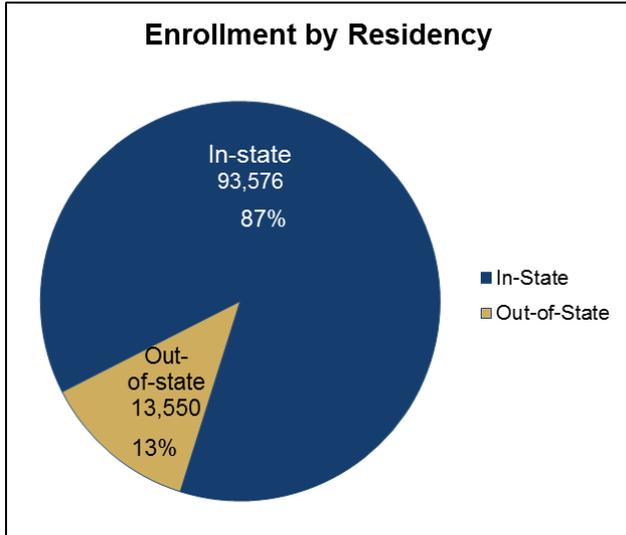
University	2007	2008	2009	2010	2011	2012	2013	2014	2015
Bloomsburg	8,745	8,855	9,512	10,091	10,159	9,950	10,127	9,998	9,777
California	8,206	8,519	9,017	9,400	9,483	8,608	8,243	7,978	7,854
Cheyney	1,436	1,488	1,488	1,586	1,200	1,284	1,212	1,022	711
Clarion	6,795	7,100	7,346	7,315	6,991	6,520	6,080	5,712	5,368
East Stroudsburg	7,053	7,234	7,576	7,387	7,353	6,943	6,778	6,820	6,828
Edinboro	7,686	7,671	8,287	8,642	8,262	7,462	7,098	6,837	6,550
Indiana	14,018	14,310	14,638	15,126	15,132	15,668	14,997	14,571	14,035
Kutztown	10,295	10,393	10,634	10,707	10,283	9,804	9,513	9,218	9,000
Lock Haven	5,241	5,266	5,329	5,451	5,366	5,328	5,260	4,917	4,607
Mansfield	3,338	3,422	3,569	3,411	3,275	3,155	2,988	2,752	2,393
Millersville	8,306	8,320	8,427	8,729	8,725	8,368	8,279	8,047	7,988
Shippensburg	7,765	7,942	8,253	8,326	8,183	7,724	7,548	7,355	7,058
Slippery Rock	8,325	8,458	8,648	8,852	8,712	8,559	8,347	8,495	8,628
West Chester	13,219	13,619	14,211	14,490	15,100	15,411	15,845	16,086	16,606
<b>System Totals</b>	<b>110,428</b>	<b>112,597</b>	<b>116,935</b>	<b>119,513</b>	<b>118,224</b>	<b>114,784</b>	<b>112,315</b>	<b>109,808</b>	<b>107,403</b>

Note: Includes all Census enrollments--undergraduate, graduate, full-time and part-time. Enrollments for 2012 forward include credit hour and clock hour students.

Appendix B-6

Pennsylvania's State System of Higher Education  
Fall 2015 Enrollment Demographics

Headcount: 107,126\*



\* Clock hour students are excluded

## Appendix B-7

### Pennsylvania's State System of Higher Education Students\* and Alumni by Pennsylvania County, Fall 2015

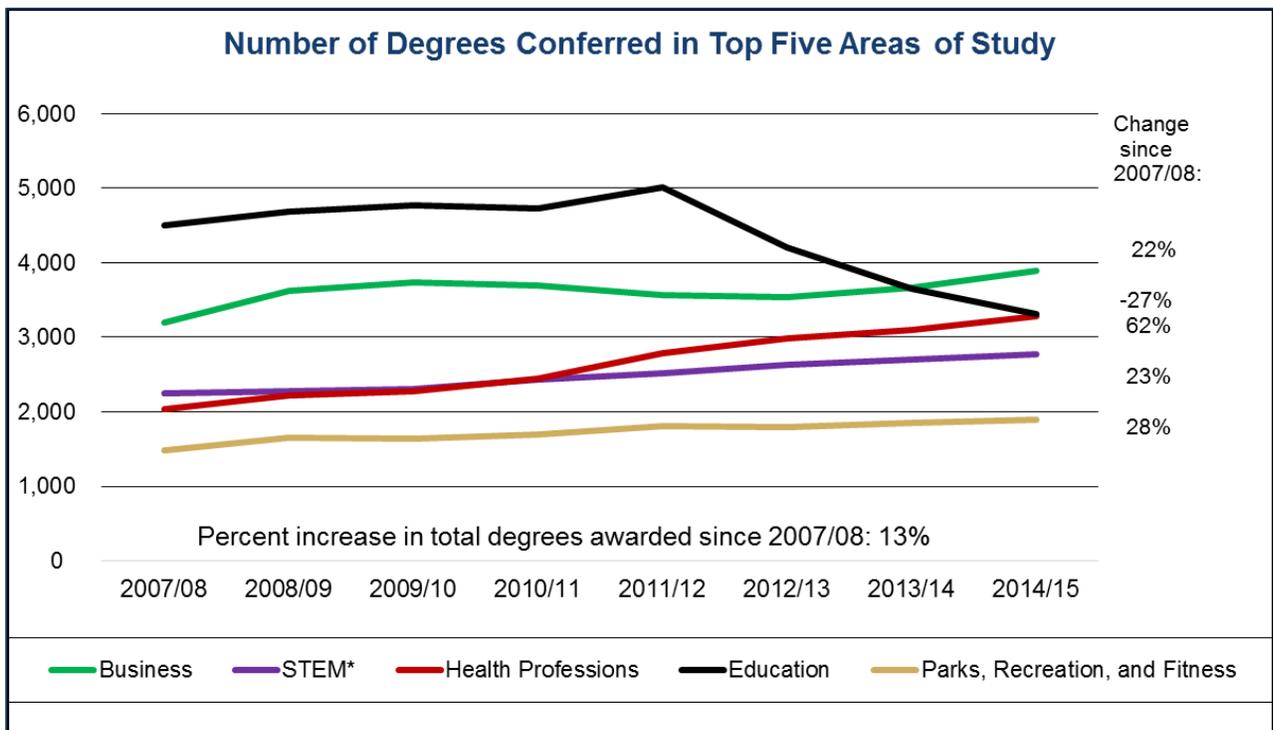
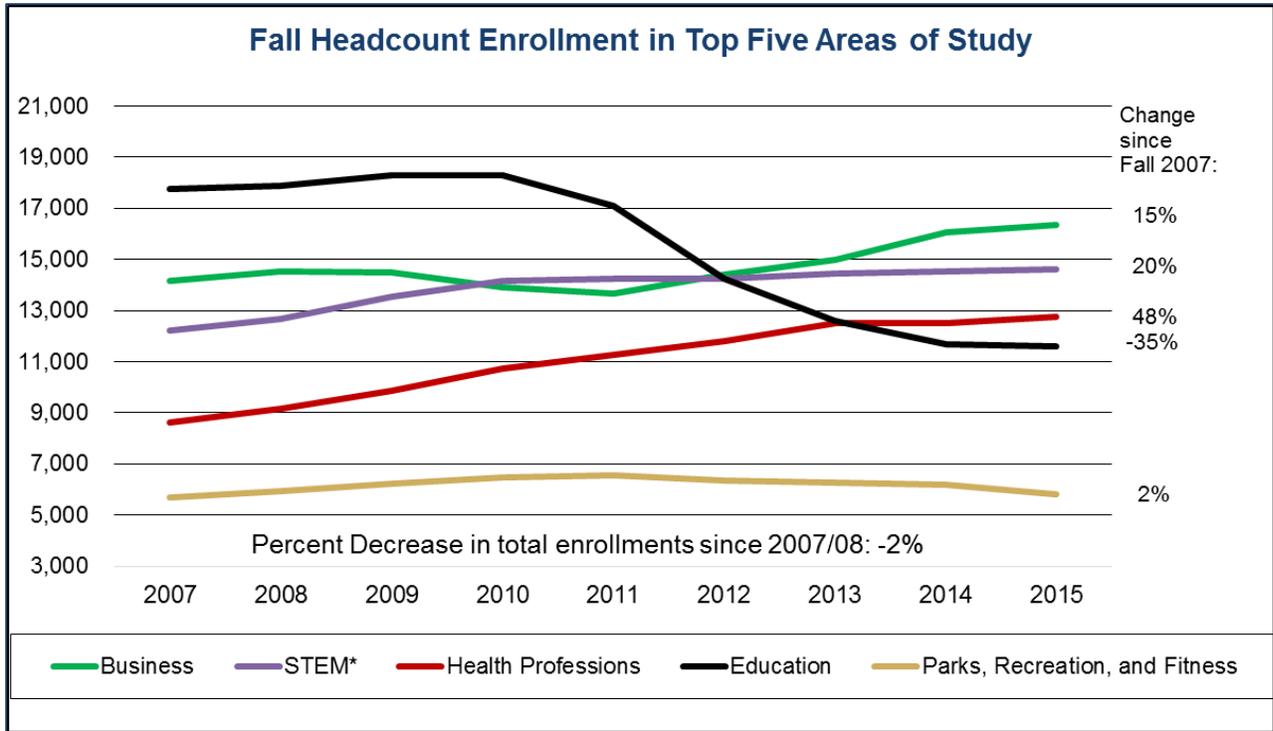
County	Enrolled Students	Living Alumni
Adams	691	3,729
Allegheny	6,926	50,540
Armstrong	746	4,640
Beaver	1,085	7,621
Bedford	194	1,448
Berks	3,537	22,201
Blair	578	3,819
Bradford	612	3,485
Bucks	4,130	19,955
Butler	2,086	14,752
Cambria	998	6,480
Cameron	57	262
Carbon	443	2,548
Centre	748	4,850
Chester	6,143	31,104
Clarion	872	3,965
Clearfield	866	4,551
Clinton	577	3,020
Columbia	1,040	5,902
Crawford	948	6,511
Cumberland	2,309	15,982
Dauphin	1,911	12,342
Delaware	4,280	18,882
Elk	333	2,020
Erie	3,245	17,210
Fayette	1,075	7,219
Forest	50	299
Franklin	1,393	7,289
Fulton	81	518
Greene	195	1,407
Huntingdon	192	1,286
Indiana	1,875	8,229
Jefferson	579	3,477
Juniata	121	746
Lackawanna	1,011	5,327
Lancaster	4,723	29,415

\*Excludes clock hour students.

County	Enrolled Students	Living Alumni
Lawrence	769	5,080
Lebanon	764	5,307
Lehigh	2,670	17,067
Luzerne	1,460	8,746
Lycoming	1,029	6,666
McKean	282	1,836
Mercer	1,060	6,869
Mifflin	270	1,472
Monroe	2,481	7,092
Montgomery	5,349	29,688
Montour	295	1,433
Northampton	2,444	13,340
Northumberland	908	5,097
Perry	279	1,869
Philadelphia	5,339	15,377
Pike	615	1,354
Potter	115	839
Schuylkill	1,053	6,085
Snyder	255	1,600
Somerset	310	2,671
Sullivan	39	264
Susquehanna	186	1,229
Tioga	614	3,140
Union	304	1,893
Venango	767	4,878
Warren	320	2,260
Washington	1,903	13,159
Wayne	351	1,535
Westmoreland	2,459	20,842
Wyoming	118	728
York	2,995	15,956
<b>Total Pennsylvania</b>	<b>94,453</b>	<b>538,403</b>
Non-Pennsylvania	12,673	226,827
<b>Grand Total</b>	<b>107,126</b>	<b>765,230</b>

## Appendix B-8

### Pennsylvania's State System of Higher Education





Appendix B-10

Pennsylvania's State System of Higher Education  
New Fall Undergraduate (UG) Transfer Students

	2007	2008	2009	2010	2011	2012	2013	2014	2015	Ten Year Change	% of 2015 Total Transfers
<b>A. Community Colleges</b>											
Community College of Allegheny County	395	402	424	445	435	391	398	422	400	7.0%	6.0%
Community College of Beaver County	68	77	83	79	72	69	61	55	68	13.3%	1.0%
Bucks County	134	161	167	169	205	190	161	203	156	7.6%	2.3%
Butler County	198	188	226	186	219	229	230	205	191	-7.7%	2.8%
Pennsylvania Highlands	53	20	30	45	48	44	54	56	49	16.7%	0.7%
Delaware County	303	334	357	354	417	441	431	419	439	41.2%	6.5%
Harrisburg Area	435	478	506	604	571	529	596	501	494	45.7%	7.4%
Lehigh Carbon	217	199	217	243	188	214	224	163	178	-3.3%	2.7%
Luzerne County	144	131	128	163	130	124	137	121	109	-21.0%	1.6%
Montgomery County	194	198	260	278	295	304	273	268	270	41.4%	4.0%
Northampton County	271	325	352	452	364	352	397	351	355	47.3%	5.3%
Community College of Philadelphia	65	81	82	77	87	78	117	97	136	88.9%	2.0%
Reading Area	119	110	121	124	93	126	106	91	87	-6.5%	1.3%
Westmoreland County	177	143	159	184	182	142	167	185	156	-1.9%	2.3%
<b>Total Community Colleges</b>	<b>2,773</b>	<b>2,847</b>	<b>3,112</b>	<b>3,403</b>	<b>3,306</b>	<b>3,233</b>	<b>3,352</b>	<b>3,137</b>	<b>3,088</b>	<b>20.8%</b>	<b>46.0%</b>
Percent of Minority Community College Students	10.8%	11.9%	12.7%	15.0%	15.9%	18.9%	20.1%	21.2%	22.8%		
Community Colleges as % of Transfer Total	41.7%	43.0%	42.1%	44.4%	44.6%	44.2%	45.5%	45.0%	46.0%		
Community Colleges as % of Total New UG Student	10.4%	10.4%	10.7%	11.6%	11.5%	11.8%	12.4%	11.8%	12.1%		
<b>B. State-Related</b>											
Lincoln	8	7	7	9	4	9	4	2	4	-20.0%	0.1%
Penn State	361	364	432	384	387	355	344	265	281	-35.6%	4.2%
Pitt	139	130	132	123	118	104	166	114	90	-51.6%	1.3%
Temple	47	42	63	49	72	70	48	43	56	24.4%	0.8%
<b>Total State-Related</b>	<b>555</b>	<b>543</b>	<b>634</b>	<b>565</b>	<b>581</b>	<b>538</b>	<b>562</b>	<b>424</b>	<b>431</b>	<b>-35.9%</b>	<b>6.4%</b>
State-Related as % of Total	8.3%	8.2%	8.6%	7.4%	7.8%	7.4%	7.6%	6.1%	6.4%		
<b>C. Intra-system Transfers</b>											
D. Other Colleges and Universities	682	626	656	765	729	718	714	722	654	-4.8%	9.7%
Total New Undergraduate Transfer Students	2,641	2,612	2,990	2,935	2,789	2,823	2,747	2,694	2,541	-5.0%	37.8%
Percent of Minority Transfer Students	6,651	6,628	7,392	7,668	7,405	7,312	7,375	6,977	6,714	1.9%	100.0%
Percent of Minority Transfer Students	12.1%	12.0%	13.2%	16.2%	16.7%	20.5%	21.2%	22.5%	24.6%		
New Transfer Students as Percent of Total New UG	24.9%	24.1%	25.4%	26.2%	25.8%	26.6%	27.3%	26.2%	26.2%		

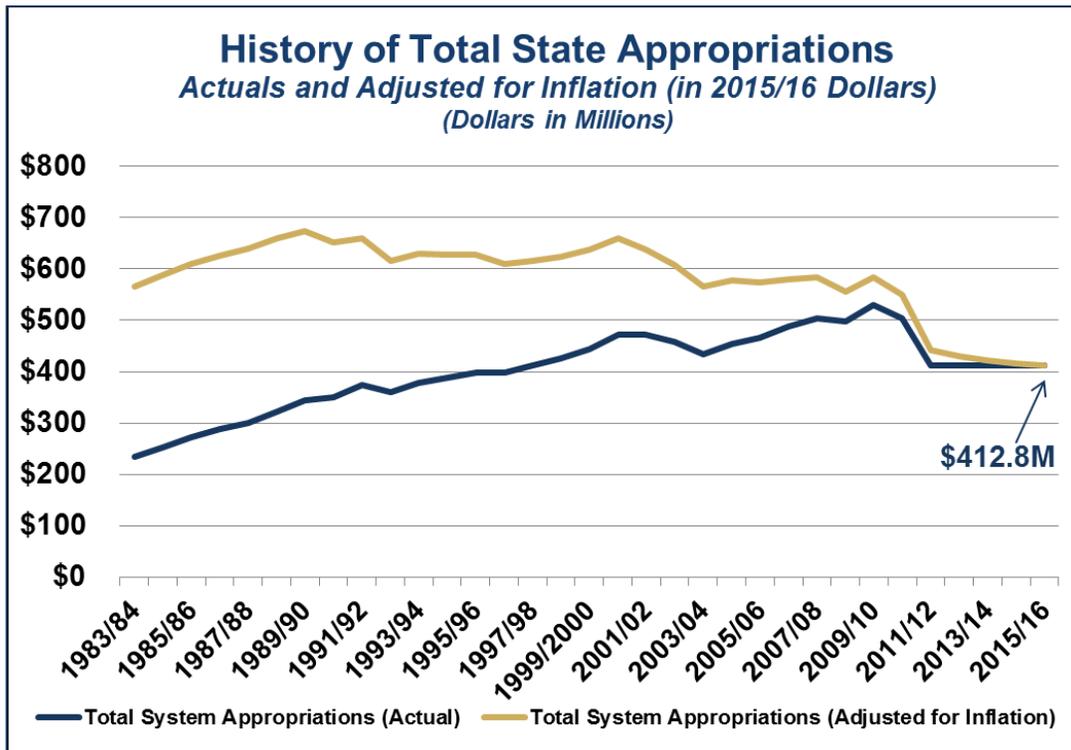
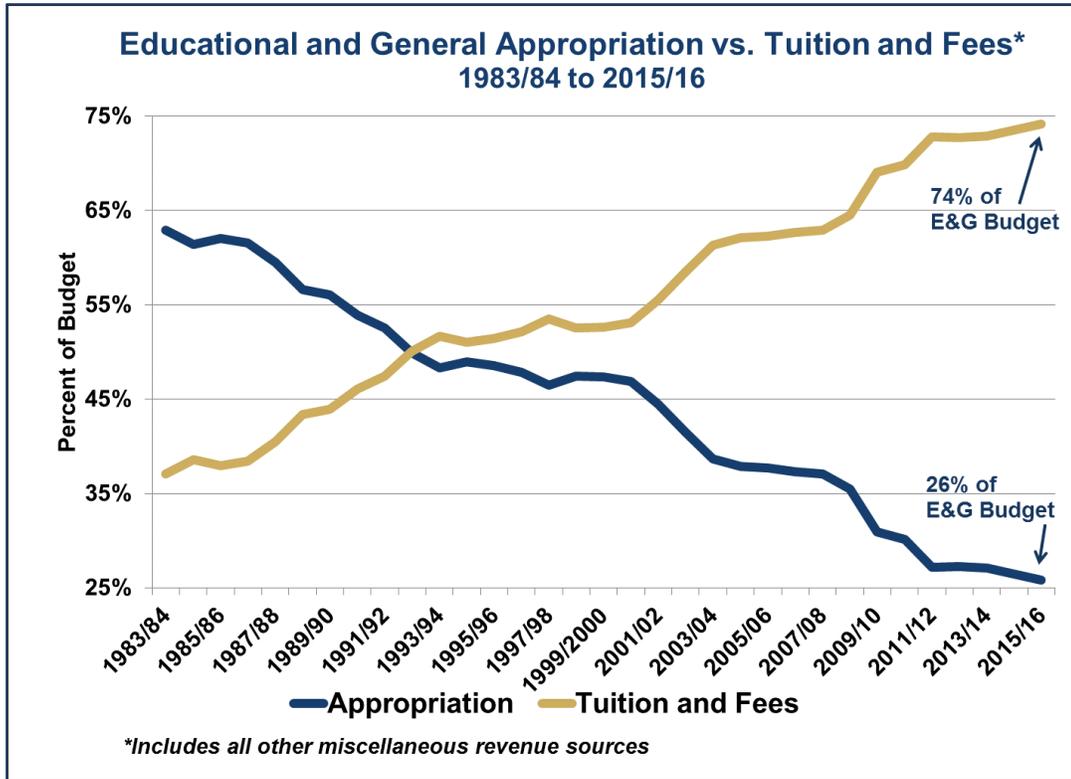
Note: Minority students include Two or More Races

Official Reporting Date: End of the 15th day of classes

2008, 2009, and 2010 historical data has been revised to include updated information. Prior years are as reported in past.

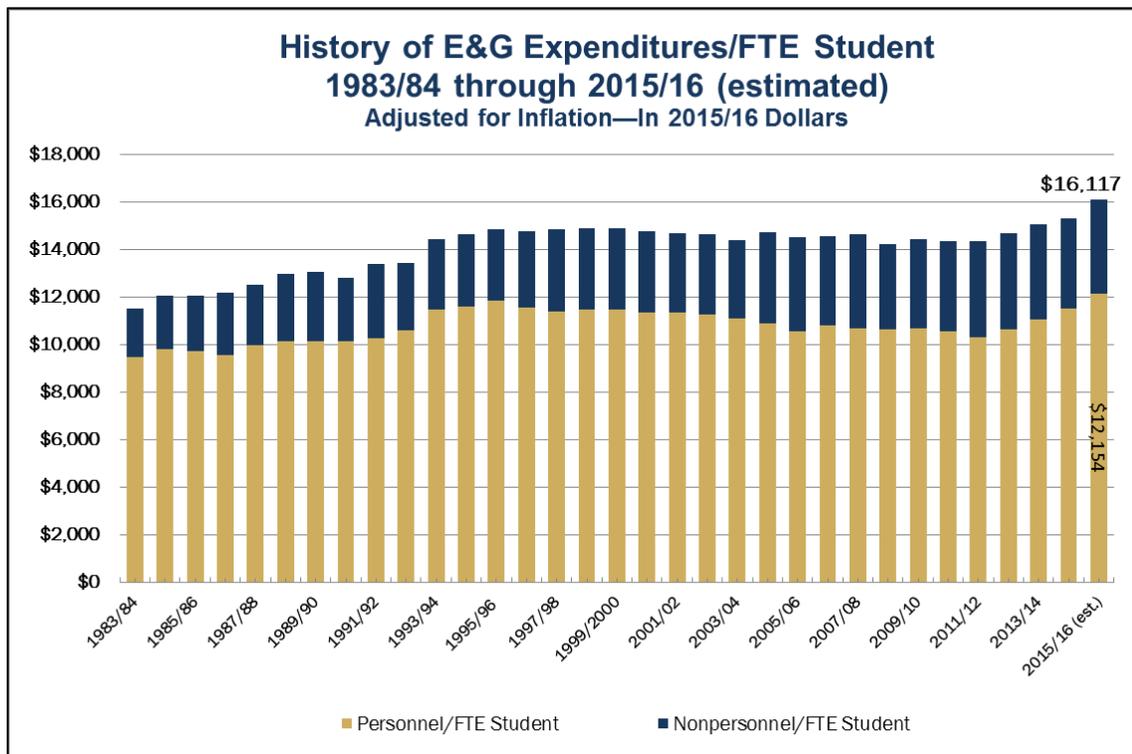
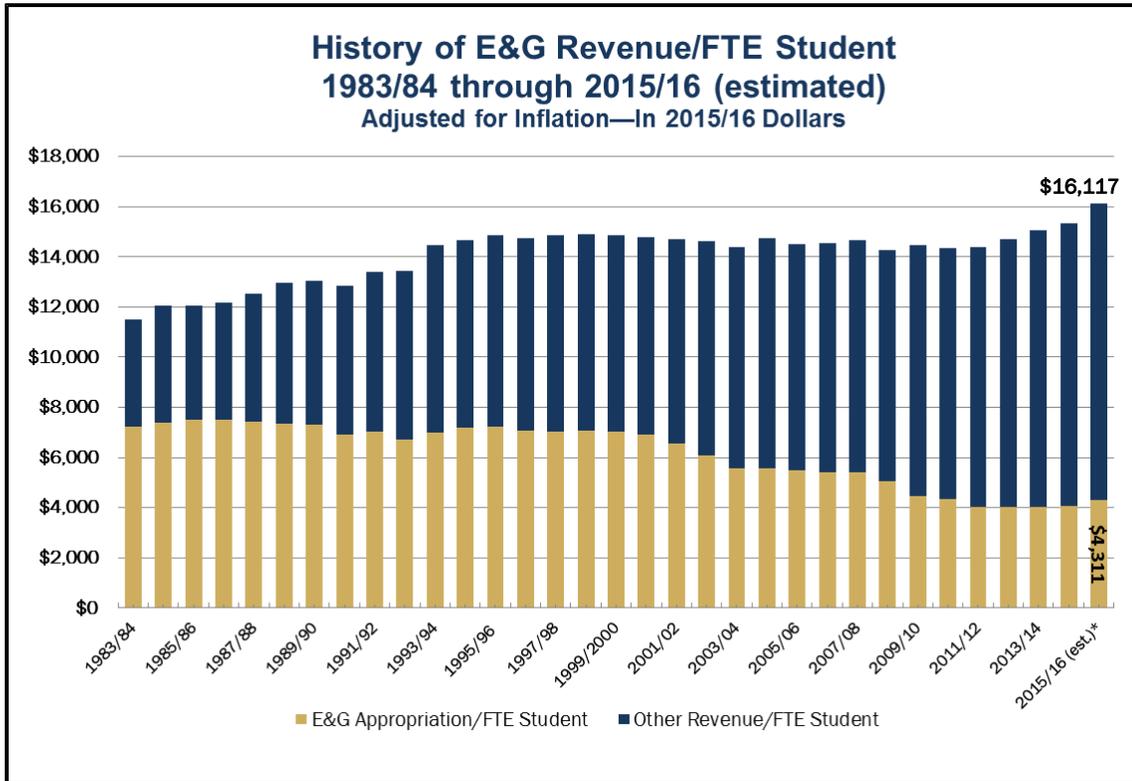
Appendix B-11

Pennsylvania's State System of Higher Education



## Appendix B-12

### Pennsylvania's State System of Higher Education



## Appendix B-13

### Pennsylvania's State System of Higher Education History of State Appropriations and Tuition Rates

Fiscal Year	E&G Appropriation	% Change From Prior Year	% Of Total E&G Budget	Total Appropriations	% Change From Prior Year	Resident Under-graduate Tuition Rate	\$ Change From Prior Year	% Change From Prior Year	Total Annualized FTE Enrollment
1983/84	\$235,053,000	2.0%	63%	\$235,053,000	2.0%	\$1,480			78,273
1984/85	\$250,051,000	6.4%	61%	\$252,723,000	7.5%	\$1,570	\$90	6.1%	78,575
1985/86	\$263,803,000	5.5%	62%	\$272,115,000	7.7%	\$1,600	\$30	1.9%	78,773
1986/87	\$279,381,000	5.9%	62%	\$287,756,000	5.7%	\$1,680	\$80	5.0%	81,001
1987/88	\$295,350,000	5.7%	59%	\$300,805,000	4.5%	\$1,830	\$150	8.9%	84,462
1988/89	\$311,594,000	5.5%	57%	\$322,699,000	7.3%	\$2,078	\$248	13.6%	86,643
1989/90	\$338,496,000	8.6%	56%	\$345,281,000	7.0%	\$2,178	\$100	4.8%	90,243
1990/91	\$343,526,321	1.5%	54%	\$349,491,000	1.2%	\$2,278	\$100	4.6%	92,560
1991/92	\$370,960,000	8.0%	53%	\$373,625,000	6.9%	\$2,628	\$350	15.4%	93,210
1992/93	\$357,976,000	-3.5%	50%	\$359,352,000	-3.8%	\$2,828	\$200	7.6%	91,415
1993/94	\$372,085,000	3.9%	48%	\$379,023,000	5.5%	\$2,954	\$126	4.5%	88,460
1994/95	\$386,320,278	3.8%	49%	\$386,520,000	2.0%	\$3,086	\$132	4.5%	87,168
1995/96	\$396,890,000	2.7%	49%	\$398,587,000	3.1%	\$3,224	\$138	4.5%	86,522
1996/97	\$396,890,000	0.0%	48%	\$398,487,000	0.0%	\$3,368	\$144	4.5%	86,106
1997/98	\$411,513,000	3.7%	47%	\$413,142,000	3.7%	\$3,468	\$100	3.0%	87,288
1998/99	\$424,887,000	3.2%	47%	\$426,570,000	3.3%	\$3,468	\$0	0.0%	88,017
1999/00	\$437,634,000	3.0%	47%	\$443,858,000	4.1%	\$3,618	\$150	4.3%	89,354
2000/01	\$450,763,000	3.0%	47%	\$471,821,000	6.3%	\$3,792	\$174	4.8%	91,057
2001/02	\$452,763,000	0.4%	44%	\$471,821,000	0.0%	\$4,016	\$224	5.9%	93,559
2002/03	\$439,181,000	-3.0%	41%	\$457,667,000	-3.0%	\$4,378	\$362	9.0%	95,998
2003/04	\$417,222,000	-5.0%	39%	\$434,784,000	-5.0%	\$4,598	\$220	5.0%	97,456
2004/05	\$433,435,000	3.9%	38%	\$453,628,000	4.3%	\$4,810	\$212	4.6%	98,735
2005/06	\$445,354,000	2.7%	38%	\$465,197,000	2.6%	\$4,906	\$96	2.0%	100,390
2006/07	\$467,622,000	5.0%	37%	\$487,873,000	4.9%	\$5,038	\$132	2.7%	102,443
2007/08	\$483,989,000	3.5%	37%	\$504,240,000	3.4%	\$5,177	\$139	2.8%	103,359
2008/09	\$477,322,000	-1.4%	35%	\$497,168,470	-1.4%	\$5,358	\$181	3.5%	105,566
2009/10	\$444,470,000	-6.9%	31%	\$530,423,000	6.7%	\$5,554	\$196	3.7%	109,637
2010/11	\$444,470,000	0.0%	30%	\$503,355,000	-5.1%	\$5,804	\$250	4.5%	112,030
2011/12	\$412,751,000	-7.1%	28%	\$412,751,000	-18.0%	\$6,240	\$436	7.5%	109,741
2012/13	\$412,751,000	0.0%	27%	\$412,751,000	0.0%	\$6,428	\$188	3.0%	106,977
2013/14	\$412,751,000	0.0%	27%	\$412,751,000	0.0%	\$6,622	\$194	3.0%	104,459
2014/15	\$412,751,000	0.0%	27%	\$412,751,000	0.0%	\$6,820	\$198	3.0%	102,323
2015/16*	\$412,751,000	0.0%	26%	\$412,751,000	0.0%	\$7,060	\$240	3.5%	100,521

\*Based on enacted Commonwealth budget.

## Appendix B-14

### Pennsylvania's State System of Higher Education Flexible Pricing Pilots

Since January 2014, the Board of Governors of Pennsylvania's State System of Higher Education has approved 27 flexible pricing pilots developed by the universities. The pilot programs are designed to address unique market conditions affecting each of the universities and will be evaluated over a two- or three-year period to determine their effectiveness, and whether they should continue, and, perhaps be duplicated at other System universities. The approved pilots described below were implemented in fall 2014 or 2015, or will take effect in fall 2016.

#### Tuition

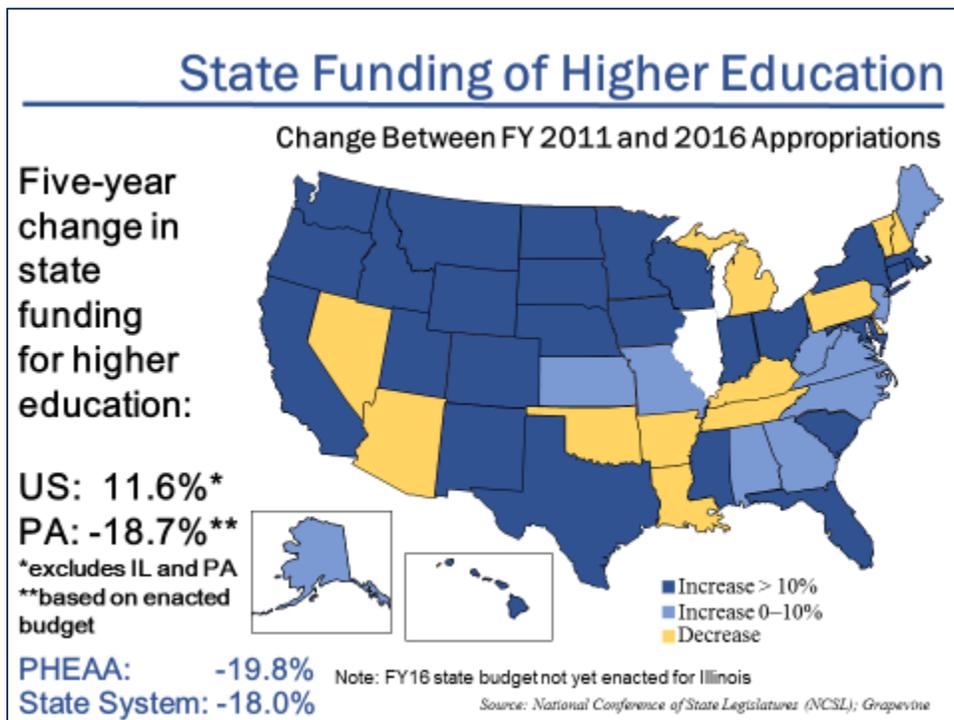
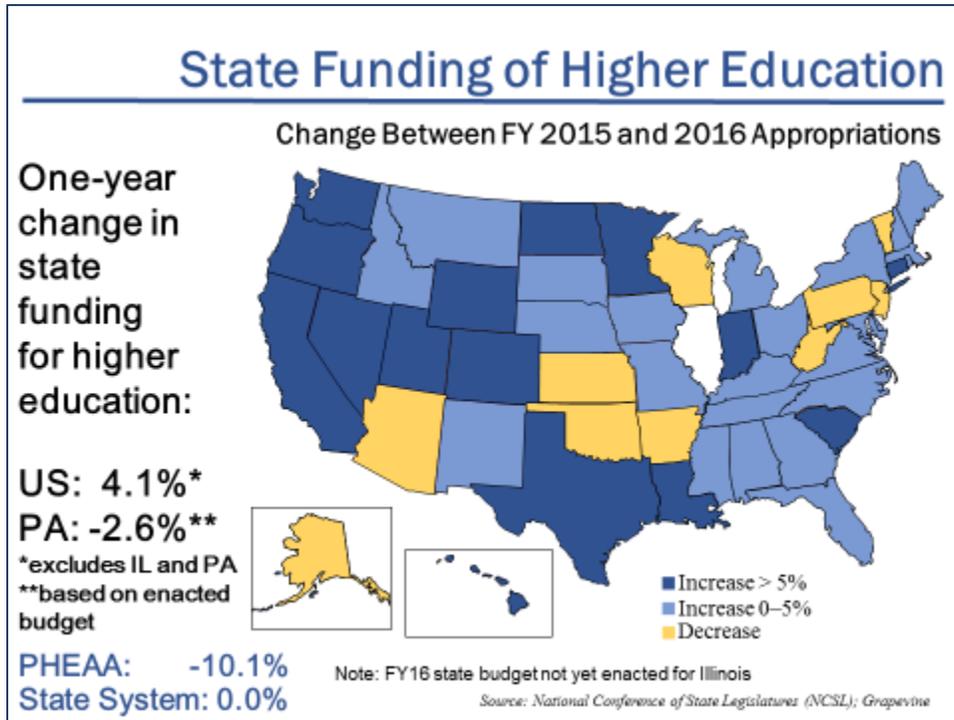
- **California, Mansfield and Slippery Rock Universities:** Reduces tuition by 10 to 15 percent for active members of the military, their spouses, and dependents enrolled in online programs.
- **Cheyney, East Stroudsburg, Millersville, and West Chester Universities:** Reduces by 10 percent the tuition charged to students who take courses at the State System's Center City location in downtown Philadelphia.
- **Edinboro and Mansfield Universities:** Offers newly enrolled out-of-state students more competitive tuition rates that are still greater than the in-state rate.
- **Indiana (IUP), Millersville, and Shippensburg Universities:** Charges in-state, undergraduate tuition on a per-credit basis, in lieu of charging a flat, full-time rate.
- **Bloomsburg, Clarion, and Mansfield Universities:** Will charge all undergraduate students (both in-state and out-of-state) tuition on a per-credit basis, in lieu of charging a flat, full-time rate.

#### Fees

- **Clarion, East Stroudsburg, Edinboro, and Lock Haven Universities:** Establishes course- or program-specific fees to more appropriately cover the costs of offering the universities' nursing programs and **Clarion University's** communication and speech disorders program.
- **Edinboro University:** Charges a per-credit fee for studio art courses.
- **California and Lock Haven Universities:** Revises the undergraduate educational services fee to be charged on a per-credit basis for undergraduate students, in lieu of charging a flat, full-time rate.
- **Edinboro, Mansfield, Millersville, and Slippery Rock Universities:** Establishes a course- or program-specific fee for various high-cost, high-demand courses or programs in science, technology, engineering, mathematics, and health (STEM-H). **Mansfield University** also includes courses in art, music, and psychology.

Appendix B-15

Pennsylvania's State System of Higher Education



## Appendix B-16

### Pennsylvania's State System of Higher Education Cost of Attendance and Net Price Fall 2013 First-time, Full-time Freshmen

Average Aid Amounts for Those Receiving Aid	Pennsylvania's State System	PA State Related*	Selected Private Peers**
Average Cost of Attendance (includes books and miscellaneous personal expenses)	\$22,550	\$29,686	\$45,081
Total number of students in First-time, Full-time Cohort	19,667	26,247	12,140
Total number of the Cohort receiving any type of financial aid	17,133	21,274	11,433
Percent of the Total Cohort receiving any type of financial aid	87%	81%	94%
Percent of the Total Cohort receiving any Federal, State, Local or Institutional Grant Aid***	54%	63%	91%
Average total award amount of Federal, State, Local or Institutional Grant Aid	\$6,217	\$8,794	\$18,574
Percent of the Total Cohort receiving Institutional Grant Aid	17%	51%	91%
Average total award amount of Institutional Grant Aid	\$3,114	\$6,691	\$16,120
Percent of the total Cohort receiving Student Loan Aid	78%	61%	72%
Average total award amount of Student Loan Aid	\$8,000	\$8,312	\$9,505
<b>Average Total Net Price for Those Receiving Aid - (Cost of Attendance minus Average Grants)</b>	<b>\$16,333</b>	<b>\$20,892</b>	<b>\$26,508</b>
<b>For Those Receiving Aid and Loans - (Cost of Attendance minus Average Grants and Loans)</b>	<b>\$8,332</b>	<b>\$12,580</b>	<b>\$17,002</b>

\*Weighted average of main and branch campuses. For those that do not have on-campus housing, off-campus rates were used to determine Cost of Attendance.

\*\*Weighted average of Delaware Valley College, DeSales University, Geneva College, Lebanon Valley College, Mercyhurst College, Misericordia University, Mount Aloysius College, Philadelphia University, Robert Morris University, Saint Francis University, Saint Joseph's University, Seton Hill University, Thiel College, Ursinus University, Villanova University, Waynesburg University, Westminster College, Widener University-Main Campus, Wilkes University, and York College.

\*\*\*Grant Aid-All "free" financial aid to the student; that which does not need to be repaid. Includes need-based and merit-based awards, such as Pell grants, PHEAA grants, scholarships, waivers, tuition discounts, etc.

Source: IPEDS Fall 2013 Tuition (based on First-time, Full-time, On-campus), IPEDS 2013-2014 Student Financial Aid. Most recent data available as of February 2016.

Appendix B-17

Pennsylvania Higher Education Assistance Agency (PHEAA) State Grant Awards  
All Undergraduate Programs (Excluding Summer School)

Number of Awards

Year	Independent		State System	State-Related	Community Colleges			Business & Technical		Total PA	Out-of-State	Total
	4-Year	2-Year			State System	Colleges	Nursing	Technical				
2008/09	43,514	3,086	29,854	34,097	18,502	1,103	9,072	139,228	10,827	150,055		
2009/10	47,836	3,424	33,719	37,210	21,709	1,080	10,861	155,839	12,210	168,049		
2010/11	47,100	3,412	35,223	37,350	25,041	1,074	12,020	161,220	13,053	174,273		
2011/12	48,323	3,570	36,503	38,658	35,764	1,098	11,283	175,199	13,630	188,829		
2012/13	48,551	3,540	33,400	36,191	31,315	1,137	10,247	164,381	12,375	176,756		
2013/14	46,395	3,394	31,743	33,928	28,224	1,156	9,929	154,769	9,484	164,253		
2014/15	45,211	3,546	31,773	33,718	27,240	1,123	9,125	151,736	9,675	161,411		

Value of Awards

Year	Independent		State System	State-Related	Community Colleges			Business & Technical		Total PA	Out-of-State	Total
	4-Year	2-Year			State System	Colleges	Nursing	Technical				
2008/09	\$130,005,427	\$8,011,073	\$76,988,763	\$98,090,257	\$14,869,312	\$2,440,756	\$21,713,521	\$352,117,109	\$4,403,643	\$356,520,752		
2009/10	\$141,966,971	\$9,025,189	\$86,716,731	\$108,626,637	\$16,574,287	\$2,468,656	\$26,836,101	\$392,214,572	\$4,912,973	\$397,127,545		
2010/11	\$123,154,986	\$8,015,549	\$78,257,066	\$91,687,606	\$14,841,175	\$2,184,034	\$24,918,481	\$343,058,897	\$4,499,881	\$347,558,778		
2011/12	\$149,001,696	\$10,136,377	\$99,796,407	\$116,389,863	\$27,621,794	\$2,807,642	\$28,043,851	\$433,797,630	\$5,692,492	\$439,490,122		
2012/13	\$154,943,909	\$9,694,541	\$86,563,092	\$111,365,064	\$29,547,335	\$3,044,721	\$26,627,407	\$421,786,069	\$5,236,611	\$427,022,680		
2013/14	\$151,678,344	\$9,728,287	\$91,584,343	\$110,527,312	\$29,872,717	\$3,058,023	\$26,412,919	\$422,861,945	\$4,902,903	\$427,764,848		
2014/15	\$135,968,598	\$9,358,661	\$85,391,838	\$101,608,390	\$26,767,110	\$2,885,565	\$22,879,034	\$384,859,196	\$4,771,184	\$389,630,380		

Full-year Average Award

Year	Independent		State System	State-Related	Community Colleges			Business & Technical		Total PA	Out-of-State	Total
	4-Year	2-Year			State System	Colleges	Nursing	Technical				
2008/09	\$3,345	\$3,183	\$2,827	\$3,198	\$1,239	\$2,724	\$3,245	\$2,962	\$429	\$2,761		
2009/10	\$3,317	\$3,250	\$2,817	\$3,234	\$1,185	\$2,810	\$3,292	\$2,950	\$424	\$2,747		
2010/11	\$2,939	\$2,853	\$2,436	\$2,739	\$936	\$2,468	\$2,795	\$2,523	\$364	\$2,343		
2011/12	\$3,540	\$3,522	\$3,007	\$3,397	\$1,250	\$3,140	\$3,456	\$3,022	\$443	\$2,810		
2012/13	\$3,671	\$3,452	\$2,878	\$3,491	\$1,569	\$3,326	\$3,576	\$3,143	\$448	\$2,927		
2013/14	\$3,741	\$3,644	\$3,197	\$3,654	\$1,793	\$3,381	\$3,675	\$3,333	\$551	\$3,151		
2014/15	\$3,430	\$3,330	\$2,996	\$3,385	\$1,708	\$3,168	\$3,398	\$3,097	\$525	\$2,922		

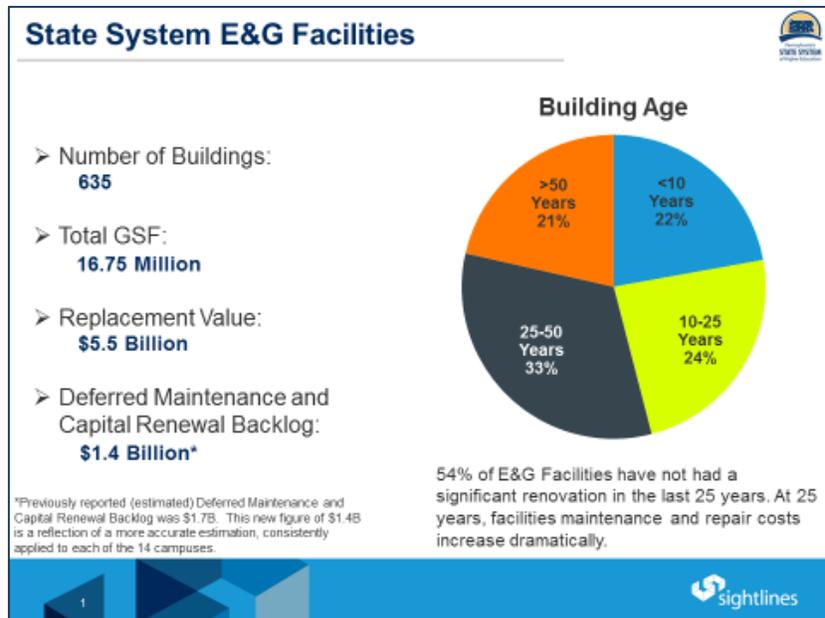
Source: PHEAA State Grant Program Year-by-Year Summary Statistics Report

## Appendix B-18

### Pennsylvania's State System of Higher Education Educational and General (E&G)\* Facilities Highlights

#### Challenges for State System University Facilities

- Fifty-four percent of the State System's E&G facilities have not had a major renovation in 25 years and require a significant capital investment.
- State System universities have historic facilities, which are less efficient to operate and tend to be more costly to maintain and repair.
- Commonwealth procurement requirements such as the Separations Act and Prevailing Wage increase construction durations and costs. Other Pennsylvania higher education sectors do not have these requirements.
- Although the universities invest annually in their facilities, the State System does not have sufficient resources to do so in the most cost-effective manner.



#### Funding Sources for Buildings and Infrastructure

- **University Operating Funds**—These funds are used for maintenance and operations of the physical plant, including grounds, janitorial, preventative maintenance, repairs, and deferred maintenance (including Key '93 funds). Last year State System universities spent about \$21 million on repairs and modernization of their facilities; national models suggest at least \$75 million should be invested annually in this area to keep up with deferred maintenance.
- **Key '93**—Act 50 of 1993 and funded with revenue from the Real Estate Transfer tax, this revenue source is used to address the System's deferred maintenance backlog. It is estimated that every \$1 spent to immediately address small deferred maintenance requirements saves \$4 in capital renewal costs. FY 2015/16 allocation is projected at \$13.4 million; historically as high as \$18 million.
- **Commonwealth Capital funds**—From FY 2000/01 to FY 2008/09 the Commonwealth provided the State System \$65 million annually for capital projects. In FY 2009/10, capital funding was increased to \$130 million per year; it returned to \$65 million in FY 2011/12 and remains at that level. These funds are spent largely on renovation or replacement of existing buildings. Because universities have not been able to adequately fund life cycle maintenance from operating funds, the capital funds have been essential to limiting deferred maintenance backlog growth.

\*Educational and General facilities house the instructional, academic support, and administrative functions and exclude housing, dining facilities, student unions, and recreation centers.

Appendix B-18 (continued)

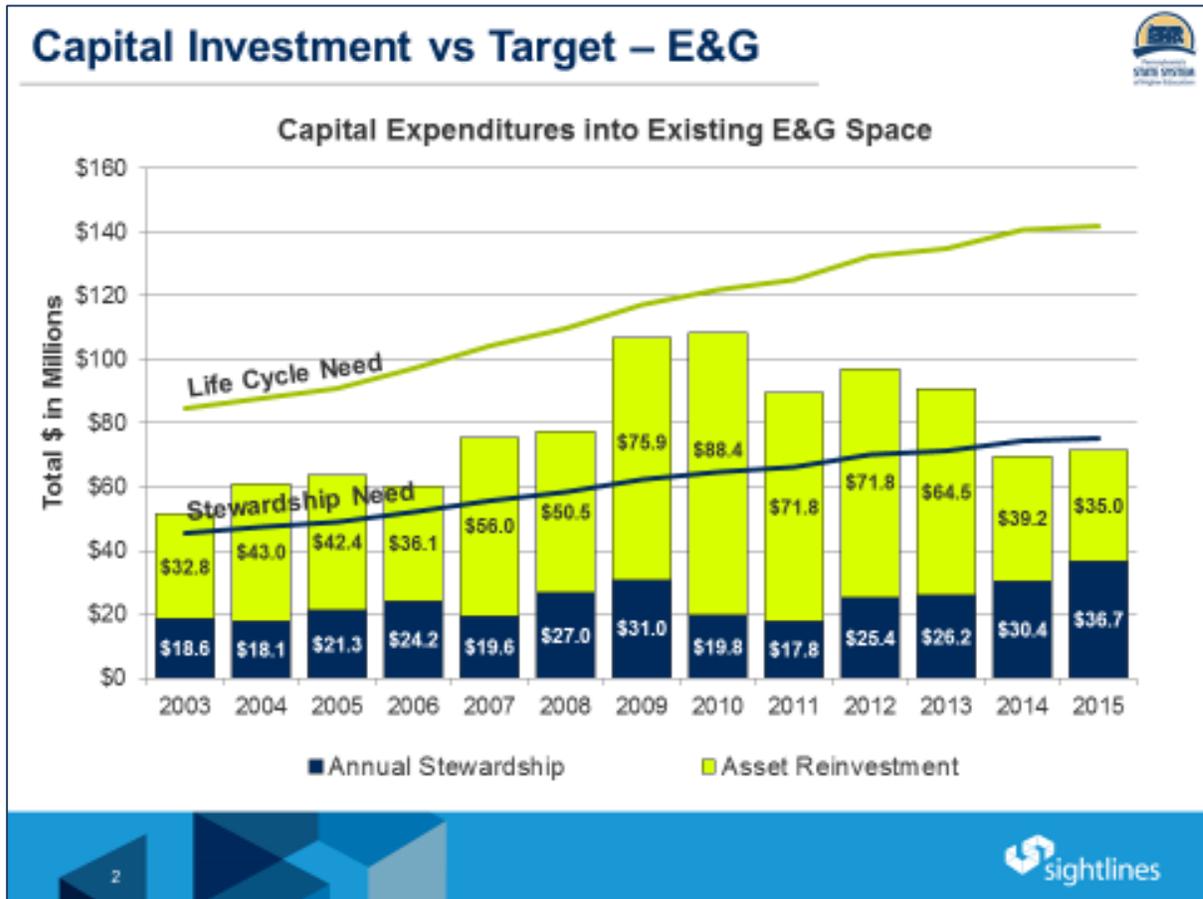
**Pennsylvania’s State System of Higher Education  
Educational and General (E&G)\* Facilities Highlights**

**Funding Requirement for E&G Buildings and Infrastructure**

According to Sightlines, a national firm that specializes in the benchmarking of higher education facilities, the State System is not investing adequately in its facilities.

National standards suggest the State System invest at least \$140 million annually in its E&G buildings to prevent further degradation of the facilities. This amount includes a blend of “annual stewardship” (university operating budgets and Key ’93 funds or equivalent for recurring maintenance and repair) and “asset reinvestment” (capital funds to address building life cycle renewal and replacement requirements).

Increases in capital funding in recent years helped minimize the impact of underfunding the annual stewardship. However, in FY 2014/15, the combined investment in both annual stewardship and asset reinvestment fell short of the combined annual life cycle and stewardship need by approximately \$70 million. Continued facility investment at this level will result in significant increases to the State System’s deferred maintenance backlog, which is currently estimated at \$1.4 billion.



## Appendix B-19

### Pennsylvania's State System of Higher Education Energy Cost Savings

Estimated Cost Avoided Through State System's Energy Conservation Effort Since 2005/06								
Fiscal Year	Million Square Feet	mmBTU	Total Energy Cost for Fiscal Year	\$/mmBTU	Energy Utilization Index (EUI)	Annual EUI Reduction	Cumulative EUI Reduction	Cost Avoided
2005/06	26.45	3,796,335	\$43,720,415	11.52	145,749	4.9%	10.9%	\$5,457,006
2006/07	26.56	3,810,074	\$45,411,400	11.92	143,446	1.6%	12.4%	6,399,571
2007/08	26.72	3,648,264	\$46,053,980	12.62	136,517	4.8%	16.6%	9,157,016
2008/09	26.55	3,510,905	\$47,424,753	13.51	132,234	3.1%	19.2%	11,270,766
2009/10	27.40	3,213,945	\$41,807,009	13.01	117,288	14.1%	28.3%	16,529,512
2010/11	29.68	3,503,409	\$43,636,255	12.46	118,026	10.7%	27.9%	16,872,024
2011/12	30.63	3,255,255	\$40,873,698	12.56	106,261	9.4%	35.1%	22,079,128
2012/13	31.30	3,459,765	\$41,950,885	12.13	110,527	-4.0%	32.5%	20,165,611
2013/14	32.36	3,742,193	\$42,333,481	11.31	115,631	-4.6%	29.3%	17,582,430
2014/15	32.75	3,520,811	\$39,495,798	11.22	107,513	7.0%	34.3%	20,627,841
<b>Total</b>								<b>\$146,140,905</b>

EUI (Energy Utilization Index) = Btu/sq-ft

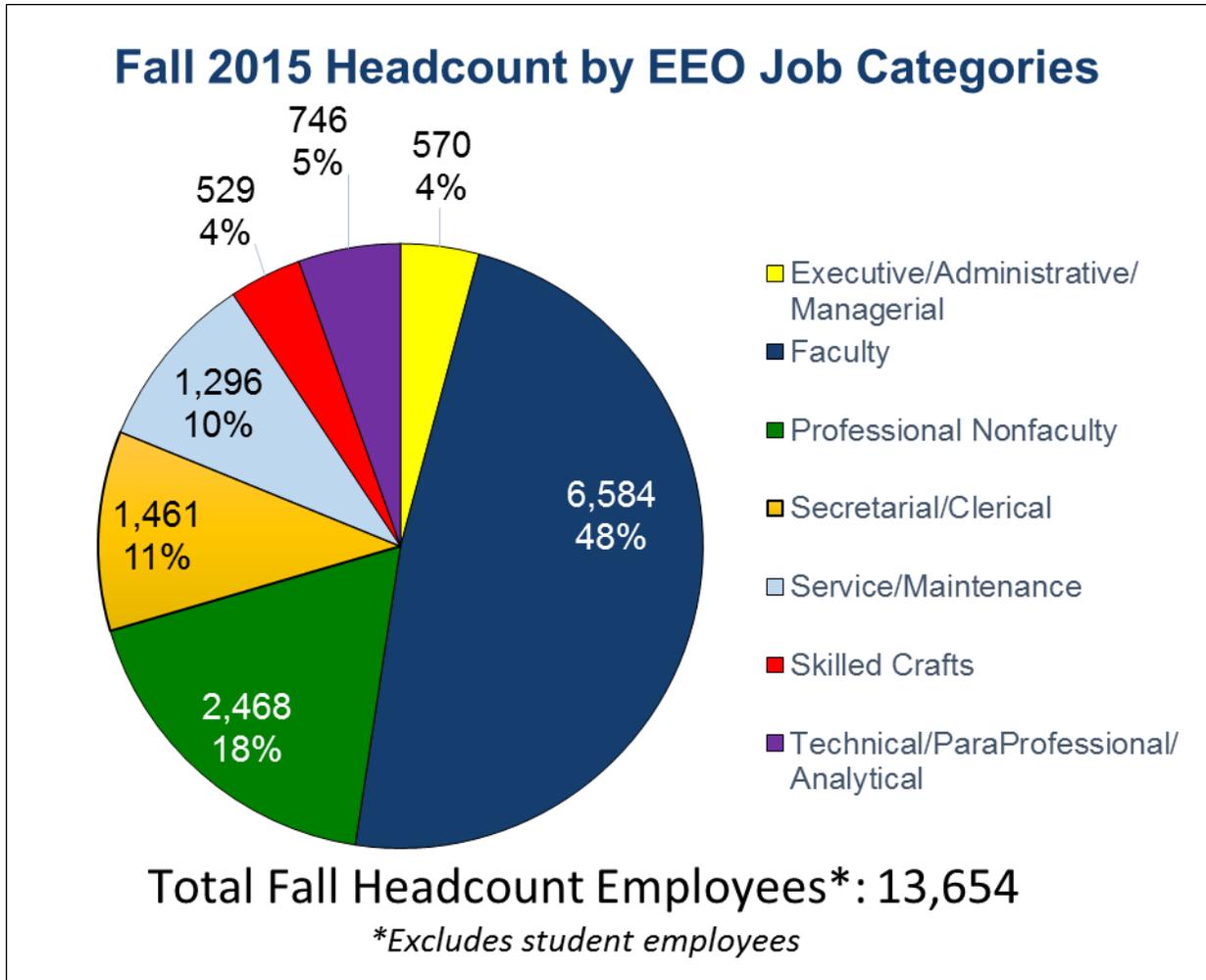
Avoided cost = (EUI<sub>current</sub>-EUI<sub>base year</sub>)(MSF<sub>current</sub>)(\$/mmBTU<sub>current</sub>)

Estimated Cost Avoided Through State System's Energy Procurement Efforts			
Fiscal Year	Electricity	Natural Gas	Total
2005/06	\$0	\$3,247,894	\$3,247,894
2006/07	0	1,424,000	1,424,000
2007/08	0	1,989,932	1,989,932
2008/09	0	1,143,806	1,143,806
2009/10	1,770,655	1,127,133	2,897,788
2010/11	6,273,056	161,917	6,434,973
2011/12	1,198,616	256,867	1,455,483
2012/13	1,849,667	600,747	2,450,414
2013/14	3,588,561	487,642	4,076,203
2014/15	1,868,572	318,434	2,187,006
<b>Total</b>	<b>\$16,549,127</b>	<b>\$10,758,372</b>	<b>\$27,307,499</b>

Avoided cost estimate based on difference from procured energy cost and published rate from the local distribution company for the estimated energy needs.

## Appendix B-20

### Pennsylvania's State System of Higher Education Employee Demographics



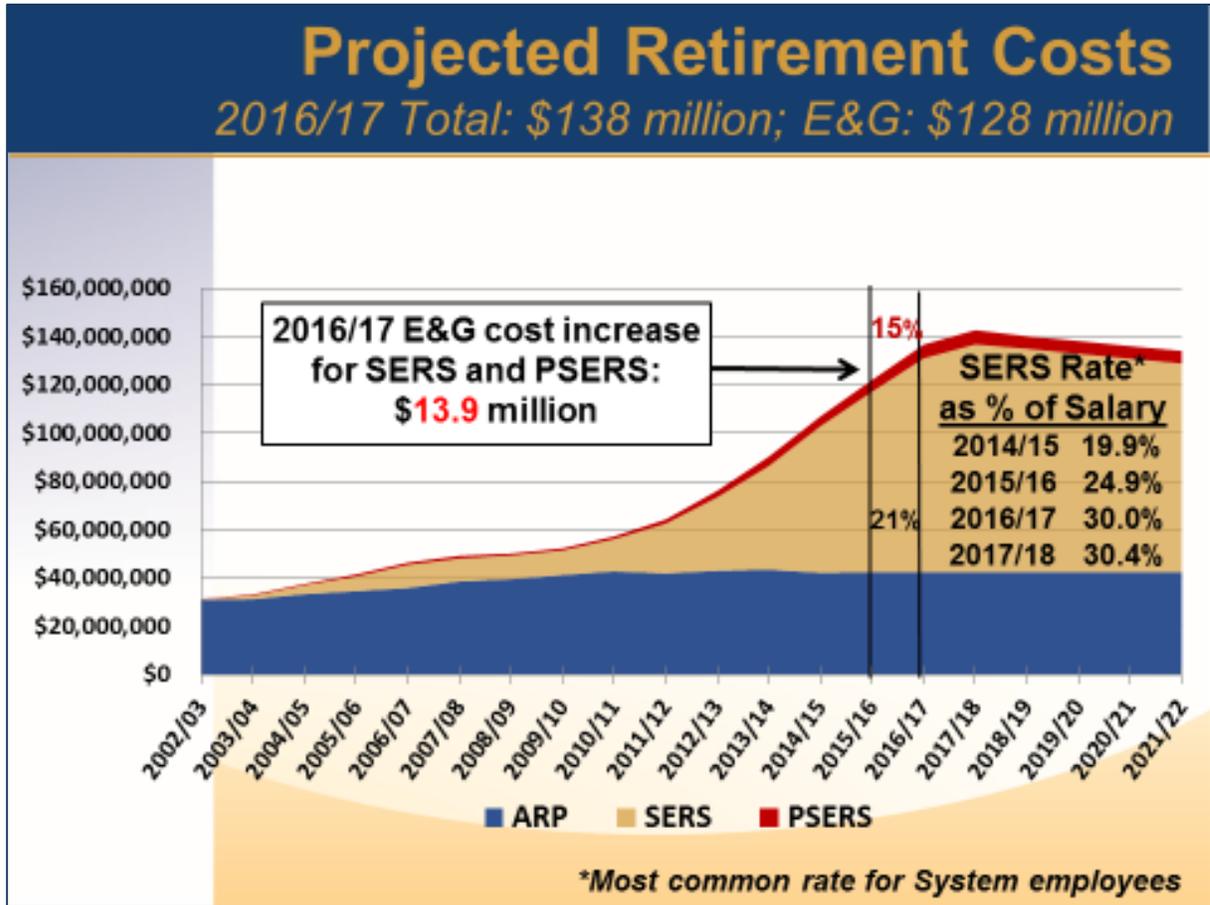
Pennsylvania's State System of Higher Education Retirements by Fiscal Year											
	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16 YTD**
APSCUF (Faculty)	53	165	99	121	107	250	112	204	112	190	70
AFSCME	58	240	77	94	98	154	104	115	101	213	61
All Others*	32	62	50	49	88	92	65	75	69	85	65
<b>Total</b>	<b>143</b>	<b>467</b>	<b>226</b>	<b>264</b>	<b>293</b>	<b>496</b>	<b>281</b>	<b>394</b>	<b>282</b>	<b>488</b>	<b>196</b>

\*Includes nonrepresented employees and represented employees in the APSCUF - Coaches, SCUPA, OPEIU, SPFPA, PSSU and PDA unions.

\*\*Year to Date (YTD) data is as of 1/14/2016

Appendix B-21

Pennsylvania's State System of Higher Education  
Impact of Projected Employer Retirement Contribution Rates



Note: Since the enactment of Act 120-2010, the System's additional retirement costs will be approaching \$85 million by fiscal year 2017/18 (the year in which the SERS employer contribution rates are expected to peak).

Enrollment in Retirement Plans	
SERS*	42%
PSERS*	8%
Alternative Retirement Plans (ARP)**	50%

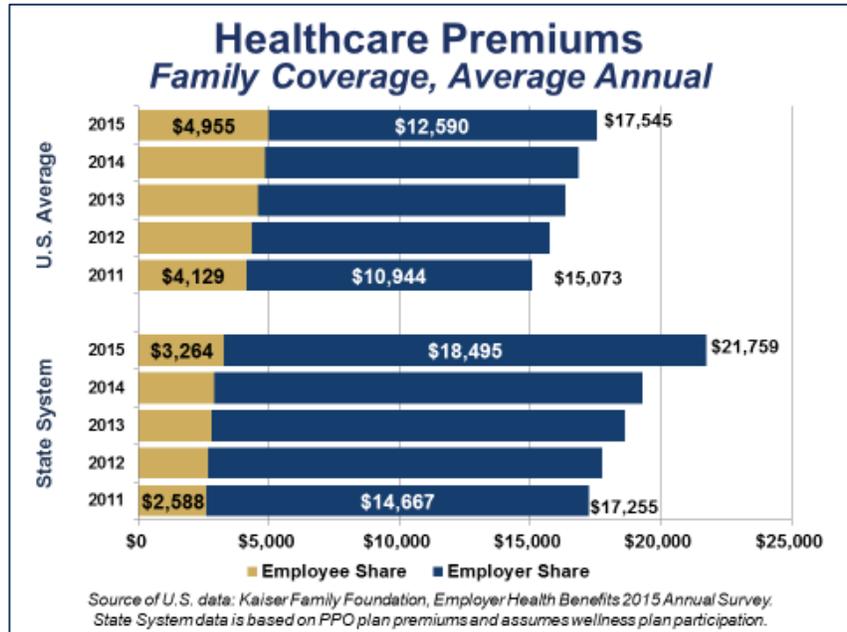
\*Defined benefit plans

\*\*Defined contribution plans

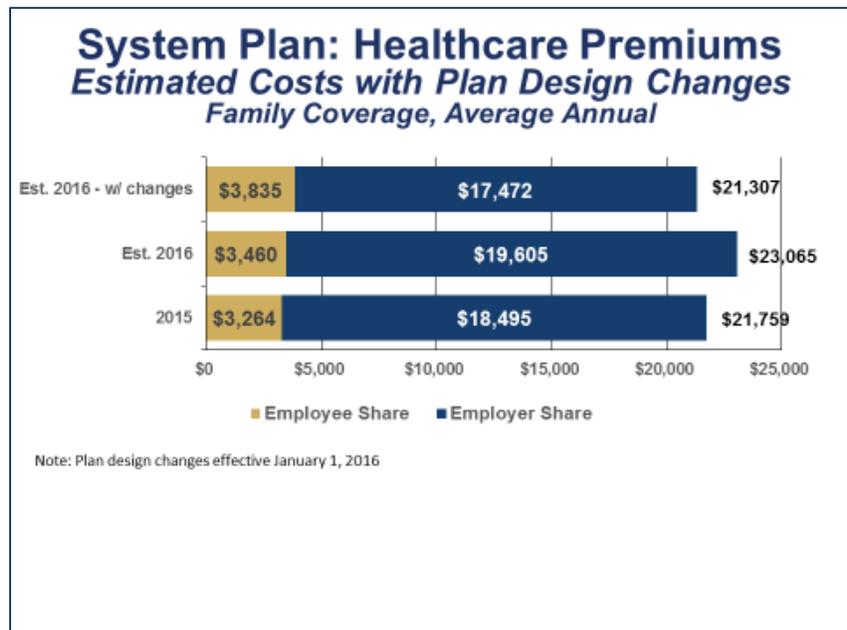
## Appendix B-22

### Pennsylvania's State System of Higher Education Healthcare Premiums

Since the submission of the State System's appropriation request, the System has implemented plan design changes to its healthcare program, effective January 2016. These design changes currently apply to nonrepresented employees and two union groups and are proposed to be expanded to all employee groups that participate in the System's healthcare program. These design changes, as currently applied, will reduce the System's healthcare costs by \$3.5 million in 2016/17.



Additionally, new nonrepresented employees along with new employees in three union groups who are hired on or after January 16, 2016, will not be eligible to participate in the System's retiree healthcare plan when they ultimately retire from the organization. This change will reduce the State System's postretirement healthcare liability, helping to ensure that a State System university education will remain affordable for future students and their families.



In the bottom chart to the right are estimated costs for the System's healthcare premiums for 2016, compared to actual premiums in 2015. The middle bar shows estimated costs for 2016 had no changes been made to the plan; the top bar reflects the estimated annual impact of the plan design changes on the premium rates.

## Appendix B-23

### Pennsylvania's State System of Higher Education Dixon University Center Actual Annualized FTE Employees and Current Year Budget System-wide Offices Located in Harrisburg and Philadelphia

	Actual 2013/14 FTE	Actual 2014/15 FTE	Estimated* 2015/16 FTE	2015/16 Budget
Office of the Chancellor (1/2 of 1%)	39.10	40.31	41.59	\$10,038,451
Shared Services (a)	78.73	76.57	76.26	20,655,143
Other (b)	38.68	35.00	35.57	10,277,194
<b>Total</b>	<b>156.51</b>	<b>151.88</b>	<b>153.42</b>	<b>\$40,970,788</b>

*\*As of January 13, 2016*

(a) When cost effective, the System's universities and the Office of the Chancellor participate in shared service centers rather than managing individual offices across the System to perform similar functions. Currently, there are shared services for functions such as: payroll, benefits administration, labor relations, legal services, construction support, and administrative information systems.

(b) Includes site support functions, externally funded restricted grant activity, academic programming support for the eleven universities that offer academic programs at the Dixon University Center, positions supported by Board-allocated resources, and other miscellaneous positions funded from alternative sources.

Additional Detail for "Other" Positions:	2013/14	2014/15	2015/16
Site Support Functions	14.07	13.40	12.16
Academic Programs at Dixon University Center **	5.31	5.31	5.31
Restricted Activity (funded externally)	4.60	2.02	2.50
Office of Internal Audit and Risk Assessment	6.77	7.00	7.00
Other	7.93	7.27	8.60
<b>Total</b>	<b>38.68</b>	<b>35.00</b>	<b>35.57</b>

*\*\*Academic programs are offered at the Dixon University Center by the following System universities: Bloomsburg, Indiana, Lock Haven, Millersville, and Shippensburg. In addition, Elizabethtown College, Evangelical Seminary, Immaculata University, Lebanon Valley College, Rochester Institute of Technology, and University of Texas – Arlington offer programs there.*

*Note: In 2015/16, 4.20 employees (included in Other) provide operational support at the State System @ Center City, Philadelphia location for academic programs for Bloomsburg, Cheyney, East Stroudsburg, Millersville, and West Chester Universities.*

## Appendix B-24

### Pennsylvania's State System of Higher Education Programs and Services for Military Members and Veterans

State System universities offer a wide range of programs and services for military members, veterans, and their families. Eleven of the universities this year were named "Military Friendly Schools" by Victory Media, a designation awarded annually to only the top 20 percent of colleges, universities, and trade schools in the country in recognition of their efforts to ensure the academic success of military service members, veterans, and spouses.



Several of the universities have qualified for this select honor roll for multiple years in a row. Additionally, six universities are listed in Military Advanced Education & Transition's 2016 Guide to Top Colleges and Universities, which compares schools based on their military culture, financial assistance, flexibility, and on-campus and online support provided to students serving in the military.

All 14 universities provide military veterans with preference in course scheduling. The universities also offer in-state tuition rates to qualified veterans and their dependents regardless of state residency status under the Veterans Access, Choice and Accountability Act.

Below are more examples of the individual programs and services State System universities provide to military members, veterans, their spouses, and dependents:

- **Bloomsburg University's** Office of Military and Veterans Resources provides services to current and former service members, veterans, family members, ROTC cadets, and interested supporters through special events such as luncheons, guest speakers, and fundraisers. The office supports work-study and employs military students, utilizing funding from the U.S. Department of Veterans Affairs. A full-time staff member also provides academic advising services.
- **California University of Pennsylvania** is a GoArmyEd provider of online education for active-duty Army personnel. Service members around the world are enrolled in degree programs through Cal U Global Online. On campus, Cal U serves military personnel and veterans with a dedicated Office of Veterans Affairs that provides resources for veterans, assists with benefits, and provides support for current and former service members and their families.
- **Cheyney University** welcomes all veterans, eligible dependents, members of the National Guard and Reserves, and active duty personnel and is committed to ensuring that their educational goals are met. The Office of the Registrar provides information about G.I. Bill and other available educational benefits and is the office where veterans, eligible dependents, members of the National Guard, and selected reserves may apply for their benefits. Special programs and events are scheduled throughout the year to honor and celebrate veterans.



- **Clarion University** offers sensitivity and awareness sessions for students, faculty, and staff. It also provides a student lounge for veterans, a veteran's certifying official, and veterans' clubs on both the main and Venango campuses. The university has contracted with the Butler VA to offer Tele-Health counseling services to student veterans. The university's Department of Library Science is partnering with the Library of Congress to conduct interviews for the Veterans History Project. The university also received the distinction as a best Military Friendly Spouse School for 2016.



- **East Stroudsburg University** opened a Student Veterans Center in spring 2013. The center processes all veteran education benefits including Federal Tuition Assistance, the Educational Assistance Program, and GI Bill. A Veterans Task Force meets regularly to identify issues that student veterans are experiencing, and the center's website contains up-to-date information about how student veterans can apply for educational benefits and scholarships. The center also hosts a series of weekly meetings for veterans on a variety of topics ranging from employment opportunities to healthcare.



- Since 2012, **Edinboro University's** Veterans Success Center has served returning soldiers as they transition to civilian life and pursue higher education. The center serves as a "one-stop-shop" for assistance with adjusting to life on campus, with expert guidance for all GI Bill programs, including regular visits by a service officer from area veteran organizations to help student veterans file VA claims. In 2014, Edinboro University and the Erie Veterans Affairs Medical Center formed a partnership to make VA Telehealth Services available to veterans through the university's Ghering Health Center. The university also collaborated with Erie Together and other organizations to host a Veterans Portal as a single-point resource for veterans, family members, and service providers in the Erie region. The Veterans Success Center last year also focused on serving the Erie community through the Pets and Vets program and donations by the Student Veterans Association to local Veterans charities.

- **Indiana University of Pennsylvania's** Military Resource Center (MRC) opened in January 2014, funded through the president's Strategic Initiative program. In October 2015, IUP's Veterans Affairs Office, which assists student veterans and dependents of veterans with their educational benefits, became a part of the MRC, creating a one-stop facility for veterans and military-affiliated students.

- **Kutztown University** provides a military-supportive atmosphere in a thriving campus environment. This supportive atmosphere starts with a committed and knowledgeable staff and a centrally located Veterans Services Center, USO-style resource center that provides a place where students can study, relax, and meet other military-affiliated students. A single point-of-contact provides assistance and coordinates needed services for students and staff. To make the pursuit of academic goals more manageable veterans liaisons offer services such as veteran benefits guidance (i.e. GI Bill®, TA, EAP), financial assistance, academic advising, career planning, counseling, and disability services. Military-related



leadership and student-organization opportunities exist such as Army ROTC, an active Military Club @ KU, and SALUTE Veterans National Honor Society. Patriotic honor cords are awarded to graduating student-veterans for their achievement. Faculty and staff participate in Veterans Green Zone sensitivity training and an advisory board consisting of administrators, faculty, staff, student-veterans, local VA and veteran-related organizations meet regularly to improve university services. Additionally, KU awards credit for military training, CLEP and DANTES, and participates in the MyCAA spouse program.

- **Lock Haven University's** veterans' advisory group meets monthly to coordinate university efforts in identifying and meeting the needs of student veterans as well as veterans in the community. The group is coordinating Veterans' Appreciation Month activities to be celebrated in November, including an on-campus Community Veterans' Expo, a Veteran Pinning Ceremony, LHU Army ROTC's 100<sup>th</sup> Anniversary and Commemorative Run, and an on-campus Veterans' Memorial Wall dedication. In addition, LHU's Student Veterans' Organization serves as a liaison for student veterans, providing a variety of resources and special services, including personal and financial counselling. A student veterans' lounge is available for all military and veteran students.
- **Mansfield University** waives the application fee for all veterans. The Office of Military and Veterans Affairs offers counseling to enrolled veterans on benefits, career resources, and more. The Mansfield Military and Veterans' Organization is open to all students, faculty, and staff who have served or are serving in the military. Two scholarships have been established to provide recognition and financial assistance to veterans and active-duty personnel. Eighteen students who are veterans or are currently serving in the military were awarded scholarships for the current academic year.
- **Millersville University** provides an organization and resources for veterans to receive academic support and assistance in attending and successfully graduating from college. Housed on campus at the Mercer House, the Veteran Resource Center and the Student Veterans Association welcome veterans to share their experiences with other veterans and explore opportunities for leadership on campus and in the community. It also serves as a source of fellowship and support for families of soldiers who are currently deployed or preparing for deployment in military service. A veterans' coordinator on staff handles paperwork for individuals applying for educational benefits from the Department of Veterans Affairs and ensures that veterans receive all of the benefits entitled to them, including qualifying for the in-state tuition rate. Millersville also participates in the Concurrent Admissions Program with the Army, Army Reserves, and Army National Guard. In addition, Millersville offers a two-part, four-year program in military science, ROTC.
- **Shippensburg University** opened its Veterans Resource Center in September 2012. The Center helps students to complete all necessary government paperwork and provides a dedicated place on campus for them to meet, study, eat, or just hang out. In the fall of 2016, the university will open a "Living-Learning Community" for veterans, ROTC cadets, and other students with a special interest in military leadership. This high-impact learning experience will provide the opportunity for these students to live together on the same floor, to share common interests, and to support one another. The university and the center partner with groups and organizations, both on campus and off,

to meet other needs and to provide additional learning and outreach opportunities for student veterans. These include a Student Veterans of America chapter, the Army ROTC Raider Battalion, the National Guard Training Center at Fort Indiantown Gap, the U.S. Army War College at Carlisle Barracks, and Carson Long Military Academy.

- **Slippery Rock University** sponsors a Student Veterans' Center, providing veterans, veteran-dependents, active duty personnel, reserve and National Guard members, and ROTC cadets a place to gather, share information, and relax. The center's location in the Smith Student Center Success Suite supports a synergy and integration between and among student veterans, the Student Government Association, and other student organizations. SRU is utilizing grant money from the U.S. Department of Veterans Affairs for an equine-assisted recreation program, which provides recreational therapy to veterans at the University's Storm Harbor Equestrian Center. Slippery Rock was the first university in the country to participate in the Veterans Administration's Tele-Health system. The university annually promotes several "Salute to the Military" activities at which past, present, and future military personnel are recognized and receive free admission.



- **West Chester University** serves as the North Atlantic Region office of Troops to Teachers, a federally funded Department of Defense program that helps eligible military personnel transition into careers as K-12 public or charter school teachers. The program provides personalized counseling and referral assistance to all military members, past or present. Troops to Teachers registration is open to all veterans who have served honorably regardless of time in service who have an interest in teaching in qualified schools. WCU, a Yellow Ribbon School, also offers scholarships for returning veterans and provides a variety of services through its Veterans Center and the Student Veterans Group.



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**Military Friendly Schools** (as designated by Victory Media, publisher of G.I. Jobs magazine): Bloomsburg, California, Clarion, East Stroudsburg, Edinboro, Indiana, Kutztown, Lock Haven, Millersville, Slippery Rock and West Chester

**Top Schools** (as designated by KMI Media Group, publisher of Military Advanced Education & Transition's Guide to Top Colleges and Universities): California, Clarion, Edinboro, Kutztown, Mansfield and West Chester

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## Appendix B-25

### **Pennsylvania's State System of Higher Education 2012–17 Performance Funding Program**

**The Performance Funding Program supports the strategic direction of Pennsylvania's State System of Higher Education.** As the State System and the universities transform teaching and learning, secure resources, engage their communities and regions, and provide leadership for the future, the Performance Funding Program is designed to measure the outcomes of these efforts in the success of our students, comprehensive access to opportunity, and stewardship of our resources and the Commonwealth's communities and regions.

**The Performance Funding Program was designed around specific principles:**

- The program will be clear, understandable, and replicable.
- The primary focus will be on results (outputs rather than inputs or throughputs).
- There will be transparency and visibility of all data.
- University efforts to distinguish themselves on programs, students, locations, and delivery methods will be possible.
- The design will reduce inter-institutional competition and support collaboration.
- The program will align with System and university strategic directions and System policies, e.g., allocation formula.
- The program will align with national accountability efforts.

#### **Performance Measures/Indicators**

To achieve the principles within the three themes of success, access, and stewardship, each university is evaluated annually on 10 performance measures. The performance indicators are organized into three groups (see next page.) All of the universities are responsible for the four mandatory performance indicators. The universities selected their remaining six performance measures from a list of optional measures or proposed a maximum of two unique performance measures not listed. Proposed measures were derived from the university's strategic plan, having an element of risk as well as reward, an external comparative base to be measured against annually, and are capable of being quantified such that it can be determined if the university meets or does not meet the goal.

#### **Performance Measurement**

For all indicators, university performance is measured via progress toward institution-specific goals and against external comparisons or expectations. Whenever possible, external comparisons are based upon similar universities participating in national studies. Benchmark institutions have been developed based on, but not limited to, such factors as institutional size and complexity.

#### **Performance Funding Pool**

To maintain a reasonable performance funding pool that will continue to encourage performance, the performance funding pool is established annually as equal to 2.4 percent of the State System's total Educational and General fund revenue. The performance funding pool is funded completely from state appropriations.

# Pennsylvania's State System of Higher Education Performance Funding Program

## Mandatory Measures

Access Measures	Success Measures	Stewardship Measures
Closing the Access Gap for Low-Income and Underrepresented Minority, First-Time Freshmen Students	Closing the Achievement Gap for Low-Income and Underrepresented Minority, First-Time Freshmen Students	
Faculty Diversity	Degrees Conferred: Increase the number of degrees conferred	

## Optional Measures

Access Measures	Success Measures	Stewardship Measures
Faculty Career Advancement	Student Persistence (3rd and 4th year)	Facilities Investment
Student Diversity	Student Learning Assessment – Value Added and Senior Scores	Support Expenditures as a Percent of Cost of Education
Closing the Access Gaps Low-Income and Underrepresented Minority Transfer Students	Increase in STEM and Health Profession Degree Recipients	Employee Productivity
	Closing the Achievement Gaps Low-Income and Underrepresented Minority Transfer Students	Private Support

## University-Specific Measures Examples

Distance Education Enrollment	Second Year Persistence for Nonmajority Students	Enrollment of First-time Nonmajority Students
International Enrollment	High Impact Practices	Individual Donor Support
Study Abroad	Student Engagement	External Grant Support
Underrepresented Minority Transfers	Undergraduate Research	Reducing Carbon Emissions

**Bloomsburg University of Pennsylvania**  
*David L. Soltz, President*

**California University of Pennsylvania**  
*Geraldine M. Jones, Interim President*

**Cheyney University of Pennsylvania**  
*Frank G. Pogue, Interim President*

**Clarion University of Pennsylvania**  
*Karen M. Whitney, President*

**East Stroudsburg University of Pennsylvania**  
*Marcia G. Welsh, President*

**Edinboro University of Pennsylvania**  
*David J. Werner, Interim President*

**Indiana University of Pennsylvania**  
*Michael A. Driscoll, President*

**Kutztown University of Pennsylvania**  
*Kenneth S. Hawkinson, President*

**Lock Haven University of Pennsylvania**  
*Michael Fiorentino Jr., President*

**Mansfield University of Pennsylvania**  
*Francis L. Hendricks, President*

**Millersville University of Pennsylvania**  
*John M. Anderson, President*

**Shippensburg University of Pennsylvania**  
*George F. Harpster, President*

**Slippery Rock University of Pennsylvania**  
*Cheryl Joy Norton, President*

**West Chester University of Pennsylvania**  
*Greg R. Weisenstein, President*

Pennsylvania's State System of Higher Education  
Office of the Chancellor  
2986 North Second Street  
Harrisburg, PA 17110  
717-720-4000  
<http://www.passhe.edu>