



2016 Efficiency Reporting Guidance

In the early part of 2015, Gov. John R. Kasich created the Ohio Task Force on Affordability and Efficiency to make recommendations to Ohio's institutions of higher education based on three simultaneous principles 1) to be more efficient both in expense management and revenue generation 2) while offering an education of equal or higher quality and 3) decreasing costs to students and their families. The Task Force met several times during the course of 2015. In October the Task Force issued a report with ten recommendations to advise institutions on efficiency and academic practices which will improve both the quality of education and lower costs for students.

Furthermore, House Bill 64 (Section 369.550) requires each institution's board of trustees to complete an efficiency review, based on the Task Force's recommendations, by July 1, 2016, and submit their findings and implementation plans to the chancellor within 30 days, or by August 1, 2016. For additional information on each category and recommendation, please review the [Action Steps to Reduce College Costs report](#), issued by the Ohio Task Force on Affordability and Efficiency.

This document is intended to provide guidance for institutions' reports to the chancellor, based on the legislation – please modify and add additional detail as necessary. **The institutional efficiency review and the implementation plans captured by this template will serve as the data for 2016 Efficiency Advisory Committee Report. These reports are due August 1, 2016.** In 2017 and moving forward, ODHE will issue a survey to the institutions, based on the Task Force Report, as a status update to the implementation plans and will serve as the Efficiency Advisory Committee report.

Campuses will want to review the template to familiarize themselves with the format and content before beginning. The template is structured into four sections:

- **Section 1: Efficiencies** – The first section captures practices likely to yield significant savings for institutions that can then be passed on to students. This includes Procurement, Administrative and Operational, and Energy.
- **Section 2: Academic Practices** – This section covers areas such as textbooks, time to degree incentives, and academic course and program reviews. While improvements to academic processes and policies may not convey immediate cost savings, there will likely be tangible benefits that improve the quality of education for students.
- **Section 3: Policy Reforms** – This section captures additional policy reforms recommended by the Task Force.
- **Section 4: Cost Savings, Redeployment of Savings & Tangible Benefits to Students** – The last section will ask institutions to provide, if applicable, cost savings to the institution in actual dollars saved for each of the recommendations. Furthermore, the institution must advise if the institutional savings has been redeployed as a cost savings to students or offered a benefit to the quality of education for students.

Any questions can be directed to Sara Molski, Assistant Policy Director at the Ohio Department of Higher Education, at 614-728-8335 or by email at smolski@highered.ohio.gov.

Section I: Efficiency Practices

Procurement

Recommendation 3A | Campus contracts: Each institution must require that its employees use existing contracts for purchasing goods and services, starting with the areas with the largest opportunities for savings.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State's strategic procurement program is driven by the dual goals of enhancing services and reducing costs for the university.

Since FY12, this approach has produced cumulative savings of \$190 million by utilizing the university's buying power to drive both savings and quality enhancements. In FY16, the university saved \$50 million through strategic procurement compared with contracted rates in FY12, and contracts also brought other benefits to students in line with President Drake's 2020 Vision. For example, two contracts negotiated this year have allowed the university to redirect \$2.8 million in savings toward student financial aid, and these contracts also provide student internships.

Whether through formal mandates or other means, Ohio State has achieved utilization rates surpassing 95% for some of its most-used contract categories, including office supplies and outbound shipping. This process has enhanced the university's negotiating position in these categories, yielding better prices and services for successive contracts.

For instance, Ohio State first required that employees purchase office supplies through its contracted vendor in 2010, when the utilization rate was approximately 50 percent. By 2015, with near universal utilization of the contract, the university was able to negotiate a new contract that includes \$5 million in savings over seven years, including \$1 million that was distributed as student financial aid.

In the category of copier/printer/multifunction devices, a contract extension yielded \$1.8 million in savings that the university has devoted to student financial aid. Overall, this contract has a blended utilization rate of about 85 percent, with more than 98 percent utilization of the copier/multifunction device aspect. The university continues to enhance utilization of the printer component.

Ohio State is constantly evaluating ways to improve utilization of existing contracts to lower prices and enhance offerings.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

Recommendation 3B | Collaborative contracts: Ohio’s colleges and universities must pursue new and/or strengthened joint purchasing agreements in the following categories:

- Copier/printer services
- Computer hardware
- Travel services
- Outbound shipping
- Scientific Supplies and Equipment
- Office Supplies and Equipment

Contract Type	Is the institution participating in joint contracts? [yes, no, plan to]	Include additional explanation here if needed. If the institution chooses not to participate, please explain why.
Copier/printer services	Plan to	The university has a best-in-class contract for copiers, printers and multifunction devices. Ohio State is working with the IUC Purchasing Group to extend these rates to other institutions, ideally through volume guarantees that will reduce costs for all participating institutions.
Computer hardware	Yes	Ohio State utilizes the State of Ohio state term schedule and endorses the IUC Purchasing Group’s plan to consider opportunities for joint purchasing of common accessories.
Travel services	Plan to	The university works with a travel management company and is participating in the IUC Purchasing Group’s three-phase action plan to develop an opportunity for joint purchasing. Ohio State has already fulfilled the first stage — having a travel management program in place — and will be prepared for the second phase, in which collective data will be captured on usage patterns.
Outbound shipping	Yes	Ohio State utilizes the State of Ohio state term schedule for outbound shipping and supports the IUC Purchasing Group’s plan to explore opportunities with inbound shipping.
Scientific supplies & equipment	Plan to	Ohio State is participating in the IUC Purchasing Group’s strategy to consider opportunities in specific categories of this area.
Office supplies & equipment	No	Ohio State has generated significant savings on office supplies by ensuring near-universal contract utilization and by employing the process endorsed by the IUC Purchasing Group: focusing our spend on a core list of products.

Assets and Operations

Recommendation 4 | Assets and Operations

4A Asset review: Each institution must conduct an assessment of its noncore assets to determine their market value if sold, leased or otherwise repurposed. Where opportunities exist, colleges and universities must consider coordinating these efforts with other Ohio institutions to reap larger benefits of scale.

Please provide an overview of the process used for the institution's asset review and the key outcomes below or on additional pages:

The university has evaluated several assets in recent years to determine whether they were core to the university's academic mission and, if not, their optimal use. They are the university's parking garages and lots, its energy distribution system and the Ohio State University Airport. These are the outcomes for each:

- **Parking:** In 2012, the university leased its parking assets and operations to a private partner for an upfront payment of \$483 million. That payment has been invested in the university's Long-Term Investment Pool. In the first 3.5 years of this 50-year lease, the parking endowment distributed \$83 million for student scholarships, faculty recruitment and hiring, the university's Arts district and to continue support for the Campus Area Bus System, including sustainability improvements. By investing the proceeds, the university will have a long-term, stable source of funding for these priorities.
- **Energy:** The university is currently evaluating the potential of a comprehensive energy project in which a private partner would manage Ohio State's energy operations, perform conservation projects, obtain supply, and contribute to the academic mission by providing scholarships, internships, research support and/or other support for students and faculty. Work on this project will continue into the fall of 2016.
- **Airport:** The university has explored options for the airport in recent years and determined that it is integral to Ohio State's academic mission. The airport is the primary teaching and research laboratory serving the university's Center for Aviation Studies. Students prepare for a variety of careers in aviation, including pilots, airport managers, air traffic controllers, safety inspectors and more. The airport is also home to cutting-edge aviation research conducted by Ohio State students and faculty. Demonstrating the airport's continued importance for aviation education, research and regional economic development activity, the Austin E. Knowlton Foundation donated \$10 million in July 2015 to support upgrades at the airport.

4B Operations review: Each institution must conduct an assessment of non-academic operations that might be run more efficiently by a regional cooperative, private operator or other entity. These opportunities must then be evaluated to determine whether collaboration across institutions would increase efficiencies, improve service or otherwise add value.

Please provide an overview of the process used for the institution’s operations review and the key outcomes below or on additional pages:

The university constantly evaluates opportunities to maximize the benefit of Ohio State assets, including cases where it is appropriate to consider partnerships for non-academic operations. In each case, our goal is maintaining high standards for both quality and efficiency.

As noted above, the university has partnered with a private company to operate its parking system. Beyond that, more than half of Ohio State’s custodial services are currently provided by outside partners, and the university is considering the potential of employing an outside partner for comprehensive energy management. The energy project is being considered because of its potential to accelerate progress toward our sustainability goals, including improving campus-wide building energy efficiency by 25 percent within 10 years.

Ohio State always considers how operations fit into the core mission of the university before considering whether a partnership would be appropriate. As a result of this analysis, the university expects to retain internal operations of some areas that are considered a core part of the Ohio State mission. For instance, university housing is integrated with learning and social experiences that are proven factors in student success.

The university will continue to evaluate the best opportunities for efficiencies in areas that are not core to our mission. In these cases, we move forward only when a private partnership would provide clear benefits — in cost, service quality or both — compared with current operations. This careful process is part of Ohio State’s ongoing commitment to operational excellence and efficiency.

4C Affinity partnerships and sponsorships: Institutions must, on determining assets and operations that are to be retained, evaluate opportunities or affinity relationships and sponsorships that can support students, faculty and staff. Colleges and universities can use these types of partnerships to generate new resources by identifying “win-win” opportunities with private entities that are interested in connecting with students, faculty, staff, alumni or other members of their communities.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State has developed a robust affinity program that generates financial resources, internships, scholarships, discounts and other benefits to students, faculty, staff and alumni of the university. For recent agreements, financial support typically is shared among academic affairs, student life, athletics and the alumni association. Affinity programs have provided support for:

- More than 250 internships
- The Scarlet and Gray financial literacy program
- Classroom improvements to enhance distance learning

The university continues to explore ways to support students, faculty and staff with affinity partnerships.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

Please identify partnerships and sponsorships in effect for FY2016:

Partnerships/Sponsorships	Description
Nike	Ohio State's 2016 contract extension has a total value of more than \$252 million, with more than \$41 million devoted to support non-athletic initiatives. Benefits include student scholarships, 90 internships over the life of the contract and marketing support for university community events.
Huntington	In 2012, Huntington agreed to a 15-year, \$25 million partnership to become the university's official consumer bank. This partnership has created about 100 paid internships over four years, funding for classroom technology improvements, support for Scarlet and Gray financial advising, and a \$100 million commitment for community lending and investments to support economic development in targeted Columbus neighborhoods.
Nationwide	In 2014, Nationwide agreed to a 10-year, \$17.1 million agreement to be the official insurance sponsor for the university community. Beyond the financial support, this partnership guarantees 40 internships per year and includes a five-year sponsorship of the Risk Institute at the Fisher College of Business.
J. America/Lids	In 2012, J. America and LIDS became the university's official licensed apparel and retail partners with a 10-year, \$97 million agreement. This stabilizes and guarantees funding to programs dependent on licensing income, providing consistent budgeting forecasts.
Coca-Cola	In 2008, Coca-Cola agreed to a 10-year, \$33 million agreement. Among other benefits, \$10 million of the proceeds were used to support the construction of the Ohio Union, reducing student costs by offsetting a portion of the Student Union Fee. This partnership also provides \$370,000 a year to support financial counseling for students as well as initiatives promoting leadership, sustainability and diversity priorities.
UnitedLex	In 2015, the Ohio State Moritz College of Law entered into an affinity agreement in which UnitedLex hires three to five law school graduates into its Legal Residency Program. This residency provides rigorous on-the-job training for recent Moritz graduates, teaching them to help corporations mitigate cyber risk and to manage large-scale corporate litigation and data-intensive discovery. Under the agreement, Moritz also receives support for student scholarships from UnitedLex.

Administrative

Recommendation 5 | Administrative cost reforms

5A Cost diagnostic: Each institution must produce a diagnostic to identify its cost drivers, along with priority areas that offer the best opportunities for efficiencies. This diagnostic must identify, over at least a 10-year period:

- Key drivers of costs and revenue by administrative function and academic program;
- Distribution of employee costs — both among types of compensation and among units;
- Revenue sources connected to cost increases — whether students are paying for these through tuition and fees, or whether they are externally funded;
- Span of control for managers across the institution — how many employees managers typically oversee, by the manager's function; and
- Priority steps that would reduce overhead while maintaining quality — which recommendations would have the most benefit?

Has the institution produced a cost diagnostic? If yes, please provide an overview of the process used and the key outcomes.

Yes. Ohio State employed a consultant who produced a report in 2012 identifying key cost drivers and the university has updated this analysis based on current trends.

That study is continuing to inform the 2020 Vision plan to generate \$200 million in efficiencies over five years, as well as specific action steps that the university has already started to implement. In FY16, the university expanded need-based financial aid by \$15 million, with funding provided through administrative efficiencies. For FY17, this grant program for Ohio resident undergraduates will grow to \$20 million and include students at both the Columbus campus and regional campuses.

Actions to address cost drivers include a strategic procurement process that has saved \$190 million over the past five years by streamlining the number of vendors, increasing employees' participation rates in using university contracts and negotiating better partners. The university also has used the diagnostic and subsequent work to redesign its health benefits plan and launch a compensation and classification process to better standardize salaries and wages across the university.

Please provide details on the result of the assessment. What are the cost drivers, based on the categories above? Please discuss the institution's priority areas that offer the best opportunities for recommendation.

The diagnostic found that the university must contain costs and explore opportunities to generate additional revenue from sources beyond tuition and taxes to improve its financial condition.

The diagnostic found opportunities to address cost growth while also determining that the academic structure of the university (the number of departments, for example) has not fundamentally changed and that the university's cost structure is near the median for peer institutions.

The primary recommendations involve three areas of addressable spend: human resources, procurement, and administrative efficiencies. The university has

- launched a widespread compensation and classification process to better align costs with the market,
- reduced health care costs by redesigning the university's benefits plan

- made significant improvement in strategic procurement and shared services
- and focused the 2020 Vision plan (for \$200 million in savings over five years) on administrative efficiencies.

Those efforts are ongoing and will take more shape over the coming year.

If the institution has not produced a cost diagnostic, is there a plan to? If yes, what is the implementation plan? If the institution has not completed a cost diagnostic and does not plan to do so, please provide the rationale.

5B Productivity measure: The Department of Higher Education developed a common measurement of administrative productivity that can be adopted across Ohio’s public colleges and universities. While the measure should be consistent, each institution should have latitude to develop its own standards for the proper level of productivity in its units. This will allow, for instance, for appropriate differences between productivity in high-volume environments vs. high-touch ones.

What steps has the institution taken to improve the productivity measure score or what are the institution’s plans to improve the score?

Ohio State is committed to operational excellence and efficiency across the university, and we compare well to similar institutions nationally. For example, Ohio State’s expenses per FTE student in 2013-14 ranked near the median — 14th — among 30 large land-grant universities nationwide (detail in appendix 1). In a comparison that focuses on non-academic expenses per FTE student, Ohio State ranks 19th of 30 (detail in appendix 2).

The university’s primary focus is on the bottom line for students, which includes access, affordability and excellence. By these measures, Ohio State delivers strong value: relatively low tuition costs and high levels of student success. In 2014-15, Ohio State’s tuition and fees ranked 14th among the 30 peers nationally as well as fifth of six selective-admissions universities in Ohio.

The university has not increased in-state undergraduate tuition or mandatory fees since 2012-13, allowing two graduating classes to complete degrees without ever experiencing an increase. For FY16 and FY17, the university was able to also freeze housing and dining, providing a comprehensive freeze for in-state undergraduates. Before these past two years, there had not been a comprehensive freeze in at least 40 years. NOTE: FY17 freeze pending June board action

The university supports the effort to develop an administrative productivity measure for Ohio that could aid in benchmarking operations, but we are concerned that the initial data set would be misleading for anyone seeking to make comparisons.

For one, the data set does not take into account how administrative positions and costs are funded, implying that the costs are borne by students. That is a faulty assumption. Consider our research operation, which is largely funded by federal or private grants. Because research projects provide an academic benefit for students (as well as benefits to the broader community), Ohio State is seeking to grow this area. That would artificially add “administrative costs” under this definition.

Another key consideration is that Ohio State is unique in Ohio, with a breadth and mission unlike those of other institutions. This is reflected in a variety of units captured in this data. For example, Ohio State acts as the umbrella for state organizations such as the State of Ohio Computer Center and OH-TECH. Their employees are technically Ohio State staff because we act as the fiscal agent for these groups to share our economies of scale, but these workers and the costs associated are actually part of a different operation. Likewise,

Ohio State is unusual nationally in that our Athletics Department is self-funded through ticket sales and other non-fee revenue. In fact, Athletics actually provides more than \$30 million a year to support the academic campus.

Ohio State is committed to work with the state Department of Higher Education and other Ohio's public institutions to develop productivity measures that better account for differences among the group. In the meantime, Ohio State will continue to actively address administrative productivity in concert with the university's 2020 Vision plan to produce \$200 million in administrative efficiencies over five years.

Has the institution implemented or considered utilizing Lean Six Sigma methodology as a tool to evaluate the institution's processes?

Yes. Ohio State has an active operational excellence program that is based on the same Lean Six Sigma techniques used by the state auditor's performance audit team.

Our dedicated efficiency experts identify opportunities where the university can save money, add more value or otherwise improve how we do our work. In addition, our OE@OSU program is actively training leaders throughout the university in operational excellence techniques, so our efficiency team now includes 154 trained individuals. This growing team is creating a deeper culture of operational excellence throughout Ohio State.

- OE@OSU projects have saved or avoided \$16.5 million and eliminated more than 49,500 hours of non-value added work in FY14 and FY15.
- The benefits of operational excellence projects tend to build on one another — simplifying one process allows you to address down-stream ones — so our OE program is continually expanding its reach.

5C Organizational structure: Each institution should, as part or as a consequence of its cost diagnostic, review its organizational structure in line with best practices to identify opportunities to streamline and reduce costs. The institutional reviews also should consider shared business services — among units or between institutions, when appropriate — for fiscal services, human resources and information technology.

<p>Has the institution reviewed its organizational structure? If yes, please provide an overview of the process used and the key outcomes.</p> <p>Yes. The university's cost diagnostic found that while the academic structure of the university had not significantly changed, there are opportunities to streamline nonacademic areas. This is one of the focuses of the 2020 Vision plan over the next five years.</p> <p>Already, Ohio State has expanded its shared services operation to streamline operations, increase efficiencies and reduce costs. For example, a procurement shared service center combined the administrative offices of Advancement, the Office of Academic Affairs, Student Life, the Office of the President, Business and Finance, Legal Affairs, Government Affairs, and the Board of Trustees. We have also taken the first steps to create a full service center (fiscal, HR, payroll, and procurement) by combining Business and Finance with the Office of Legal Affairs. Through these initiatives, we have reduced operating costs by \$345,000.</p> <p>In addition, central Human Resources has embarked on an HR Service Delivery project in which it is standardizing work to streamline and improve consistency. This project is examining interactions with the service centers and assessing current state organizational structures and processes.</p> <p>For information technology, Ohio State has implemented an Enterprise IT Services program that has reduced costs and streamlined operations through consolidated services. To date, seven campuses, units or administrative offices have shifted away from standalone IT units to a university service, saving a combined total of \$1.3 million (an average of 23%) in annual operating costs while improving service and enhancing data security. The seven areas include the Lima and Mansfield campuses, the Wexner Center for the Arts, and the offices of Human Resources, Business & Finance, Administration & Planning, and International Affairs.</p>
<p>If the institution has not reviewed the organizational structure, is there a plan to? If yes, what is the implementation plan? If the institution not completed a review and does not plan to do so, please provide the rationale.</p>

5D Health-care costs: Like other employers, colleges and universities have experienced rapid growth in health-care costs. To drive down costs and take advantage of economies of scale, the Department of Higher Education has convened a working group to identify opportunities to collaborate. While no information on healthcare costs is required in this year's survey, please feel free to share ideas that the institution believes may be helpful for the working group to consider.

(Optional) Has the institution identified any healthcare reforms that the working group should consider? Please describe.

Ohio State recommends the following approaches

- Incorporate more concepts of consumerism, with robust transparency tools for price and quality
- Utilize narrow custom or tiered networks
- Implement bundled provider payments / shared savings arrangements
- Enhanced plan utilization management and coordination of care, including evidence-based decision support and prior authorization and broad condition step-therapy programs

(Optional) Has the institution achieved any expected annual cost savings through health-care efficiencies? Please explain how cost savings were estimated.

- Redirecting specialty medications to be filled at OSU's Specialty Pharmacy, where more favorable pricing has been negotiated vs. what is available through our Pharmacy Benefit Manager contract with Express Scripts.
 - Cost savings estimated by repricing prior claims utilizing greater discounts off average wholesale price obtained from OSU Specialty Pharmacy
- Implementing prior authorization and claim processing rules to address significant increase in Rx claims cost for compounded medications.
 - Cost savings estimated by trending forward average costs for compound medications that were incurred prior to the implementation of authorization and processing rules and comparing against actual claims experience incurred after these were put into place
- Performing a market analysis, as permitted in the Pharmacy Benefit Manager contract, to compare pricing in the existing contract to current market and renegotiating existing contract to incorporate more favorable terms revealed by the analysis.
 - Cost savings estimated by repricing prior claims utilizing greater discounts off AWP pricing and improved rebates under the new contract
- Implementing a closed formulary with an exclusive agent or step therapy for a specialty medication to obtain the deepest rebates and 0% price increases.
 - Cost savings estimated by taking the difference in cost between the exclusive agent with guaranteed lower pricing and the competing medication treatment available in the market and multiplying by the projected number of patients to be treated
- Conducting dependent eligibility verification to ensure that any covered dependent on any health care plan meets the plan's eligibility requirements.
 - Cost savings estimated by taking the number of covered dependents deemed ineligible and removed from coverage and multiplying by the plan's average per member per year annual cost for a dependent
- Participating in purchasing collaboratives to leverage more volume from other state entities to obtain better rates.
 - Cost savings estimated by repricing prior claims and/or administrative fees utilizing better rates obtained from volume purchasing contracts

5E Data centers: Institutions must develop a plan to move their primary or disaster recovery data centers to the State of Ohio Computer Center (SOCC).

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

In 2014, Ohio State agreed on a partnership to move the university's central data systems to the State of Ohio Computing Center. This has allowed the university to avoid \$40 million in capital costs and to save \$1 million a year in operating costs. The move, which was completed in 2015, involves hundreds of virtual and physical machines that support enterprise resource planning, learning management, email and other critical systems.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

5F Space utilization: Each Ohio institution must study the utilization of its campus and employ a system that encourages optimization of physical spaces.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

The university's BuckIQ analytics tool uses Seat & Section report data to compare student enrollments per section, enrollment capacity for each class and the capacity of the physical space. These details help staff to make informed decisions about whether to increase the enrollment capacity for some sections, open a new section, or stop enrollment in certain sections to balance student-to-instructor ratio across sections.

On a broader level, the university has embarked on its Framework 2.0 master planning process, which is designed to optimize and enhance the campus based on current and future needs. Part of this process includes a review of current building conditions and needs.

Please provide details on the results of the assessment below or on additional pages:

Users of the BuckIQ system include the College Arts & Sciences at Ohio State, our largest college on campus with more than 40 departments and the largest Arts & Sciences college in the country. Their deans use Seat & Section on a regular basis in the weeks leading up to a new semester for insights into (re)deployment of faculty for efficient use of instruction, closing and opening classes as necessary.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

Energy

Energy Efficiencies seek to refine sustainable methods utilized by institutions to procure and use energy (resulting in more efficient use of energy), including, but not limited to lighting systems, heating & cooling systems, electricity, natural gas, and utility monitoring.

What energy efficiency projects has the institution implemented or enhanced within fiscal year 2016?

Project	Collaborative Partnership(s)	Explanation
Five-building ECM project		Completed energy conservation improvements aimed at reducing energy utilization intensity by 30% at five high-use buildings: Physics Research Building, Biomedical Research Tower, Scott Laboratory, RPAC and Veterinary Medical Center
Marion campus efficiencies	Collaboration between Ohio State at Marion and Marion Technical College	Converted campus lighting to LED and reduced usage through computerized lighting controls, upgraded the HVAC equipment implemented a zero waste program. Together, these measures are expected to save at least \$45,000 for the shared campus of Ohio State Marion and Marion Technical College. Through efficiencies, the joint utilities budget has not increased in three fiscal years.

Section II: Academic Practices

Recommendation 6 | Textbook Affordability

6A Negotiate cost: Professional negotiators must be assigned to help faculty obtain the best deals for students on textbooks and instructional materials, starting with high-volume, high-cost courses. Faculty must consider both cost and quality in the selection of course materials.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State abides by the Higher Education Opportunity Act of 2015, which requires universities to specify textbooks for courses at least two weeks before online registration window opens. This ensures students have time to seek the best price for a textbook. This provision also supports wider availability of used textbooks.

In addition, the university has been working with our bookstore partner, Barnes & Noble, to identify best practices for lowering student costs. Ohio State is now working with faculty on an initiative to order materials earlier — a change that could produce significant savings by allowing the bookstore to obtain optimal pricing.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

6B Standardize materials: Institutions must encourage departments to choose common materials, including digital elements, for courses that serve a large enrollment of students.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State has been developing online versions of the most popular general education courses to increase availability for students. Since 2014, 23 online GE courses have been developed, providing students with additional flexibility in scheduling. These courses can speed the time to degree for existing Ohio State students and provide an important access point for high-school students interested in College Credit Plus.

In addition, the university anticipates that students will save nearly \$1 million in the 2016-17 academic year through 17 digital textbook (or digital course materials replacing textbooks) projects currently in development through [Affordable Learning Exchange](#) grants.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

6C Develop digital capabilities: Institutions must be part of a consortium to develop digital tools and materials, including open educational resources, that provide students with high-quality, low-cost materials.

Please explain your efforts to develop digital tools and materials.

The Ohio State University is a member of Unizin, a nonprofit consortium owned by universities that develops digital resources and tools for higher education. For instance, Ohio State is deploying the learning management system Canvas for online courses, providing immediate usability benefits to faculty and about 4,000 students. Long-term, Unizin schools will all benefit from the potential to easily share materials across a common platform.

By virtue of Ohio State’s membership in Unizin, other colleges and universities in Ohio can join for an annual fee. Members can make use of shared tools and materials that Unizin develops or acquires based on level of entry into the consortium.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

Recommendation 7 | Time to Degree

7A Education campaign: Each institution must develop a coordinated campaign to educate its full-time undergraduates about the course loads needed to graduate on time (two years for most associate degrees and four years for most bachelor’s degrees).

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State’s [“Finish in Four” initiative](#), which is delivered through orientation and academic advisors, emphasizes the course loads needed to complete a bachelor’s degree in four years. This program both emphasizes the time to degree and the cost to the student: “You will pay less by taking at least 15 credit hours per semester. There is no additional tuition per credit hour charged for hours between 12 and 18. So if you take only 12 hours, you will pay for every credit hour. If you take 15 hours, you will get 3 free credit hours each semester, saving you an entire year’s worth of tuition!”

As noted above, Ohio State’s tuition structure provides a significant financial incentive for students to take full course loads (15 credit hours per semester) instead of the minimum required to be a full time student (12 credit hours per semester).

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

7B Graduation incentive: Institutions should consider establishing financial incentives to encourage full-time students to take at least 15 credits per semester.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

No. The university determined that other initiatives, particularly expanded and data-driven advising, would have a more significant impact on graduation rates.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

Ohio State has among the highest graduation rates (83 percent of first time, full-time undergraduates complete within six years) among public universities nationwide. Given our student population, the university is focused on academic advising and other means to improve students' time to degree. An incentive is unlikely to significantly improve graduation rates.

7C Standardize credits for degree: Institutions should streamline graduation requirements so that most bachelor's degree programs can be completed within 126 credit hours or less and an associate degree programs can be completed within 65 credit hours or less.

Exceptions are allowed for accreditation requirements.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Yes. Virtually all (99%) of Ohio State's 388 undergraduate programs require either the university's minimum of 121 semester hours or require the amount needed for accreditation. Only four programs maintain more than 121 hours to maintain quality standards, and these programs are working to align their credit hours with the university minimum.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

7D Data-driven advising: Institutions should enhance academic advising services so that students benefit from both high-impact, personalized consultations and data systems that proactively identify risk factors that hinder student success.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State is addressing data-driven advising through a partnership of EAB's Student Success Collaborative (SCC). The university will be using data to help identify students before they begin to struggle academically and before their time-to-degree is significantly increased. Expanded use of predictive analytics will help to ensure that students stay enrolled, make suitable progress toward a degree, and graduate in a time consistent with their goals. The timeline for phase one of the pilot implementation is August 2016.

Ohio State is a member of the University Innovation Alliance, a consortium of 11 public research universities dedicated to improving access and affordability, and reducing the time in which students complete degrees.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

7E Summer programs: Each campus must develop plans to evaluate utilization rates for summer session and consider opportunities to increase productive activity. In particular, institutions should consider adding summer-session options for high-demand classes and bottleneck courses that are required for degree completion.

Please provide details on the results of the assessment. In particular, please address whether the campus added summer session options for high-demand and bottleneck classes.

The university has revamped the structure of its summer term to create more opportunities for coursework that could reduce students' time to degree. The new, more flexible summer structure allows for courses that run four, six, eight or 12 weeks, providing more options. The new structure was implemented in summer 2016, and the diversity of courses offered is expected to increase over the coming years.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

7F Pathway agreements: Ohio institutions should continue to develop agreements that create seamless pathways for students who begin their educations at community or technical colleges and complete them at universities.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State attracted 941 transfer students from Ohio community colleges in the fall of 2015, reflecting the university's commitment to creating pathways for students that support their success. Our Columbus campus has an extensive articulation agreement with Columbus State Community College, which in concert with other transfer initiatives, has made Columbus State the largest single feeder of students to Ohio State.

In addition, Ohio State's four regional campuses have nine articulation agreements with their co-located technical colleges. These offer students at the technical colleges a pathway to complete a two-year degree in certain academic areas (Registered Nurse, Human Services, Dental Hygiene, English, etc.) and continue seamlessly to a four-year baccalaureate degree program at Ohio State. The regional campuses are working on negotiating additional pathways with co-located technical colleges.

Please provide details. In particular, how many articulation agreements does the institution have with other Ohio colleges and universities (either 2+2 or 3+1)?

See above – 10

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

7G Competency-based education: Institutions should consider developing or expanding programs that measure student success based on demonstrated competencies instead of through the amount of time students spend studying a subject.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

No, but the university employs competency-based approaches in online courses to allow instructors to track how many students have achieved a required learning objective. This approach is enhancing the success of our online courses.

If applicable, please provide additional details. In particular, how many students does the institution estimate the competency-based education programs will serve?

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

Given Ohio State’s student body, our analysis is that competency-based education is not the best focus for enhancements. Instead, we are continually refining our curriculum based on the high standards of our incoming students.

Recommendation 8 | Course and Program Evaluation

8 Duplicative Programs: Institutions should consider consolidating courses and/or programs that are duplicated at other colleges and universities in their geographic area.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Ohio State continually evaluates offerings at its four regional campuses (Lima, Marion, Mansfield, Newark) to ensure they meet the needs of students. An enrollment study of courses for which there are similar courses at a co-located campus found that students are choosing these courses at higher rates than the campus-wide average. These courses were filled to an average of 83 percent capacity, surpassing the average enrollments for courses that have no comparable technical-college offering.

What courses/programs are currently being shared with other institutions?

Course/Program	Partnering Institution	Explanation

Institutions already provided a list of low-enrollment courses to ODHE by January 31. NOTE: this benchmark will be added to the 2017 Institution Efficiency Survey.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

Section III: Policy Reforms

Recommendation 10 | Policy Reforms

10A Financial advising: Ohio's colleges and universities should make financial literacy a standard part of students' education.

Has the institution implemented this recommendation? If yes, please provide an overview of the process used and the key outcomes.

Scarlet and Gray Financial is a peer education-based approach that provides a comprehensive suite of financial wellness services. The program promotes financial literacy and holistic financial wellness through a variety of mediums, including one-on-one coaching sessions, large group presentations, financial education research, and professional development opportunities.

Peer coaches are second, third and fourth-year students responsible for leading one-on-one sessions, giving group presentations, and attending continuing education series. Peer coaches are trained through the Leadership Development Program in their first- and second-year on campus. Through coaching sessions, online education and group presentations, Scarlet and Gray Financial provides financial education to thousands of students annually.

If the institution has not implemented this recommendation, is there a plan to implement? If yes, what is the implementation plan? If the institution has not implemented this recommendation and does not plan to do so, please provide the rationale.

10B Obstacles: The state Department of Higher Education and/or state legislature should seek to remove any obstacles in policy, rule or statute that inhibit the efficiencies envisioned in these recommendations.

What legislative obstacles or policy roadblocks, if any, inhibit efficiencies and affordability practices at the institution?

Section IV: Cost Savings, Redeployment of Savings & Tangible Benefits to Students

The following charts allow each institution to report this information. For the first chart, please provide, if applicable, any actual cost savings to the institution for fiscal year 2016 (or expected annual cost savings) for each of the recommendations from the Task Force. (Please note this does NOT include cost avoidance.) Then the institution should indicate “yes” or “no” to the savings being redeployed to lower costs for students in terms of tuition, room and board, and/or student financial aid. If there was no savings or the institutional savings was not redeployed, please indicate “yes” or “no” to the practice providing a tangible benefit to the quality of students’ education.

For the second chart, please provide more detail as to how cost savings were deployed, specifically in the following categories: reductions in cost of attendance, student financial aid, student services, investment in efficiency and affordability tools, and student program improvements. Please use the explanation field to provide further detail.

Please use the chart below to capture, if applicable, FY16 cost savings, or expected annual savings, to institutions in actual dollars:

Ohio State uses savings and/or new revenue to support access, affordability and excellence. In many cases, savings and new revenue are distributed to a variety of purposes including the ones listed below. "Yes" answers reflect that some or all proceeds were distributed for this purpose.

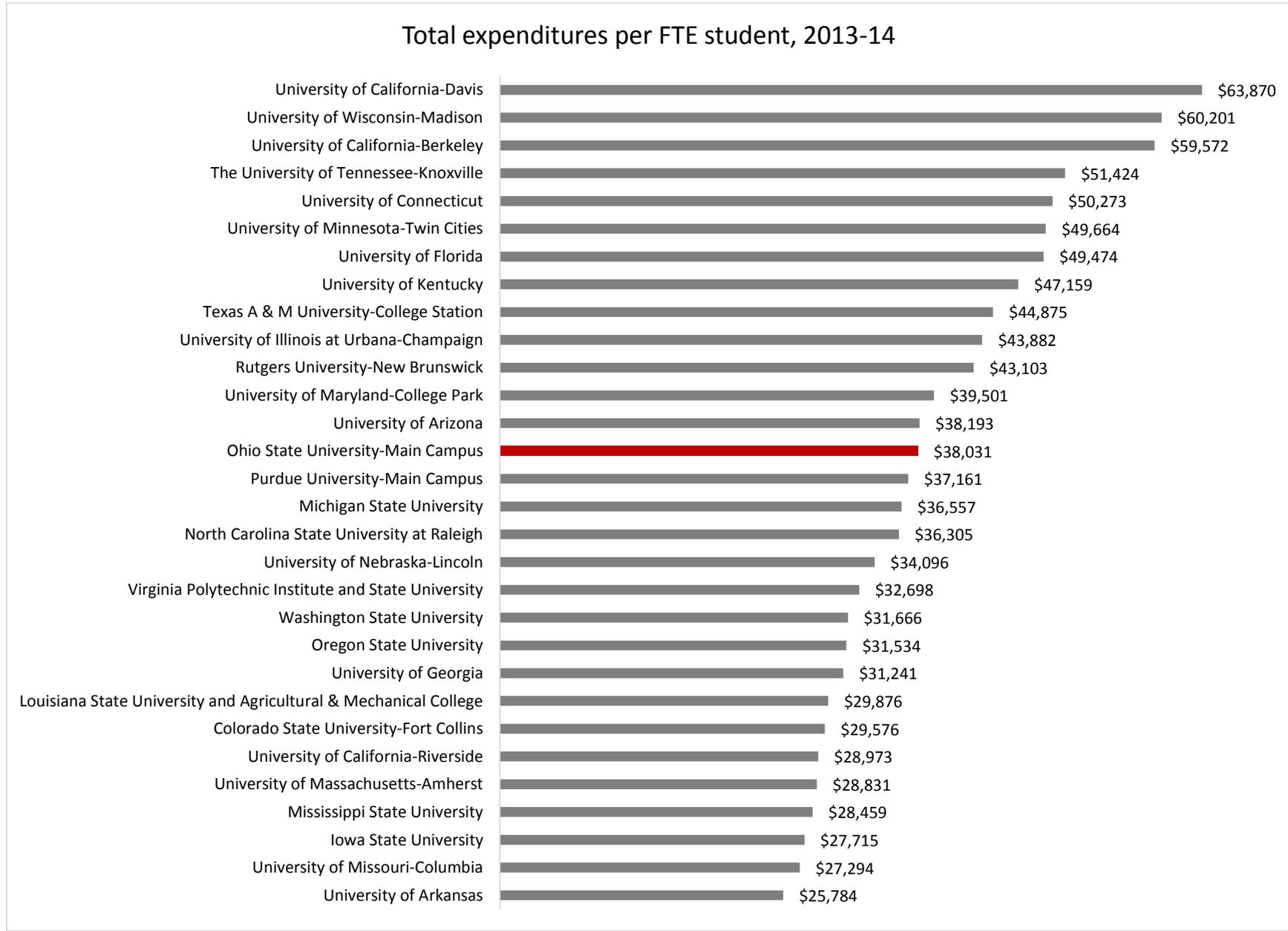
Recommendation	If applicable, provide the actual FY16 cost savings, or expected annual cost savings to the institution <small>*Put NA if no savings</small>	Were the savings redeployed to reduce the cost of college for students? (Yes or No)	Or did the practice provide tangible benefits to the quality of students' education? (Yes or No)
<i>Efficiency Practices</i>			
3A: Campus Contracts	\$50 million	Yes – financial aid	Yes – internships
3B: Collaborative contracts	NA		
4A: Asset Review	\$21.3 million from parking distribution	Yes – financial aid	Yes – Faculty hires and improvements to Arts District (Sullivant Hall)
4B: Operations Review	(See 4A for parking)	Yes	Yes
4C: Affinity partnerships and sponsorships	\$22.5 million from Nike (invested in endowment), \$14.3 million from affinity/licensing	Yes – financial aid	Yes – internships, support for campus programs (financial literacy, leadership, etc.)
5A: Cost diagnostic	\$15 million	Yes – financial aid	
5B: Productivity measure	NA		
5C: Organizational Structure	Not available		
5D: Health-care costs	NA		
5E: Data Centers	\$1 million		Yes – indirectly by freeing resources for the development of online courses and tools
5F: Space utilization	NA		
Energy projects	NA		
<i>Academic Practices and Policies</i>			
6A: Negotiate cost on textbook affordability	NA	(Savings directly to students)	
6B: Standardize materials	NA		Yes – time to degree

6C: Develop digital capabilities	NA	(Savings directly to students)	Yes - online learning
7A: Education Campaign	NA	(Savings directly to students from tuition structure that allows up to 18 credit hours at no additional tuition cost)	
7B: Graduation Incentive	NA		
7C: Standardize credits for degrees	NA		
7D: Data-driven advising	NA	(Benefits directly to students through progress to degree)	Yes - effectiveness of students' progress to degree
7E: Summer programs	NA		Yes – Additional opportunities for summer coursework toward degree
7F: Pathway agreements	NA	(Benefits directly to students through access and flexibility)	Yes – Pathway agreements both provide access and to reduce students' costs
7G: Competency-based education	NA		
8: Duplicative courses and programs	NA		
Low-enrollment programs:	NA		
10: Financial advising:	NA	(Benefits directly to students to support good decisions about loans and financial options)	
Total Expected Annual Cost Savings:	\$124.1 million		

Please utilize the chart below to show how the total actual cost savings listed above were redeployed to either (1) reduce the cost of college for students or (2) to provide tangible benefits for the quality of students' education:

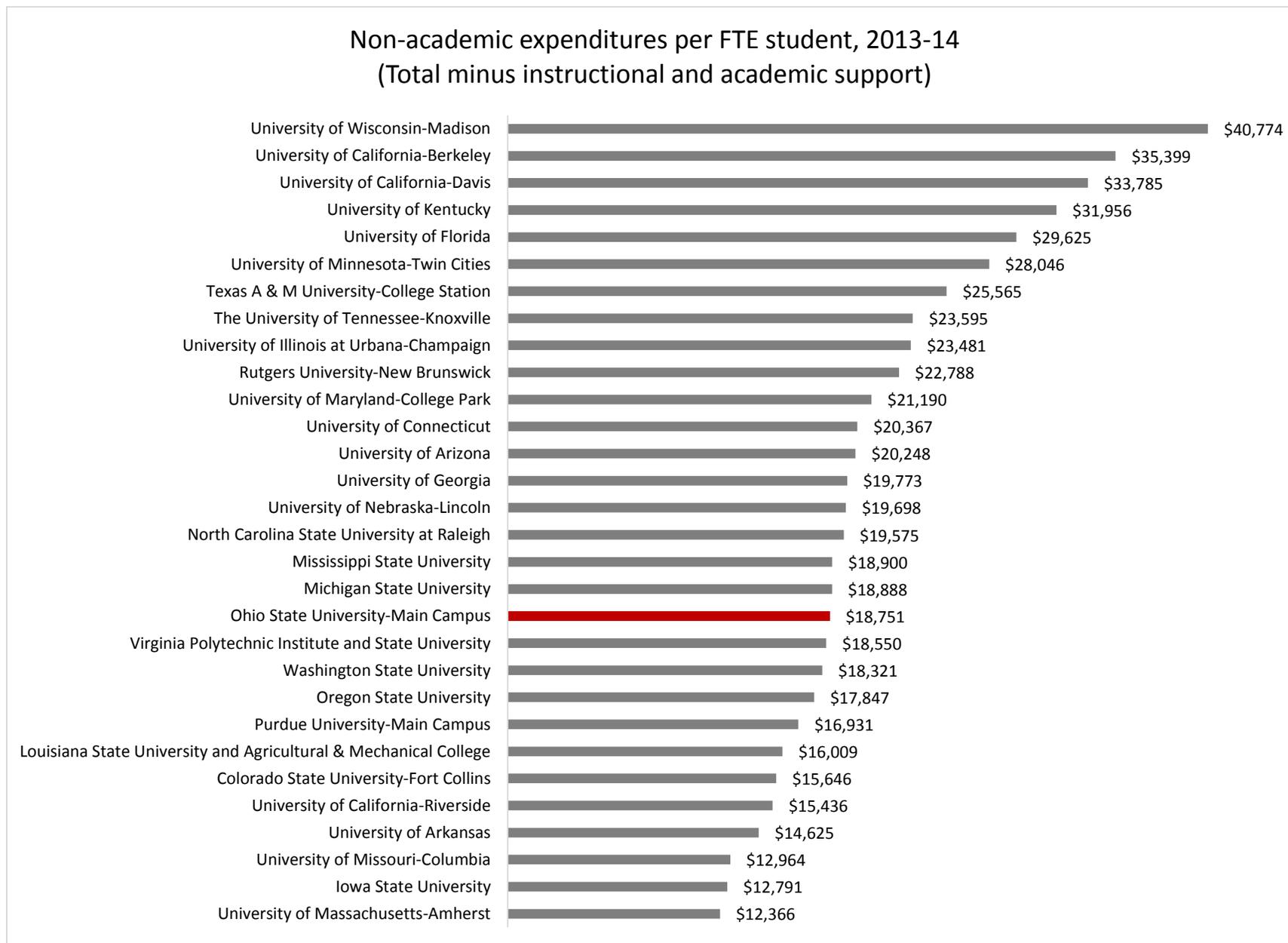
Category	Amount Invested	Explanation
Reductions to the total cost of attendance (tuition, fees, room and board, books and materials, or related costs — such as technology)	Total not available	No increases to in-state tuition and mandatory fees since 2012-13, allowing for thousands of Ohio resident undergraduates to graduate without an increase during their academic career. The expansion of digital and open source course materials have dramatically reduced the cost of individual courses.
Student financial aid	\$18.6 million	<p>Budget cuts to administrative units and savings from procurement contracts helped generate \$15 million in President's Affordability Grants in FY16, which provided financial aid to one-third of the Ohio residents on our Columbus campus. For FY17, the aid program will be expanded to \$20 million and support Ohioans at any Ohio State campus – in Columbus or throughout the state.</p> <p>Of the annual distributions from the parking endowment, \$3.6 million was distributed in FY16 to support 105 full-ride Eminence Scholarships, 174 Research Scholar Awards, 70 Summer Research Fellows and stipends for 10 Presidential Fellows.</p>
Student success services, particularly with regard to completion and time to degree	Total not available	Investments in financial advising (such as Scarlet and Gray financial), data-driven academic advising, leadership training, and career-development services such as internships have direct and tangible benefits for students.
Investments in tools related to affordability and efficiency	Total not available	Efficiency savings invested in a variety of student-focused initiatives, including increasing access to digital textbooks and online educational options
Improvements to high-demand/high-value student programs	Total not available	Since 2014, 23 popular online general education courses have been developed, providing students with additional flexibility in scheduling. These courses can speed the time to degree.
<i>Add other categories as needed</i>		
Investments in educational quality	\$10 million endowment	Nike contract proceeds were placed in an endowment to support strategic teaching initiatives and other presidential initiatives. One early priority is an institute focused on enhancing the quality of teaching at Ohio State — an investment that will have a direct benefit for students.

Appendix 1: Expenditures per FTE comparison



Source: IPEDS, based on most recent data available

Appendix 2: Non-academic expenditures per FTE comparison



Source: IPEDS, based on most recent data available