From:	Jay Rothman
To:	Maria Gallo; Chancellors
Cc:	Jess Lathrop; Johannes Britz; Jeff Buhrandt; Sean Nelson; Monica Smith
Subject:	RE: An interesting read
Date:	Friday, September 1, 2023 4:56:34 PM
Attachments:	image001.png

Maria:

Thanks for your email. I wasn't planning on a broader discussion on the report with the chancellors but would be happy to arrange for that if people believed it would be useful. As for timing, I know we are at the start of the academic year, so I wasn't suggesting that the report is something you should be reading in the near term. I appreciate that there are more demands on your time now than there are hours in the day, and it was not my intent to add another burden to your list. I just thought the report provided some interesting learnings, so I wanted to make sure the chancellors had access to it.

Some of the "lessons" I took from the report are as follows:

1. Address financial challenges as early as possible to make sure the institution has the necessary runway to return to financial stability; ensure that actions taken are focused on achieving long-term viability and not merely getting through the next year.
2. Make the "painful" cuts and adjustments at one time and then move on. In other words, do not use a piecemeal approach.
3. Do not procrastinate in making the "difficult" decisions. Time will not make the problems better.
4. Ensure that the governing board has a clear and transparent view of the institution's financial challenges.
5. Take steps to ensure that the institution knows the cost of providing any specific program and compares that to the revenue the program generates (with a particular focus on programs with low enrollment). There may be cases where an institution offers a program that loses money because it is important to the mission, but incurring the "loss" should be an intentional decision.
6. Discounting tuition to drive revenue is a dangerous strategy unless the institution understands the financial ramifications flowing from the discounting.
7. Need to invest in technology to ensure efficient operations (e.g., that the institution's enrollment and tuition payment functions are effective).
8. Ensure that investment decisions relating to new programs are tied to financial reality (i.e., new programs will be financial sustainable based on enrollment projections, tuition levels and costs to deliver); review existing programs in the context of the job market, student demand and retention/graduation rates; need to use data to drive program array given that many universities are offering too many programs.
9. COVID dollars should have been used to reinvent the university and/or create a "soft" landing for the cuts that were necessary as opposed to funding business as usual.
10. Review policies regarding the ability to effect reductions to make sure the proposed actions are permitted; update policies in advance to the extent necessary.
11. Need to pay attention to rebuilding culture and community after taking actions to stabilize the

institution’s financial situation.

12. As part of the rebuilding process, it is critical to review policies, particularly around how faculty members are rewarded for their work.
13. Consider shifting away from liberal arts programs to programs that are more career specific, particularly if the institution serves a large number of low-income students.
14. Be wary of overly ambitious program expansion as a means to increase enrollment.
15. Budgets should be based on cash expected to be generated and not on plans and optimistic projections.
16. Disciplined collection of outstanding student receivables is important.

The foregoing are some of the points that resonated with me. I appreciate that some will have no applicability to our situation or imply actions that we may not be prepared to take, but they are nonetheless instructive.

I would be happy to discuss.

Have a great weekend!

Best,

Jay

From: Maria Gallo <maria.gallo@uwrf.edu>
Sent: Thursday, August 31, 2023 11:59 AM
To: Jay Rothman <jrothman@uwsa.edu>; Chancellors <Chancellors@uwsa.edu>
Cc: Jess Lathrop <jlathrop@uwsa.edu>; Johannes Britz <jbritz@uwsa.edu>; Jeff Buhrandt <jbuhrandt@uwsa.edu>; Sean Nelson <snelson@uwsa.edu>; Monica Smith <msmith@uwsa.edu>
Subject: RE: An interesting read

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Hi Jay,
Thank you for sending us this. Do you plan to discuss with us the takeaways that you believe are the most relevant and get our feedback? If so do you have a timeline? That would certainly help me with time prioritization. Thank you! And everyone have a super end of the week and holiday weekend. Having students back on campus is invigorating.

Maria

UWRF
Maria Gallo, Ph.D.

Chancellor
University of Wisconsin-River Falls
River Falls, WI 54022
715-425-3201 | uwrf.edu

From: Jay Rothman <jrothman@uwsa.edu>
Sent: Thursday, August 31, 2023 10:26 AM
To: Chancellors <Chancellors@uwsa.edu>
Cc: Jess Lathrop <jlathrop@uwsa.edu>; Johannes Britz <jbritz@uwsa.edu>; Jeff Buhrandt <jbuhrandt@uwsa.edu>; Sean Nelson <snelson@uwsa.edu>; Monica Smith <msmith@uwsa.edu>
Subject: An interesting read

Chancellors:

I hope this finds you well. I can only imagine how busy each of you must be as you approach the start of the new academic year.

For your consideration in a "spare moment" assuming you can find one, set forth below is a link to a report prepared by The Chronicle of Higher Education. The report provides an overview of an institution that faced existential financial challenges and outlines how the university got to that point and the steps it took to address its situation. While I am by no means suggesting that any of our universities face such a severe crisis, there are some observations and other takeaways in the report that resonated with me. I encourage you to take a look regardless of your institution's current financial situation. I believe there are some lessons in the report that are relevant and of value to all of us.

Best,

Jay

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