

THE 2016 INSIDE HIGHER ED SURVEY OF COLLEGE AND UNIVERSITY BUSINESS OFFICERS

A study by Gallup® and *Inside Higher Ed*

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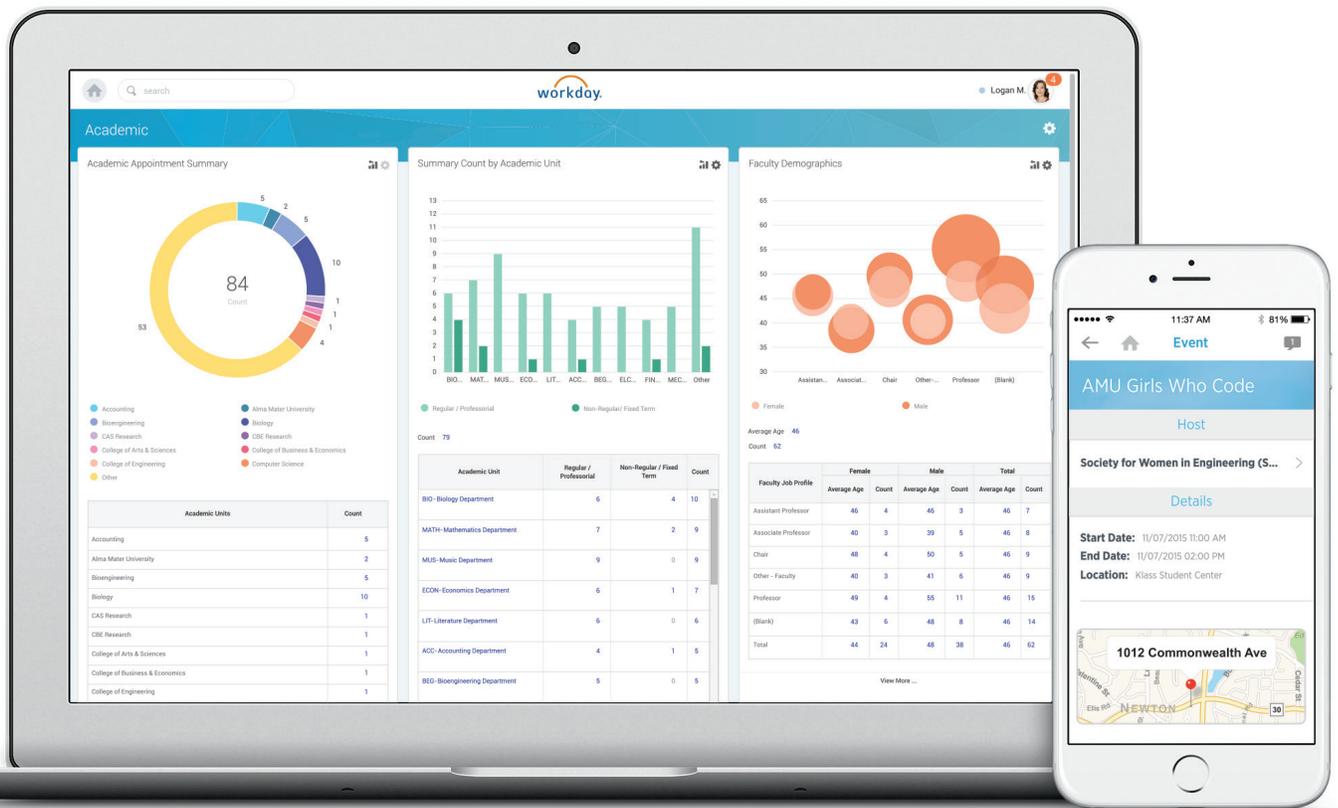


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FOREWORD

Inside Higher Ed's sixth annual Survey of College and University Business Officers aims to understand how these leaders view the fiscal and other issues facing their institutions and U.S. higher education generally.

Some of the questions addressed in this study are:

- How do chief business officers assess the financial landscape of higher education and the financial sustainability of their own institutions over the next 5 and 10 years?
- To what extent do institutions publicly share information about their financial health?
- How involved should faculty members be in campus-wide budget discussions?
- What revenue-generating and cost-cutting strategies do they say their institutions will implement this year?
- What factors do colleges consider when deciding whether to strengthen or eliminate academic programs?
- How do chief business officers view the appropriateness of their college's current debt level?

SNAPSHOT OF FINDINGS

- Most chief business officers, 63 percent, believe that media reports of a financial crisis for higher education are accurate.
- Nearly two-thirds of chief business officers (64 percent) are optimistic that their institution is financially sustainable over the next five years. Fewer, 54 percent, believe their institution is financially sustainable over a decade.
- Forty-three percent of chief business officers say faculty members participate meaningfully in campus budget discussions at their college. Business officers at these institutions are likelier than their peers to say that instructors have been supportive of past measures to address budgeting challenges.
- A majority of chief business officers (54 percent) strongly agree or agree that faculty members should play a meaningful role in campus budget discussions.
- The vast majority of chief business officers, 90 percent, strongly agree or agree that colleges are too hesitant to shut down academic programs.
- CBOs say their colleges are focusing more on enrollment management than they did five years ago, and are most likely to say their college is taking steps to increase enrollment in the coming year over several other revenue-generating strategies.
- Six in 10 chief business officers strongly agree or agree that greater transparency in campus decision-making would result in better financial decisions.
- Substantial minorities of chief business officers say their college lacks the data and information they need to evaluate how certain programs or units are performing.
- Seventy-two percent of CBOs believe that their college has an appropriate amount of debt. Fourteen percent say their college is carrying too much debt, and 14 percent believe their college could take on more debt.



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*Customers Rate Their CPM Vendors in Gartner's User Survey, Christopher Iervolino, John E. Van Decker, June 2015; BPM Partners 2015 Pulse Survey, May 2015

METHODOLOGY

The following report presents findings from a quantitative survey research study that Gallup conducted on behalf of *Inside Higher Ed*. The objective of the study was to understand how chief business and financial officers view and the fiscal and budgetary issues and challenges that colleges face.

To achieve these objectives, Gallup sent email invitations to 2,717 college and university chief business officers, with regular reminders sent throughout the April 28-May 31, 2016, field period. Gallup collected 386 completed web interviews yielding a 14 percent response rate.

Respondents represent 172 public institutions, 198 private institutions and four institutions from the for-profit sector. Gallup determined sector groupings based on the 2015 Carnegie Basic Classification code for each institution and did not report data for some sectors because of low sample sizes.

Total Participation by Sector												
	All Institutions by Sector				Public				Private Nonprofit			
	All	Public	Private Non-profit	For-Profit	Doctoral	Master's	Bacc.	Assoc.	Doctoral	Master's	Bacc.	Assoc.
Total	386	172	198	4*	43	46	11^	68	24^	72	86	0*

*Data are not reported as a result of small sample size. *Data are not reported as a result of small sample size.

^Data are reported in combination with a similar institution type in the report.

Note: The total sample size includes 12 institutions that Gallup could not categorize as public, private nonprofit or for-profit because of missing sample information. Gallup could not categorize four public institutions and 16 private institutions more specifically by highest degree offering because of missing sample information.

Gallup education consultants developed the questionnaire in collaboration with Scott Jaschik and Doug Lederman of *Inside Higher Ed*. The sample did not include specialty colleges, namely Bible colleges and seminaries with a Carnegie Classification code of 24, or institutions with enrollments of fewer than 500 students. Each institution is represented only once in the sample.

The survey is an attempted census of all CBOs using the most comprehensive sample information available. Gallup statistically weighted data to correct for nonresponse, matching the obtained sample to targets for all U.S. colleges and universities from the Integrated Postsecondary Education Data System database.

Gallup weighted the sample based on institutional control (public or private/nonprofit), four-year or two-year degree offerings, student enrollment and geographical region. Therefore, the weighted sample results can be considered representative of the views of chief business officers at colleges nationwide.

In some cases, reported frequencies may not add up to 100 percent as a result of rounding. The results do not include “don’t know” and “refused” responses.

The following sections present the findings of the survey.

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FINANCIAL HEALTH OF INSTITUTIONS

College and university chief business officers (CBOs) largely believe that higher education is in the midst of a financial crisis. Sixty-three percent of CBOs say that media reports depicting a financial crisis for U.S. higher education are accurate, while 37 percent say the reports are inaccurate.

Chief business officers at public associate degree institutions (community colleges) are most likely to agree that higher education is in financial crisis (73 percent). Their views are one reason why public college CBOs (70 percent) are more pessimistic than private college CBOs (60 percent) are about the financial health of higher education.

These responses are sharply higher than in *Inside Higher Ed's* 2015 survey, when 56 percent of all chief financial officers, 56 percent of public college CBOs, and 59 percent of business officers at community colleges answered Yes to this question.

In your opinion, do media reports suggesting that higher education is in the midst of a financial crisis accurately reflect the general financial landscape of higher education in this country or not?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
% Yes	63	70	60	62	68	73	57	64
% No	37	30	40	38	32	27	43	36

At the same time, CBOs are mostly optimistic about the financial standing of their own institution – and decidedly more optimistic than they were a year ago. Sixty-four percent of CBOs are confident that their institution will be financially sustainable over the next five years, and about a quarter of them (26 percent) strongly agree with this. Fifteen percent disagree or strongly disagree that their institution is financially sustainable over the next five years.

Looking further ahead, a smaller proportion, 54 percent, are confident about their institution’s financial sustainability over the next 10 years, with 20 percent strongly agreeing that this is the case. In 2015, only 42 percent of business officers agreed or strongly agreed their institution would be financial sustainable over a decade.

Private nonprofit (65 percent) and public (62 percent) institution CBOs are similarly confident about their institution’s financial sustainability over the next five years, but private college CBOs are more confident than public university business officers about the 10-year period, 59 percent to 46 percent, respectively. Business officers at public institutions, which are more reliant on government funds, may be more uncertain about the future of that government support, possibly explaining their more pessimistic long-term outlook.

FINANCIAL HEALTH OF INSTITUTIONS (cont.)

The next set of questions are about your institution specifically. Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
I am confident my institution will be financially sustainable over the next five years.								
% 5 Strongly agree	26	27	26	48	26	23	28	20
% 4	38	35	39	30	33	37	43	39
% 3	21	24	19	13	28	23	23	16
% 2	13	13	12	7	8	16	4	20
% 1 Strongly disagree	2	1	4	2	5	0	2	5
I am confident my institution will be financially stable over the next 10 years.								
% 5 Strongly agree	20	19	20	21	18	19	25	13
% 4	34	27	39	38	24	26	41	41
% 3	31	36	29	26	39	38	22	34
% 2	13	17	10	11	17	16	10	9
% 1 Strongly disagree	2	1	2	4	3	0	2	3

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INVESTMENTS IN ACADEMIC PROGRAMS

In challenging financial times, college officials sometimes have to consider eliminating certain academic programs. CBOs widely concur that colleges are too hesitant to shut down academic programs – 49 percent strongly agree and 41 percent agree. Chief business officers are less likely to believe that their own institution is too hesitant to shut down academic programs – a total of 68 percent strongly agree or agree.

Colleges can also consider new sources of revenue as a way to improve their financial situation. CBOs largely believe colleges need to be willing to experiment with new kinds of academic and nonacademic offerings to produce new revenue streams – 36 percent strongly agree and an additional 49 percent agree.

Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Most colleges are too hesitant to shut down academic programs.								
% 5 Strongly agree	49	49	49	56	56	43	45	50
% 4	41	41	42	36	36	45	46	41
% 3	7	5	8	6	1	5	8	6
% 2	2	4	1	2	5	5	1	1
% 1 Strongly disagree	1	1	<1	0	1	1	0	1
To build new revenue streams, colleges need to be more willing to experiment with new kinds of academic and nonacademic offerings.								
% 5 Strongly agree	36	43	31	56	39	40	27	30
% 4	49	45	52	40	51	45	50	56
% 3	13	10	14	4	9	12	20	12
% 2	2	3	2	0	1	4	3	2
% 1 Strongly disagree	<1	0	<1	0	0	0	1	0
My college is too hesitant to shut down academic programs.								
% 5 Strongly agree	34	34	35	35	41	28	26	46
% 4	34	37	29	44	32	38	37	22
% 3	19	18	19	11	16	20	15	15
% 2	10	10	11	6	8	12	13	12
% 1 Strongly disagree	4	2	6	3	2	1	8	5

Chief business officers say the future of academic programs – whether they are expanded, kept the same, cut back or eliminated – is determined in large part by the role of the program in the institution’s mission and the academic quality of the program. Roughly 9 in 10 business officers say these factors are “extremely” or “very important” in deciding on future funding of academic programs, as seen on the following page.

Private college business officers are more likely than public college CBOs, 55 percent to 41 percent, to say institutional mission is an extremely important factor in such decisions, mostly because community college CBOs are less likely to cite institutional mission as an extremely important factor.

INVESTMENTS IN ACADEMIC PROGRAMS (cont.)

Eighty-four percent of CBOs say the enrollment level in a program is an extremely or very important factor in determining its future, making it nearly as important a factor as institutional mission and academic quality. At least 7 in 10 business officers also say the number of students majoring in the program and the contributions the program makes in general education are highly important factors. Sixty-four percent say it is extremely or very important that the program is financially self-sustaining.

The least important factor among those tested in the survey is the program's record of winning grants or philanthropic support – just 35 percent identify it as an extremely or very important factor in determining a program's future financial support from the college.

How important are each of the following factors in deciding whether to strengthen or eliminate academic programs at your institution?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
The role of the program in our institutional mission								
% Extremely important	49	41	55	52	46	38	53	58
% Very important	42	49	35	39	39	53	37	32
% Somewhat important	9	10	8	9	13	9	9	9
% Not that important	<1	<1	1	0	1	0	1	1
Academic quality								
% Extremely important	46	43	47	44	56	40	56	43
% Very important	43	45	40	47	38	45	35	42
% Somewhat important	10	9	12	5	5	12	7	14
% Not that important	2	3	1	4	1	3	2	1
Enrollment levels in the program								
% Extremely important	44	49	41	34	52	52	47	35
% Very important	40	39	38	44	37	37	35	43
% Somewhat important	13	9	18	20	9	8	16	18
% Not that important	3	3	2	2	3	3	2	4
Number of students who are majoring in the program								
% Extremely important	30	33	29	36	54	25	32	23
% Very important	47	46	45	49	34	49	43	50
% Somewhat important	20	18	23	15	11	21	21	24
% Not that important	3	3	3	0	1	5	4	2

INVESTMENTS IN ACADEMIC PROGRAMS (cont.)

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Program makes contributions in general education								
% Extremely important	20	18	20	20	25	17	22	23
% Very important	51	49	53	45	44	52	53	59
% Somewhat important	24	27	24	33	27	24	23	17
% Not that important	5	6	2	2	4	7	3	1
Program is financially self-sustaining								
% Extremely important	27	25	28	9	23	27	36	22
% Very important	37	32	40	31	34	31	38	42
% Somewhat important	27	36	19	51	33	36	16	21
% Not that important	9	7	12	9	9	6	10	16
Strong record of support in winning grants or philanthropic support								
% Extremely important	10	12	8	30	3	11	10	4
% Very important	25	30	20	52	30	26	18	23
% Somewhat important	40	36	42	14	43	38	47	43
% Not that important	25	21	30	4	24	25	25	30
Number of students who are majoring in the program								
% Extremely important	30	33	29	36	54	25	32	23
% Very important	47	46	45	49	34	49	43	50
% Somewhat important	20	18	23	15	11	21	21	24
% Not that important	3	3	3	0	1	5	4	2

AWARENESS OF FINANCIAL SITUATION

Nearly all CBOs, 96 percent, say they share extensive information about their institution's financial health with their full governing board. However, they vary as to whether extensive information about their institution's finances is made public: 54 percent say such information is publicly available while 46 percent say it is not.

Public college chief business officers (71 percent) are roughly twice as likely as private college CBOs (36 percent) to say their college releases extensive information to the public about its financial position. Business officers at private baccalaureate institutions are least likely to publicize information about their institution's financial health.

Next, we'd like to ask about how your institution assesses its overall financial health. Is extensive information about your institution's financial health made public?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
% Yes	54	71	36	76	72	69	41	28
% No	46	29	64	24	28	31	59	72
Do you share extensive information about your institution's financial health with your full governing board?								
% Yes	96	95	97	75	95	99	97	96
% No	4	5	3	25	5	1	3	4

In assessing their institution's financial health, 77 percent of business officers report that their institution has an agreed-upon set of indicators it uses. Private institution CBOs (84 percent) are more likely than their public sector peers (67 percent) to say their college relies on a standard set of metrics to gauge their financial position.

Nearly all CBOs whose institutions rely on a standard set of indicators say these include financial ratios (98 percent). About 6 in 10 say their institution uses a bond rating benchmark or the federal financial responsibility score. Public college CBOs are more likely to report using a bond rating benchmark, while private college CBOs are more likely to say their institution uses the federal financial responsibility score.

AWARENESS OF FINANCIAL SITUATION (cont.)

Next, we'd like to ask about how your institution assesses its overall financial health. Does your institution have an agreed-upon set of indicators that it uses internally to gauge its financial health?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
% Yes	77	67	84	70	71	64	83	82
% No	23	33	16	30	29	36	17	18

<i>(Asked of those whose institution uses an agreed-upon set of indicators to gauge its financial health)</i> Does the set of indicators your institution uses to gauge its financial health include ... ?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Financial ratios								
% Yes	98	96	99	n/a	98	95	97	99
% No	2	4	1	n/a	2	5	3	1
A bond rating benchmark								
% Yes	61	69	49	n/a	66	67	62	38
% No	39	31	51	n/a	34	33	38	62
The federal financial responsibility score								
% Yes	60	30	79	n/a	26	28	79	78
% No	40	70	21	n/a	74	72	21	22
Something else								
% Yes	80	79	81	n/a	72	81	79	80
% No	20	21	19	n/a	28	19	21	20

Asked to assess key constituencies at their institutions, CBOs are most likely to say that senior administrators are aware of and understand the financial challenges their institutions face. As seen on the following page, 86 percent of CBOs strongly agree or agree that senior administrators have this knowledge and understanding. About a quarter of business officers, 74 percent, strongly agree or agree that trustees recognize the institution's financial challenges. (A set of questions related to faculty members appears later in the report.)

Regarding their own level of awareness coming into the job, CBOs are more likely to strongly agree or agree (49 percent) than to strongly disagree or disagree (32 percent) that they were well-informed about campus issues before they accepted their current position as chief business officer.

Six in 10 chief business officers (62 percent) strongly agree or agree that greater transparency about institutional finances would result in better financial decisions. Private college CBOs (67 percent) are more likely than public college CBOs (54 percent) to endorse this idea, perhaps because financial information about public colleges is already well publicized.

AWARENESS OF FINANCIAL SITUATION (cont.)

Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Senior administrators are aware of and understand the financial challenges confronting my institution.								
% 5 Strongly agree	51	51	53	41	52	55	51	52
% 4	35	31	36	37	32	30	42	31
% 3	10	11	8	16	9	10	4	12
% 2	3	3	3	4	6	2	3	4
% 1 Strongly disagree	2	4	0	2	1	3	0	1
Trustees are aware of and understand the financial challenges confronting my institution.								
% 5 Strongly agree	37	25	48	26	25	26	40	51
% 4	37	39	32	19	40	44	48	25
% 3	13	17	12	36	20	13	5	14
% 2	13	16	8	17	14	14	7	9
% 1 Strongly disagree	1	2	0	2	1	3	0	0
I was well-informed about campus issues (including the campus culture and budget issues) before accepting the job of CFO at this institution.								
% 5 Strongly agree	26	26	26	36	27	25	28	24
% 4	23	25	19	19	30	25	26	10
% 3	18	17	21	23	16	15	13	27
% 2	24	25	25	13	19	27	24	29
% 1 Strongly disagree	8	8	9	10	8	8	10	10
Greater transparency in campus decision-making will result in better financial decisions.								
% 5 Strongly agree	21	18	25	25	20	17	27	22
% 4	41	36	42	33	31	40	31	47
% 3	23	24	24	24	19	26	29	23
% 2	10	13	7	14	16	12	11	4
% 1 Strongly disagree	5	9	3	4	14	5	2	4

THE FACULTY ROLE IN BUDGET DECISIONS

The survey asked chief business officers for their views of faculty involvement in budget discussions, and their opinions vary widely.

Business officers are divided on whether faculty members have been supportive of efforts to address budget problems facing their institution -- 33 percent strongly agree or agree that professors have been supportive; 27 percent strongly disagree or disagree; and 40 percent are neutral.

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Faculty have been supportive of efforts to address the budget problems confronting my institution.								
% 5 Strongly agree	5	4	6	2	6	5	5	9
% 4	28	32	27	27	33	34	25	24
% 3	40	35	42	40	19	40	42	45
% 2	18	18	17	19	23	16	21	12
% 1 Strongly disagree	9	11	8	12	20	5	7	10

Forty-three percent say faculty members at their institutions play a meaningful role in college-wide budget decisions, with similar percentages among those at private and public colleges.

The CBOs who say faculty play no meaningful role in budget discussions at their college may include those who work at colleges at which professors have no formal role in campus budget discussions, as well as those at colleges at which they are involved but have not made a positive contribution to the process — at least in the eyes of the college’s chief business officer.

A majority of CBOs, 54 percent, endorse the idea of faculty members playing a meaningful role in college-wide budget discussions. Also, more strongly agree or agree (40 percent) than strongly disagree or disagree (30 percent) that faculty members provide valuable insights when they participate in budget discussions.

CBOs are evenly divided in their views on whether faculty approval should be required when colleges consider adopting new revenue-producing strategies, such as online education or certificate programs (39 percent strongly agree or agree while 36 percent strongly disagree or disagree). Business officers are more likely to reject (46 percent) than to accept (27 percent) the notion that faculty members understand the financial challenges their institution faces when they participate in budget discussions.

Public college CBOs (60 percent) are more likely than private college CBOs (48 percent) to favor a meaningful faculty role in budget discussions.

THE FACULTY ROLE IN BUDGET DECISIONS (cont.)

At your college, do faculty members play a meaningful role in college-wide budget decisions?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
% Yes	43	45	42	58	48	41	33	46
% No	57	55	58	42	52	59	67	54

Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Faculty members should play a meaningful role in college-wide budget discussions.								
% 5 Strongly agree	14	17	14	13	25	16	15	12
% 4	40	43	34	36	39	43	33	35
% 3	30	30	31	35	24	32	33	32
% 2	14	8	20	14	9	6	17	19
% 1 Strongly disagree	2	3	2	2	3	3	1	2
Faculty members provide valuable insights when they participate in college-wide budget discussions.								
% 5 Strongly agree	10	12	10	9	16	11	12	10
% 4	30	29	26	33	24	31	29	23
% 3	31	29	34	34	30	27	27	38
% 2	24	22	27	23	22	22	29	23
% 1 Strongly disagree	6	8	4	0	7	8	2	7
Faculty approval should be required when colleges consider new revenue-producing strategies, such as online or certificate programs.								
% 5 Strongly agree	8	5	10	11	5	3	13	10
% 4	31	33	33	27	28	37	33	31
% 3	25	29	23	33	35	24	27	22
% 2	17	17	17	20	24	13	16	16
% 1 Strongly disagree	19	17	17	10	8	22	11	20
Faculty members understand the financial challenges my institution faces when they participate in college-wide budget discussions.								
% 5 Strongly agree	6	6	6	2	15	5	9	5
% 4	21	19	22	14	13	22	14	29
% 3	28	25	27	29	27	25	41	20
% 2	32	33	33	50	28	32	23	35
% 1 Strongly disagree	14	16	11	4	16	17	14	11

CBOs who say faculty members play a meaningful role in budget discussions at their college are much more positive about faculty input than are those at colleges where professors are not meaningfully involved. This is especially the case in their views of whether faculty members should play meaningful roles in budget discussions, whether they provide valuable insights and whether they understand the institution's financial challenges.

THE FACULTY ROLE IN BUDGET DECISIONS (cont.)

	Faculty Play Meaningful Role in Budget Discussions	Faculty Do Not Play Meaningful Role in Budget Discussions
Faculty members should play a meaningful role in college-wide budget discussions.		
%5 Strongly agree	24	8
%4	49	35
%3	23	32
%2	5	22
%1 Strongly disagree	0	4
Faculty members provide valuable insights when they participate in college-wide budget discussions.		
%5 Strongly agree	20	3
%4	42	19
%3	27	32
%2	11	35
%1 Strongly disagree	0	11
Faculty approval should be required when colleges consider new revenue-producing strategies, such as online or certificate programs.		
%5 Strongly agree	12	6
%4	34	30
%3	30	22
%2	12	20
%1 Strongly disagree	14	22
Faculty members understand the financial challenges my institution faces when they participate in college-wide budget discussions.		
%5 Strongly agree	11	2
%4	30	13
%3	25	28
%2	30	35
%1 Strongly disagree	4	23

CHANGES IN FINANCIAL FOCUS

New financial challenges force colleges to adapt and find different ways of ensuring that their revenue is sufficient to meet their expenses. Given a list of 18 possible ways to improve their college's financial situation, CBOs are most likely to say their college will aim to increase overall enrollment in the 2016-17 academic year -- 87 percent strongly agree or agree that their college will do this.

Only two other items garner majority agreement -- launching new revenue-generating academic programs (71 percent) and exploring collaboration opportunities for academic programs with other institutions (65 percent).

CBOs are least likely to indicate that their college will do any of the following in the coming academic year: out-source more academic programs (5 percent), cut spending for intercollegiate athletic programs (11 percent), revise tenure policies (13 percent), and promote early retirement of administration and staff (17 percent).

Public and private college business officers differ significantly on whether they will undertake many of these financial steps in the coming year. Public college business officers are more inclined than their private college peers to strongly agree or agree that their institution will reduce administrative positions (45 percent to 22 percent), shift more undergraduate teaching to part-time or nontenured faculty (43 percent to 23 percent), shift more undergraduate teaching to senior faculty (32 percent to 16 percent), and promote early retirement of administrators and staff (27 percent to 11 percent).

Private college financial officers are more likely than public college CBOs to strongly agree or agree that they will lower the tuition discount rate (47 percent to 19 percent).

Some leaders at colleges and universities say they must consider budget cuts and policy changes to compensate for insufficient revenue. Again, using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements. My institution will implement the following strategies in the 2016-17 academic year.

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Increasing overall enrollment								
% 5 Strongly agree	57	56	61	48	50	61	53	65
% 4	30	33	25	34	27	33	30	23
% 3	6	5	8	8	3	5	11	5
% 2	5	5	3	8	15	2	3	4
% 1 Strongly disagree	2	1	3	2	4	0	3	4
Launching new revenue-generating academic programs								
% 5 Strongly agree	34	26	41	40	31	23	43	39
% 4	37	39	34	39	35	41	40	30
% 3	19	24	15	12	16	27	7	20
% 2	6	9	4	5	15	8	4	4
% 1 Strongly disagree	4	2	6	4	3	2	6	7

CHANGES IN FINANCIAL FOCUS (cont.)

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Exploring collaboration opportunities for academic programs with other institutions								
% 5 Strongly agree	25	19	27	14	14	23	17	30
% 4	40	43	38	34	36	48	38	40
% 3	19	24	18	28	25	21	26	15
% 2	9	12	6	22	23	7	7	4
% 1 Strongly disagree	6	1	10	2	2	1	12	12
Eliminating underperforming academic programs								
% 5 Strongly agree	13	17	8	2	6	24	11	7
% 4	30	29	33	19	28	33	33	26
% 3	23	25	22	20	28	26	24	20
% 2	18	18	20	35	23	13	15	26
% 1 Strongly disagree	15	11	18	25	15	5	17	22
Enrolling more full-pay students								
% 5 Strongly agree	11	18	7	18	16	19	5	10
% 4	32	24	37	31	24	24	36	38
% 3	32	37	29	24	37	38	30	27
% 2	15	16	15	20	20	15	18	15
% 1 Strongly disagree	9	5	12	7	4	4	11	11
Exploring collaboration opportunities for administrative services with other institutions								
% 5 Strongly agree	16	16	16	11	19	14	11	18
% 4	23	26	22	36	30	23	21	20
% 3	26	27	26	27	25	29	26	26
% 2	21	20	20	16	17	22	26	16
% 1 Strongly disagree	14	11	17	11	9	12	15	20
Lowering the tuition discount rate								
% 5 Strongly agree	16	5	25	4	7	4	18	30
% 4	20	14	22	20	24	9	26	23
% 3	33	43	30	39	31	47	29	29
% 2	17	22	11	20	20	25	15	6
% 1 Strongly disagree	13	16	11	17	18	14	12	11

CHANGES IN FINANCIAL FOCUS (cont.)

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Reducing administrative positions								
% 5 Strongly agree	16	18	11	7	29	16	8	12
% 4	19	27	11	26	13	34	14	9
% 3	25	23	27	34	23	21	31	27
% 2	19	20	20	25	28	17	22	19
% 1 Strongly disagree	22	12	30	7	7	13	25	33
Increasing teaching loads for full-time faculty								
% 5 Strongly agree	6	9	5	4	4	12	5	1
% 4	26	27	23	17	20	33	20	26
% 3	24	23	25	41	18	19	25	25
% 2	24	22	24	15	32	21	26	23
% 1 Strongly disagree	20	18	24	23	25	15	23	25
Shifting more undergraduate teaching to part-time or nontenured faculty								
% 5 Strongly agree	7	9	7	2	1	13	6	4
% 4	24	34	16	36	39	31	13	22
% 3	29	25	30	34	27	23	34	23
% 2	25	25	27	20	27	24	33	26
% 1 Strongly disagree	14	8	20	8	5	9	14	25
Shifting from a classroom-based to a web-based model of instruction								
% 5 Strongly agree	7	7	7	10	5	8	2	9
% 4	23	25	21	15	33	25	22	19
% 3	38	47	28	49	37	48	40	20
% 2	19	19	21	26	22	16	23	20
% 1 Strongly disagree	13	3	23	0	2	3	12	32
Outsourcing more administrative services								
% 5 Strongly agree	4	5	2	6	3	5	3	1
% 4	22	21	19	35	16	20	15	15
% 3	30	32	31	26	27	33	31	34
% 2	25	27	25	25	38	24	25	27
% 1 Strongly disagree	19	15	23	9	15	17	26	23

CHANGES IN FINANCIAL FOCUS (cont.)

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Promoting early retirement for faculty								
% 5 Strongly agree	9	13	7	12	19	12	8	7
% 4	18	23	16	16	17	28	19	15
% 3	24	17	25	26	15	16	19	29
% 2	25	22	29	26	30	19	26	30
% 1 Strongly disagree	24	25	23	20	20	26	29	19
Shifting more undergraduate teaching to senior faculty members								
% 5 Strongly agree	5	6	5	0	7	9	8	2
% 4	17	26	11	16	22	32	17	7
% 3	33	23	38	42	29	13	40	37
% 2	25	26	24	22	30	25	25	25
% 1 Strongly disagree	20	18	21	20	12	21	10	30
Promoting early retirement for administrators and staff								
% 5 Strongly agree	7	13	4	11	16	13	4	3
% 4	10	14	7	10	8	17	10	6
% 3	31	22	35	30	18	23	25	43
% 2	25	24	28	28	32	20	27	26
% 1 Strongly disagree	27	27	26	21	26	27	34	22
Revising tenure policies								
% 5 Strongly agree	4	5	4	7	2	5	1	3
% 4	9	8	10	2	11	9	10	10
% 3	20	17	22	17	12	19	25	22
% 2	27	24	28	29	20	26	37	26
% 1 Strongly disagree	39	46	35	45	55	40	26	38
Cutting spending for intercollegiate athletic programs								
% 5 Strongly agree	2	2	1	2	1	3	2	1
% 4	9	12	7	14	14	10	6	8
% 3	28	25	28	21	24	27	25	31
% 2	33	34	33	28	26	39	38	29
% 1 Strongly disagree	28	27	30	35	35	20	28	32
Outsourcing more academic programs								
% 5 Strongly agree	2	1	2	0	1	2	1	1
% 4	3	3	3	0	6	3	2	4
% 3	18	13	22	7	11	15	14	25
% 2	32	38	24	32	35	42	30	21
% 1 Strongly disagree	45	44	48	61	48	38	52	49

CHANGES IN FINANCIAL FOCUS (cont.)

Underscoring the importance of enrollment in maintaining a positive financial situation, 90 percent of chief business officers strongly agree or agree that their institution is focusing more attention on enrollment management now than it did five years ago – the highest of 17 factors measured in the survey.

Business officers also widely agree that their college is putting more emphasis on federal and state government mandates (81 percent), overall affordability of attending the college (77 percent), the cost of providing employee health insurance benefits (76 percent), improved maintenance of campus infrastructure (76 percent) and increasing net tuition revenue (74 percent).

They are least likely to say their college is paying greater attention to increasing its credit/bond rating (38 percent), increasing faculty teaching load (43 percent) and recruiting full-pay students (44 percent).

Public college and private college business officers answer the items largely similarly. However, private college CBOs are more likely to agree that they are putting greater emphasis on recruiting transfer students (68 percent) than are public college CBOs (40 percent). Private college business officials also say their college is focusing more on returns on endowment investments, 65 percent, compared with 44 percent of public college CBOs.

Again, using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.								
My institution is focusing more attention on the following issues now than it did five years ago.								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Enrollment management								
% 5 Strongly agree	59	58	60	51	63	58	56	66
% 4	31	27	34	37	27	23	36	29
% 3	7	12	5	5	6	16	4	4
% 2	2	3	1	4	1	3	2	0
% 1 Strongly disagree	1	1	1	2	2	0	1	1
Federal and state government mandates (general)								
% 5 Strongly agree	44	45	46	42	46	44	42	45
% 4	37	36	36	33	34	38	36	37
% 3	15	16	13	25	13	16	16	13
% 2	4	3	5	0	7	2	6	5
% 1 Strongly disagree	<1	0	<1	0	0	0	0	0
Overall affordability of attending								
% 5 Strongly agree	31	31	33	29	32	33	36	32
% 4	46	48	44	47	48	46	42	47
% 3	19	17	20	12	16	19	19	16
% 2	4	4	4	12	4	3	3	5
% 1 Strongly disagree	0	0	0	0	0	0	0	0

CHANGES IN FINANCIAL FOCUS (cont.)

The business models for the following sectors of higher education are sustainable over the next 10 years:								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Cost of providing employee health insurance and benefits								
% 5 Strongly agree	37	40	31	29	41	40	39	28
% 4	39	35	43	34	27	38	37	45
% 3	18	16	21	27	22	12	19	22
% 2	5	7	4	2	10	7	5	5
% 1 Strongly disagree	1	3	0	7	0	4	0	0
Improved maintenance of campus infrastructure								
% 5 Strongly agree	27	26	29	36	32	23	26	29
% 4	49	45	48	38	37	50	50	51
% 3	18	18	19	19	25	16	19	16
% 2	6	10	3	4	5	11	5	3
% 1 Strongly disagree	<1	1	0	3	1	0	0	0
Increasing net tuition revenue								
% 5 Strongly agree	41	39	44	31	34	41	47	49
% 4	33	28	35	37	41	21	35	37
% 3	18	19	16	12	16	22	15	12
% 2	7	12	3	17	6	13	2	2
% 1 Strongly disagree	2	2	2	3	4	2	1	0
Risk management								
% 5 Strongly agree	23	17	28	23	20	16	28	32
% 4	48	50	49	50	42	50	50	48
% 3	22	24	19	22	26	24	22	16
% 2	5	7	4	5	12	6	0	4
% 1 Strongly disagree	1	2	0	0	0	3	0	0
Profitability of academic programs								
% 5 Strongly agree	30	28	32	6	23	32	43	24
% 4	40	37	40	39	32	39	33	40
% 3	21	24	18	30	28	23	17	22
% 2	6	8	6	16	10	6	5	7
% 1 Strongly disagree	3	3	4	9	7	0	2	7
Market limits on the ability to raise tuition								
% 5 Strongly agree	36	37	36	39	43	33	42	35
% 4	33	31	37	17	33	35	33	46
% 3	21	18	21	31	15	15	19	17
% 2	6	11	3	13	4	14	4	2
% 1 Strongly disagree	3	3	3	0	5	3	3	0

CHANGES IN FINANCIAL FOCUS (cont.)

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Recruiting transfer students								
% 5 Strongly agree	26	17	33	21	36	8	37	27
% 4	32	23	35	47	30	14	36	39
% 3	28	33	26	23	29	36	23	27
% 2	10	19	4	4	5	30	3	4
% 1 Strongly disagree	4	8	2	4	0	13	1	2
Limiting student debt								
% 5 Strongly agree	17	24	12	25	21	25	20	6
% 4	42	34	47	42	33	31	43	50
% 3	32	29	36	19	36	29	32	39
% 2	9	13	5	14	7	14	4	6
% 1 Strongly disagree	<1	1	<1	0	3	0	0	0
Returns on endowment investments								
% 5 Strongly agree	18	19	18	27	16	20	10	27
% 4	38	25	47	28	31	22	42	53
% 3	28	31	27	26	35	29	38	15
% 2	11	18	6	14	16	21	8	5
% 1 Strongly disagree	4	6	2	5	2	8	1	0
Cost of providing employee retirement benefits								
% 5 Strongly agree	23	31	13	22	32	33	14	11
% 4	31	28	33	16	33	26	35	38
% 3	31	27	38	46	22	24	39	34
% 2	10	9	13	9	12	9	10	16
% 1 Strongly disagree	4	6	3	7	0	7	3	1
Cost of intercollegiate athletic programs								
% 5 Strongly agree	14	17	12	21	17	16	6	17
% 4	40	38	41	42	31	40	43	40
% 3	28	21	28	15	17	26	32	26
% 2	14	17	14	13	28	11	17	13
% 1 Strongly disagree	5	7	4	9	8	6	2	4

CHANGES IN FINANCIAL FOCUS (cont.)

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
Recruiting full-pay students								
% 5 Strongly agree	15	15	14	19	20	14	9	19
% 4	29	24	28	34	36	18	23	34
% 3	33	37	33	21	28	42	39	31
% 2	15	17	14	20	16	18	14	12
% 1 Strongly disagree	8	7	10	6	1	8	15	5
Increasing faculty teaching load								
% 5 Strongly agree	11	14	9	6	10	17	8	10
% 4	32	33	27	33	29	33	28	28
% 3	32	29	35	37	32	26	36	33
% 2	18	20	18	14	23	20	19	17
% 1 Strongly disagree	7	5	11	10	7	4	9	13
Improving credit/bond rating								
% 5 Strongly agree	11	13	8	14	14	13	15	2
% 4	27	21	27	19	12	25	23	34
% 3	31	28	36	30	34	23	38	34
% 2	21	28	18	30	39	25	18	18
% 1 Strongly disagree	10	10	11	6	2	14	7	12

SPENDING OUTLOOKS AND BUDGET MODELS

In terms of finding sources for new spending, the majority of CBOs strongly agree or agree (57 percent) that new spending in the coming years will come from reallocated dollars rather than from an increase in revenue. Twenty percent strongly disagree or disagree. Public college CBOs are much more likely than private college CBOs to strongly agree or agree that reallocated dollars will fund new spending, 67 percent to 48 percent, particularly those at nondoctoral degree granting public institutions.

In *Inside Higher Ed's* survey a year ago, 61 percent of all business officers and 57 percent of private college CFOs said that new spending would come from reallocated dollars.

CBOs are evenly divided as to whether their institution uses an analytical framework to make decisions on spending – 38 percent strongly agree or agree, 30 percent are neutral, and 33 percent strongly disagree or disagree. Public and private CBOs responded similarly.

Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement. You may use any number between 1 and 5.								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
New spending at my institution in the coming years will come from reallocated dollars rather than an increase in net revenue.								
% 5 Strongly agree	25	31	19	6	34	34	20	15
% 4	32	36	29	44	41	33	22	38
% 3	23	20	26	31	12	20	32	22
% 2	15	11	19	15	10	10	18	17
% 1 Strongly disagree	5	3	7	3	4	3	8	8
My institution uses an analytical framework to make decisions on spending.								
% 5 Strongly agree	10	9	11	5	13	9	14	4
% 4	28	27	28	34	28	26	27	29
% 3	30	30	27	30	28	32	27	26
% 2	24	26	24	21	22	28	22	29
% 1 Strongly disagree	9	8	10	9	9	4	10	11

SPENDING OUTLOOKS AND BUDGET MODELS (cont.)

Roughly half of CBOs, 47 percent, say their institution has changed its budget model in the past four years. Slightly more than a third, 35 percent, of those who have not changed their model say their college plans to do so.

Twenty-one percent of CBOs say their institution uses a Responsibility-Centered Management (RCM) budget model.

Has your institution significantly changed its budget model in the past four years?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
% Yes	47	49	44	48	32	53	37	49
% No	53	51	56	52	68	47	63	51
(Based on those whose institution has not changed its budget model in the past four years) Does your institution plan to significantly change its budget model in the near future?								
% Yes	35	35	35	n/a	n/a	n/a	45	28
% No	65	65	65	n/a	n/a	n/a	55	72

n/a: Data not shown due to insufficient sample size.

Does your institution use a Responsibility-Centered Management (RCM) (or RCM variant) budget model?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master's	Bacc.
% Yes	21	24	20	17	21	27	25	17
% No	79	76	80	83	79	73	75	83

PERFORMANCE AND PROGRAM EVALUATION

For an analytical framework to be successful, decision-makers need the relevant information to decide among various spending alternatives. However, many CBOs say their institution lacks the information it needs to make decisions in a variety of realms on campus. For example, only 34 percent of business officers strongly agree or agree that they have the necessary information to evaluate the performance of each administrative unit on campus; nearly the same proportion, 32 percent, disagree or strongly disagree.

CBOs are most likely to say their institution has the necessary information to make decisions about which academic programs should be eliminated or enhanced – 51 percent strongly agree or agree, while 26 percent strongly disagree or disagree.

Between 39 percent and 49 percent of business officers believe that their institution has the necessary data to make informed decisions on the performance of administrative technology, the performance of academic technology, the performance of individual faculty members, and the efficacy of specific academic programs and majors. On these items, between 27 percent and 31 percent of CBOs strongly disagree or disagree they have the necessary information.

Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.								
My institution has the data and information it needs to make informed decisions about:								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
Which academic programs should be eliminated or enhanced								
% 5 Strongly agree	15	16	15	8	20	17	17	12
% 4	36	36	33	46	25	37	31	34
% 3	22	23	21	18	28	21	25	22
% 2	23	21	27	24	23	21	22	30
% 1 Strongly disagree	3	4	3	4	4	4	5	2
Efficacy of specific academic programs and majors								
% 5 Strongly agree	14	15	13	9	11	17	18	7
% 4	35	34	33	31	41	34	28	36
% 3	24	21	27	27	22	20	29	27
% 2	22	25	22	29	17	25	19	26
% 1 Strongly disagree	5	5	4	4	10	4	5	4

PERFORMANCE AND PROGRAM EVALUATION (cont.)

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
Performance of individual faculty members								
% 5 Strongly agree	8	7	8	8	9	7	6	11
% 4	36	37	34	36	25	42	39	31
% 3	26	23	30	29	23	18	28	34
% 2	22	22	22	19	23	23	21	18
% 1 Strongly disagree	9	12	6	8	20	11	7	6
Performance of academic technology								
% 5 Strongly agree	5	5	5	8	6	5	3	4
% 4	35	29	38	29	23	31	37	36
% 3	33	37	30	27	38	37	35	31
% 2	24	27	21	30	27	27	21	22
% 1 Strongly disagree	4	2	6	5	5	<1	4	7
Performance of administrative technology								
% 5 Strongly agree	4	5	5	7	5	5	3	5
% 4	35	30	36	28	21	33	37	33
% 3	33	36	32	31	41	34	35	30
% 2	24	27	21	31	28	27	19	23
% 1 Strongly disagree	4	2	6	3	7	<1	5	8
Performance of each administrative unit on campus								
% 5 Strongly agree	7	8	5	14	7	5	4	4
% 4	27	24	28	27	15	27	31	26
% 3	35	36	35	32	39	37	41	29
% 2	27	26	28	27	31	23	20	36
% 1 Strongly disagree	5	6	4	0	7	8	4	4

INSTITUTIONAL DEBT

Most college chief business officers are comfortable with the amount of debt their institution carries -- 72 percent describe it as an appropriate amount, 14 percent say their college has too much debt, and 14 percent believe their college should take on more debt. CBOs at public colleges are slightly more likely than those at private colleges to say their institution has an appropriate debt level.

Would you say your institution — has too much debt, an appropriate amount of debt, or would you say that your institution should take on more debt than it has now?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
% Too much	14	11	17	12	14	11	16	20
% Appropriate amount	72	76	65	80	76	75	72	62
% Should take on more	14	13	18	8	9	14	12	18

As seen on the following page, the majority of CBOs, 52 percent, strongly disagree or disagree that their institution has underutilized debt as a financing strategy; 29 percent agree or strongly agree.

Nearly half of CBOs, 48 percent, strongly agree or agree that their institution has increased its use of debt to finance projects. That includes 69 percent of those at public doctoral institutions, but only 39 percent at community colleges.

CBOs are more inclined to strongly disagree or disagree (49 percent) than to strongly agree or agree (29 percent) that debt service has a significant impact on tuition rates and/or spending levels. Private college CBOs are more likely than public college CBOs (by a 36 percent to 23 percent margin) to acknowledge that debt service affects tuition and spending levels.

INSTITUTIONAL DEBT (cont.)

Next, we'd like to ask about the debt your institution holds. By debt we mean long-term debt. Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.

	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
My institution has historically underutilized debt as a financing strategy.								
% 5 Strongly agree	9	12	8	8	15	12	9	7
% 4	20	21	20	22	22	20	26	15
% 3	19	19	20	17	16	18	8	28
% 2	29	26	27	21	14	33	34	25
% 1 Strongly disagree	23	21	24	32	32	17	23	25
My institution has increased the use of debt to finance projects.								
% 5 Strongly agree	17	14	18	34	19	9	15	21
% 4	31	31	31	35	28	30	34	29
% 3	19	14	23	17	29	10	17	23
% 2	20	21	19	9	12	28	20	20
% 1 Strongly disagree	13	18	10	4	12	24	15	7
Debt service has a significant impact on our tuition rates and/or our spending levels.								
% 5 Strongly agree	10	9	12	9	10	10	8	16
% 4	19	14	24	20	6	11	19	28
% 3	21	23	21	23	38	19	21	21
% 2	30	28	30	34	27	28	34	24
% 1 Strongly disagree	19	26	14	14	20	32	17	11

When asked to report on the debt level their institution is carrying, the majority of CBOs, 61 percent, give a figure of \$10 million or greater. Over all, private college CBOs are more likely than public college CBOs to report that their institution carries debt of \$10 million or more, but that is mostly because about one in three public associate degree institution CBOs report that their college has no debt. CBOs at public doctoral colleges tend to report the highest debt levels by institution type – half say their institution has \$250 million or more in debt.

INSTITUTIONAL DEBT (cont.)

About how much debt is your institution currently carrying?								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
% No debt	13	22	6	4	6	31	7	3
% <\$500,000	6	6	6	0	3	5	4	6
% \$500,000 to <\$1 million	1	2	0	0	4	2	0	0
% \$1 million to <\$2.5 million	3	5	3	0	2	7	2	1
% \$2.5 million to <\$5 million	3	4	3	2	9	4	1	3
% \$5 million to <\$10 million	14	15	15	2	4	19	15	17
% \$10 million to <\$25 million	20	15	26	0	25	16	26	30
% \$25 million to <\$50 million	13	8	18	5	12	8	15	22
% \$50 million to <\$100 million	8	6	9	10	21	2	13	7
% \$100 million to <\$250 million	11	8	11	27	11	4	11	9
% \$250 million to <\$500 million	4	6	2	30	3	2	4	1
% \$500 million to <\$1 billion	1	2	1	11	0	1	2	0
% \$1 billion or more	4	1	1	9	0	0	2	0

OTHER KEY ISSUES

Chief business officers are dubious that their institution can make additional and significant funding cuts without hurting quality -- 49 percent strongly disagree or disagree with this idea, while 31 percent strongly agree or agree.

CBOs are closely divided as to whether the tuition discount rate at their institution is unsustainable -- 40 percent strongly agree or agree it is, while 35 percent strongly disagree or disagree. Private college chief business officers (50 percent) are much more likely than public college CBOs (28 percent) to view their current tuition discount as unsustainable.

CBOs are not very positive about the cost-savings provided by sustainability efforts -- more strongly disagree or disagree (36 percent) than strongly agree or agree (25 percent) that sustainability efforts have provided significant financial benefits.

Chief business officers widely agree that colleges should focus on financial issues, rather than ethical or political ones, when deciding how to invest endowment funds.

Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
Colleges should focus on financial issues (not ethical or political ones) when deciding how to invest endowment funds.								
% 5 Strongly agree	26	19	31	32	25	15	19	41
% 4	34	35	31	23	30	37	33	30
% 3	23	25	22	32	17	28	27	14
% 2	8	11	6	8	16	11	9	6
% 1 Strongly disagree	9	9	10	6	13	9	13	9
My institution makes efficient use of technology resources and services.								
% 5 Strongly agree	11	13	10	15	8	14	4	10
% 4	37	33	35	20	27	36	40	35
% 3	31	32	32	26	42	30	26	36
% 2	18	19	20	36	19	17	28	16
% 1 Strongly disagree	3	3	3	4	3	2	3	3
Our current tuition discount rate is unsustainable.								
% 5 Strongly agree	20	11	27	8	22	4	20	34
% 4	20	17	23	10	18	19	23	26
% 3	25	33	20	33	38	33	23	19
% 2	21	16	21	17	13	18	25	17
% 1 Strongly disagree	14	23	8	31	9	27	9	5

OTHER KEY ISSUES (cont.)

Using a five-point scale, where 5 means strongly agree and 1 means strongly disagree, please indicate your level of agreement with the following statements.								
	All Institutions by Sector			Public			Private Nonprofit	
	All	Public	Private Nonprofit	Doctoral	Master's/ Bacc.	Assoc.	Doctoral/ Master	Bacc.
My institution can make additional and significant spending cuts without hurting quality.								
% 5 Strongly agree	7	5	7	10	3	5	10	6
% 4	24	22	23	14	13	25	30	16
% 3	21	17	25	23	14	18	25	24
% 2	30	32	29	39	47	26	17	40
% 1 Strongly disagree	19	24	16	14	22	26	18	14
Sustainability efforts at colleges and universities have provided significant financial benefits.								
% 5 Strongly agree	4	5	3	13	6	3	3	3
% 4	21	19	25	14	14	21	17	25
% 3	39	42	33	39	36	46	44	27
% 2	27	25	32	27	33	22	35	33
% 1 Strongly disagree	9	9	7	7	12	8	1	12

INSTITUTION AND PERSONAL CHARACTERISTICS

What is your age?	%
Under 30	0
30 to 39	3
40 to 49	21
50 to 59	45
60 to 69	29
70 and older	2

What is your gender?	%
Male	66
Female	34

How many years have you served as the chief business officer at this institution?	%
Less than six months	3
Six months to less than three years	34
Three years to less than five years	17
Five years to less than 10 years	22
10 or more years	24

How many years have you served as chief business officer at any institution?	%
Less than six months	2
Six months to less than three years	15
Three years to less than five years	7
Five years to less than 10 years	24
10 or more years	51

What type of higher education institution do you work for?*	%
Public (four-year)	19
Private (four-year)	51
Community college	29
Private (two-year)	1
For-profit institution	1

*Note that sector data reported in prior tables are driven by database values and not this self-reported demographic data.

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