

# **SOUTHWESTERN OKLAHOMA STATE UNIVERSITY STRATEGIC PLAN**

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## **Goal 3: Focus on resources to expand and diversify the revenue base of SWOSU**

The cost of higher education is increasing and tuition makes up only about a third of the SWOSU's revenues and state support is declining. Additionally, the so-called echo boom generation – children of the baby boomers – is finishing university, the population of western Oklahoma is shrinking, and the coming generation is smaller. Therefore, there will be fewer potential college students.

Increasingly, colleges and universities, especially publicly funded state schools and those with small endowments, are turning to alternative revenue streams—including grants, private donations, patents, real estate, and money-making graduate courses—to make ends meet.

When formulating initiatives, the Goal 3 Task Force worked toward achieving the following Indicators of Success with the objective of expanding and diversifying the revenue base of Southwestern Oklahoma State University.

## **Executive Summary**

### **Indicators of Success**

The Goal 3 Task Force examined the following seven issues relating to expanding and diversifying the revenue base.

- Instruction: online programming and certification programs are increasing in demand and University degree programs are due for review.
- Research and analysis should be fully explored as a funding stream. This would include patents, royalties, new business start-ups and corporate partnerships
- Auxiliary enterprises, facilities, online presence, and real estate holdings are important assets the University could use to increase funding and reduce costs.
- Development could use creative naming opportunities to appeal to donors.
- Third party sponsorship and partnering arrangements need to be expanded to include campus events and corporate involvement
- University should include incentives for entrepreneurship and funding successes
- Pricing for differentiated usage fees, tuition, and services needs to be examined.

The proposed initiatives are divided for convenience into (A) Academics, (B) University Facilities and Staff, (C) University Partnerships and Development

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### **[A] Academics**

#### Indicators of Success:

- Tuition increased by expanded online programs, increased international students and incentives for highly qualified students
- Costs decreased by degree program analysis
- Research expanded and rewarded and recognized for success

#### Description of the Elements:

1. Commercialize University research through patents, royalties, and new business start-ups. Faculty develops and markets custom published textbooks.
2. Purchase or solicit donation of a building for small business incubation (EDA grant funding available.)
3. Enlist a consultant to reexamine degree programs and look into a certification program for technical fields.
4. Expand student base and increase tuition funding by creating an online virtual college with these attributes:
  - a. Complete entire undergrad programs
  - b. Online programs for adult learners to receive accelerated BA and MBA degrees
  - c. Academic programs for retirees (grandparent's university)
5. Actively recruit international students.
6. Create a Presidential Scholarship Program, students in the top 10% of their high-school class receive a ½ off tuition scholarship, those in the top 20% get 1/3 off, and those in the top 30% receive ¼ off.
7. Increase fees for online courses and degree programs
8. Develop new graduate programs in high demand areas
9. Charge for a selection of continuing education classes
10. Create a Junior-Varsity program for increased enrollment
11. Implement and enforce a revised non-resident fee structure
12. Work with SWOSU faculty, staff, and administrators to increase grant submissions and awards by 50%
  - a. Require all departments supplement their 5% of their total budget with fundraising
  - b. Publicly recognize and award grant writers
  - c. Compensate fundraisers with flexible rewards, time-off, bonuses, etc.
  - d. Increase indirect cost recovery and increase OSP staff with funding
  - e. Maintain a database of faculty, staff, and administration interests and educate employees on finding funding opportunities

- f. Provide review services for pre-proposals
- g. Create a database or software for reporting and budgeting information
- h. Support of reassigned time for grant-writing and grant-administration
- i. Provide training for administrative assistants and other staff for monitoring compliance and providing assistance

### Potential Models

New England College in Henniker, N.H., which added a masters in management with a health care specialization and an MFA program in poetry, which combines online work with two 10-day on-campus sessions. "We're not a wealthy institution. We don't have a large endowment," said Michele Perkins, New England College's president. "We are what you'd call tuition dependent." In 2003, the first year that New England College offered a graduate program, it generated \$1 million in revenue. In the 2008-2009 academic year, the graduate programs are projected to bring in \$5 million.

[www.utekcorp.com](http://www.utekcorp.com), a firm that helps schools set up patents for their discoveries and assists in finding public companies looking to purchase them, University of Maryland, Emory University etc.

Catawba College (N.C.) conducts chemical analysis and research projects for area businesses and industries through its on-campus laboratory

Lebanon Valley College (Pa.) a liberal arts school, began a discount program 17 years ago, amid predictions that lowering tuition would lead to financial ruin. To the contrary, an internal study revealed that revenue rose 113 percent, while costs increased only 9.6 percent since launching the program.

The Boston University Division of Extended Education serves nearly 3,000 enrolled students in undergraduate, graduate, and professional development programs. Its criminal justice master's degree is the most popular program of its kind in the world; enrollments grew from 45 to more than 400 in three years. The school's distance-learning programs are an important revenue source, grossing \$15 million per year, more than making up for enrollment fall-off in part-time, on-campus night and weekend courses.

Florida Community College at Jacksonville runs its Sirius Academics program to design and produce course books without paying copyright fees. The books are created by teams of faculty members who choose materials from their lectures or in the public domain. Students save money-they pay about \$50 for each course's books, CDs, and online materials-and production costs for the school can be as low as \$10 to \$30. FCCJ is working in partnership with McGraw-Hill, and within the next year the college will have developed materials for 28 courses. The program's design software will also be made available for sale, with any profits going toward need-based scholarships.

### **[B] University Facilities and Staff**

#### Indicators of Success:

- All University resources and assets managed and integrated into cost efficient and effective revenue builders
- Outsourcing some services used to cut costs

- Students initiated to create student run businesses and University service teams
- New resources created by expanding existing assets and new technology
- Usage fees for marketable facilities and services implemented

### Introduction

SWOSU is presently understaffed in the areas of research and grant writing. To competitively compare to other RUSO institutions, SWOSU would need to hire 2-3 additional personnel in the department of Sponsored Programs. There are many assets of the University which can be used in creative ways to increase funding streams or which can be managed to cut costs.

### Description of Elements:

1. Rent campus facilities and computing power to outside businesses (computer labs etc.) during downtimes and
2. Implement campus parking fees
3. Install solar panels in parking lot and charge higher fees for spaces, power facilities
4. Use software to power down unused monitors and dim lighting with ambient light increase and remotely control dorm temps
5. Upgrade married student housing and increase rent
6. Implement a campus-wide facility usage policy
7. Move Assessment Center for increased testing capabilities and income
8. Install main street digital signage and generate advertising dollars
9. Use existing facilities for funding stream, catering outside, campus pizza and treat delivery, birthday brownies etc.
10. Auction surplus goods on eBay
11. Open an e-store. Sell laptops, apparel, local specialties (Watonga cheese, peanuts, cafeteria brownies, etc.), and framing services.
12. Outsource janitorial, grounds maintenance, IT
13. Upgrade the Rodeo Farm to attract horse-boarders
14. Create a horsemanship, rodeo school using rodeo students
15. Charge a usage fee for Crowder Lake
16. Build a retirement center at Crowder Lake, include kayak lessons, sailing, adult classes on campus with bus service
17. Charge for event planning
18. Create cost centers for student run businesses (IT, robotics, trophies)
19. Charge for transcripts and mailing of transcripts
20. Third party reimbursement for athletics physical therapy

### Potential Models

The University of Oregon Bookstore, an independent bookstore owned and operated by students, faculty, and staff at this institution, was an early adopter in the online bookstore space. Selling everything from apparel to computers (Apple, Dell, and Sony laptops are available), the bookstore's online sales have increased 10 to 12 percent annually. Another model-most suitable for small stores

or alumni associations that don't have retail space-is commission-based, with orders going directly through the framing company. Cornell, one of Church Hill Classics' 650 partner institutions, purchases frames and then sells them at a 100 percent markup. The university's 2005-2006 gross margin was about \$155,000. Schools can also have the company ship individual customer orders as needed, with stores supported by a link between their website and Church Hill's site, [www.diplomaframe.com](http://www.diplomaframe.com).

Maryville University in St. Louis takes advantage of evening and weekend downtime, when students aren't on campus, to rent out campus facilities such as computer labs to outside companies. This makes efficient use of the space while earning money for the university.

The University of Bridgeport (Conn.) outsources buildings and grounds maintenance, janitorial services, security, mailroom operations, and information technology. In three years the practice turned a deficit into a \$2.5 million surplus on the operational bottom line.

Maryville University (Mo.) leaders found that they could save money by closing some parts of the campus that had little use over the summer. For example, after nonuse of the campus pool was documented, it was temporarily closed this past summer, saving the institution slightly more than \$20,000.

Camden County College (N.J.) uses the fees from its new parking garage to pay the debt service on its new technology center. Members of the public pay \$7.50 per day or \$108 per month (faculty and students get a discount). California State University, Fullerton staff use a handheld device called PermitNow ([www.t2systems.com](http://www.t2systems.com)) to issue parking permits and receipts more quickly while improving revenue and staff accountability. The system enables easier tracking of specific event sales, reduces the risk of audit problems, and eliminates the need for cumbersome preprinted stock permits. Reports outline revenue generated and note the payment method for all transactions. The detailed tracking helps reduce the possibility of revenue loss.

Tufts University (Mass.) uses EZ Save software ([www.energystar.gov](http://www.energystar.gov)) to power down unused computer monitors, which should save \$90,000 per year. And Tufts uses the VendingMiser from USA Technologies on its beverage vending machines, saving \$17,280 per year. The University of North Carolina at Charlotte installed equipment from Venture Lighting that automatically dims the overhead lights as the ambient natural light increases, reducing energy consumption by 50 percent.

Arizona State University is taking advantage of the abundant Southwest sunshine by adding solar panels to a parking garage rooftop. The new technology powers all lighting in the structure and will eventually save thousands of dollars annually in maintenance and energy costs. (A bonus: The panels provide shade for parked vehicles.)

The University of Maine uses Honeywell's HVAC controls to remotely monitor and adjust temperatures in the dorm, which reduces maintenance calls and energy consumption. By blocking outside heat using window film from V-Kool, Stanford University (Calif.) has saved \$5,000 in cooling costs.

Lehigh University's (Pa.) dining services staff sends postcards to parents informing them about the school's famous gooey Lehigh Brownies (\$9.99 for a dozen). The brownies, which are famous on campus and among alumni, make a nice alternative to a traditional birthday cake.

The technical support network at Juniata College (Pa.) is manned almost entirely by students, saving the college huge amounts of money in salary for tech employees. Students do most of the

tech support on campus, and virtually all of the training on new applications and software. Even better, the students spearhead research and development efforts, testing products and software, and developing open-source applications.

Schools as large as the Iowa State University and as small as Lasell College (Mass.) have gotten into the act of creating retirement complexes. In all, the nation has about 50 such communities.

Texas State University is making advertising revenue through a digital signage partnership with The University Network ([www.tun.com](http://www.tun.com)). All TSU has agreed to do is place digital signs in high-traffic areas. In exchange, TUN shares 20 percent of all national advertising revenue.

Lasell Village, with 188 apartments and 16 buildings, was built and is owned and operated by the college. Residents are required to take 450 credit hours per year, and their tuition is built into rental fees. The school takes in management fees, a lease payment every year, and maintenance fees. Lasell College President Alexander said that \$1 million to \$2 million goes straight to the bottom line.

Oregon State, Penn State, Michigan State, and Washington State are just some of the schools selling items online. Penn has sold everything from pianos to doughnut machines. The University of Wisconsin opted to eschew eBay and start its own auction site, which brought in \$280,000 during its first year.

## **[C] University Partnerships and Development**

### Indicators of Success:

- Campus partnerships developed with corporate and private entities to decrease costs and increase campus and student involvement in funding streams
- Increased development funding through corporate and private partnerships
- Partnerships with local and national businesses to generate advertising dollars and student and faculty support
- Increased faculty grant submissions and awards

### Introduction

Partnerships with SWOSU and University associated foundation fundraising entities, corporate partners, University employees, and private partners are becoming more important as state funding percentages consistently decrease. These partnerships not only allow the University to meet program and funding goals, they are the key to moving into a successful future. SWOSU is presently understaffed in the areas of fundraising. To competitively compare to other RUSO institutions, SWOSU would need to hire 2-3 additional personnel in the department of Institutional Advancement. It is difficult to increase funding streams without a sufficient fundraising staff.

### Description of Elements

1. Partner for advertising dollars with affinity friendly corporations, (Amazon, Liberty Mutual, Geico, etc.) to provide links for books and services on DL2
2. Partner with companies to sponsor summer camps (Edmond Scientific Camp, etc.)
3. Sell naming rights for online programs and services

4. Partner with the local casino management group for University programs support
5. Negotiate with University vendors for departmental donations (Cisco, Edmond Scientific, etc.)
6. Partner with corporations for undergraduate research assistantships– funds to go to student stipends and internships and departmental unrestricted.
7. Naming rights for all programs including online
8. Implement educational partnerships with technology centers and other universities
9. Seek advertising partners for campus events – Panorama, Theater productions etc.
10. Work with Foundation to:
  - a. Increase faculty staff payroll deductions by new campaign “Give to Your Passion” in 2013
  - b. Create a SWOSU needs menu and post online
  - c. Use the website for videos of donors and scholarship recipients
  - d. Implement specific programs for donor interest, i.e. “Give a Little, Get a Latte”, “Sponsor a Day for a Student at SWOSU” etc.
  - e. Begin Foundation Capital Campaign in fall 2012
  - f. Actively pursue bequests and planned giving with mailing campaign and continuing education speakers
  - g. Create a highly visible Donor Wall on campus
  - h. Increase communication with donors with annual report, newsletters and personal correspondence
11. Work with Alumni Foundation to:
  - a. Increase alumni base for giving with a student alumni association
  - b. Use students for fundraising and stewardship
  - c. Participate in more alumni events
  - d. Form satellite organizations
  - e. Work with companies who employ SWOSU alums to sponsor events
12. Work with Athletic Association to:
  - a. Combine membership benefits for alumni and boosters
  - b. Use naming opportunities in athletic facilities to raise funding for staff and improvements
  - c. Improve auction proceeds
  - d. Increase community involvement by using athletes for community service projects
  - e. Increase funding by using athletes for fundraising and stewardship

### Potential Models

Richard Stockton college has expanded its articulation agreements with other universities and offers advanced placement courses through partnerships with local high schools.

The University of West Florida created a “business direct support organization” tasked with entering into public/private partnerships that will bring in new sources of revenue.

Ramapo College partnered with a provider to pay for a new roof and who then secured rights to install photovoltaic panels to produce electricity which is then sold back to the college.