Ronald F. Mason, Jr.
President

President's Report

December 8, 2015

During the last quarter, time was spent continuing to understand UDC from the following perspectives.

Personnel

There are several bright, talented people within the organization who have the potential to contribute more than they currently do. There are also personnel and skills gaps throughout the institution. Some of the gaps are due to poor organization or lack of direction. The addition of the Chief Operating Officer (COO) and Chief of Staff will help cover most bases at the senior administrator level. A new organizational structure, which better organizes and distributes the workload among senior leadership will also help in the short run. Finally, the new faculty and staff evaluation tools will increase productivity. Ultimately, the business model will have to be overhauled and faculty and staff at all levels will have to be better incented, better trained or replaced if we are to become an advanced public system of higher learning.

Information Systems

This is a glaring example of body and skills gaps among staff, as well as antiquated equipment. While the current staff holds down the fort, a major overhaul is required if we are to take full advantage of the efficiencies offered by modern information systems. The budget proposal requests the use of resources from the Fund Balance to begin to address this issue, but it is a multi-year fix. We have also launched an effort to improve our business processes and better use technology. An example of moving our business processes to an improved IT platform is also attached, as we highlight our records management project.

Brand

The UDC Brand needs work. The reality of our institution has many more positives than the perception conveys. Nevertheless, we have all heard negative references to UDC. We are often the higher education institution of last resort among DC high school graduates. In the attached addendum from the COO, efforts from the enrollment management area that begins to address this issue from the high school counselor and student perspective are described. We have also requested resources from the Fund Balance to continue to address this issue.

Morale

After several years without cost of living increases, leadership instability, contentious labor relations and program eliminations, morale on the various campuses is low. We have focused on being as transparent and available as possible so that uncertainty does not compound the problem. I have had multiple meetings with student leaders; student ambassadors; classes; CAUSES, SEAS, CC and DCSL faculties; CAS Academic Chairs; Deans; Athletics staff; UDC police; staff and faculty union representatives. I attended the UDCAS banquet. We also recently had a university wide town hall meeting to explain our budget situation.

Politics

Since almost 70% of our operating budget is funded by the District, Thomas Redmond and I have spent a great amount of time focused on the occupants of district office buildings. I toured wards 4,5,7 with the respective councilpersons, and met with most other councilpersons in their offices. I sit on the Mayor's extended cabinet. I meet monthly with Deputy Mayor Niles and Chairman Mendelson. I meet monthly with the Education Cluster, including heads of DC Public Schools, DC Charter Schools, DC Libraries, DC Parks and Recreation, and the DC Office of Education. I meet quarterly with the DC Chief Financial Officer. I also meet with many others in the Wilson Building as needed. In regards to other stakeholders, I have joined the Board of the DC Chamber of Commerce, met with the head of Graham Holdings, the head of DC Appleseed, folks from the Brookings Institute, and representatives of the Van Ness Neighborhood Association and local Advisory Committee. I will meet with the Head of the Federal City Council next week.

Fundraising

I have met with the leadership of the UDC Foundation as we begin the process of strengthening the Board and preparing to raise funds. We have met the $1Million Match Challenge from the District Council, due in large part to a $700K effort from the Law School.

Accomplishments

We have reorganized staff and budgets (see attached organizational chart), developed and processed a balanced budget for board approval, developed university wide 2015-16 performance goals, recruited a COO, experienced positive Department of Education and MSCHE pre-visits, removed $6M depreciation expense from budget, clarified the status and purpose of the community college, formed a television station advisory committee, selected as pilot site for a new Educational Testing Service admissions assessment product, established a UDC distinguished speakers series to be chaired by Alice Rivlin of the Brookings Institute and former District Council member and former university president Charlene Drew Jarvis, and we also hired a marketing consultant.

The Future

Based on data and information we have garnered to date, we have prepared a draft concept paper on regenerating UDC as an advanced public system of higher learning. It is attached. Your thoughts and comments would be appreciated.

Ronald Mason, Jr., President, Servant Leader

President's Report

Records Management Project

We are pleased to mention that we have started the process of creating a records management program that will bring positive change and build a foundation for long-term sustainability. This project will develop an electronic and paper document record retention program for the university. This program will allow the university to have an inventory of all university records, such as student records, financial records, board meetings documents, Health Center files, all departments and schools files that can be stored as inactive or temporary records.

Pre-Records Management Project

Prior to the Records Management initiative the University was maintaining all University files in a warehouse that lacked a controlled records management environment, with minimal support for managing university records. Please see the before photographs below:

Records Management Project (In-Progress)

The Records Management project is approximately 30% complete as we have reached the following milestones:

Boxes	Task	Completion Rate (%)
2100	Inventoried	100%
1600	Quality Control	76%
1400	Disposed (Shred-it)	N/A

- *Please note: all records that were disposed of received prior written approval from department heads or department designees.*

As a result of the Records Management project, we have also identified potential university cost savings. This project will allow the university to store and secure University records in accordance with industry best practices and retrieve records in a manner that is efficient and effective, saving extensive man-hours for document retrieval. Please see the photograph below with the current state of the UDC warehouse:

Counselors' Day

On November 4, 2015, Counselor's Day was held in an effort to cultivate relationships with counselors and administrators. Invitations were extended to all DC public and

charter schools, as well as, all private and parochial schools. With 28 confirmations, 16 schools attended.

This opportunity allowed counselors and administrators to engage senior leadership of the University; moreover, Deans, Enrollment Management team members and support staff were equally engaged. Through this forum, questions pertaining to admissions, financial aid, Academic programs and support services were answered. Critical to this experience, was the major element of providing these "external influencers" the moment to understand the University of the District of Columbia; establish a clear view of the value of a degree from UDC and the support nexus in place to enhance, guide and ensure prospective students are able to be successful and become competitive globally. To that end, responses from the event such as listed below, echoed the notion that their perception of UDC is converting:

     a.   "It was helpful to learn how the University is changing and addressing problems"

     b.   "Session was very informative"

     c.   "It was great finally to have names and faces and roles together"

Impact:

To date, we have experienced a 41% increase in applications from the schools present compared to last year. In addition, the average GPA together for these applicants is a 2.6. However, within this current cohort, we have 13 students eligible for institutional scholarship.
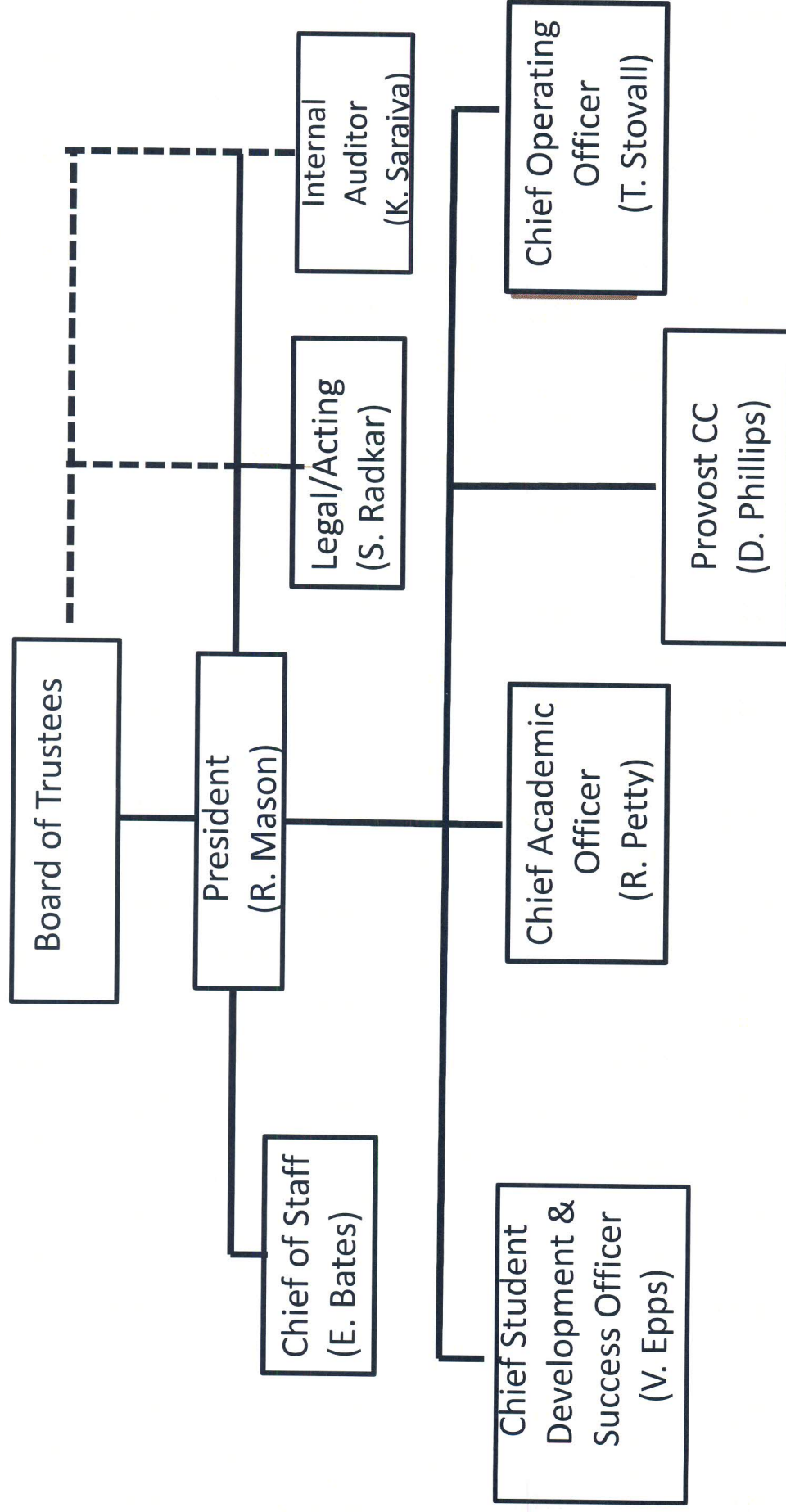
Additionally, we are now scheduled to visit schools we have not visited historically and created a level of interest from private schools specifically tied to the following academic majors:

a.   Biology

b.   Business

c.   Education

d.   Accounting

This event was indeed impactful and has provided a platform for UDC to engineer an earnest conversion of external perception of the institution as an actual option.

The UNIVERSITY of the DISTRICT of COLUMBIA

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A Concept to Regenerate

The University of the District of Columbia

as an

Advanced Public System of Higher Learning that Serves the Community of the District

The University of the District of Columbia (UDC) is in many ways unique. It is a very young institution; the product of a merger of three institutions that were themselves products of prior mergers. It was created by Congress but is in every sense a creature of the District, which has not yet decided what it wants UDC to be. It is a historically black institution (HBCU) by choice, but the only HBCU that is an 1862 Land Grant institution. It is a Land Grant institution, but unlike the typical land grant university that provides service and technical assistance to rural areas, UDC's service area is completely urban. It has a Middle States Higher Education Commission approved branch campus that floats in a limbo between an internal remedial studies arm of the University, and a free standing community college system. It is a commuter campus, 56% part time, with no student housing. It is part university, part city agency, and its money is managed by an Office of the Chief Financial Officer that reports to neither.

Whether there will ultimately be a UDC and what that institution will look like depends on building consensus among a range of stake holders: students, faculty, staff, alumni, UDC Trustees, the Mayor, the District Council, Congress, the community of the District and all that term implies.   This suggests that the District requires UDC to be an advanced public system of higher learning. It also explains what that means.   It also outlines a path to achieve that vision and preliminary estimates of the investment required to do so.

2020 Vision

By the year 2020, UDC will be on the road toward fulfilling its higher education role in the public system of learning for the District, both a builder and symbol of the sustainability model that the District seeks to be. Academic and credential programs will be more closely tied to the District employment and career needs at every level, and rounded with a robust liberal education foundation. Service learning will be infused throughout the curriculum, such that better graduates will be produced by helping to build better communities. It will have robust online degree offerings. It will be a partner in building the nation's first true K20 system linked to the employment and economic development needs of the District and the region at-large.

The 4-year campus will be on a path toward higher selectivity, a community-engaged research agenda, and graduate programs that focus on applied research and scholarship for urban living. The community college will be a comprehensive model for enabling price-conscious students to be successful in life, many by achieving college degrees.

The 4-year campus enrollment will increase from 5,100 to 6,000 students, split almost evenly between the flagship and the community college. Enrollment will continue to grow from there. The graduation rate at the 4-year campus will rise from 16% to 25%, and from 7% to 15% at the community college. The

graduation rates will continue to rise from there toward the national averages of 58% and 29%, respectively. The workforce development arm of the community college will serve 4,000 people and the land grant extension service will impact the lives of DC residents 40,000 times per year.

Student Centered Culture

UDC will enable each student to reach his or her highest level of potential by understanding their status in the learning spectrum; explaining the requirements to achieve required levels of opportunity; recommending realistic, stackable goals; removing as many barriers to success as possible; and tracking them through a system of structure and support that will increase positive student outcomes.

The main components of such a system of learning would include speeding the path to a degree and reducing the cost of education through co-requisite remediation at the community college, a focus on freshman to sophomore progression, planned and structured scheduling to enable more part time students to attend full time, and guided pathways to success with highly structured degree paths. In addition, the culture of UDC would have to change to be squarely focused on measured student outcomes as a gauge of institutional success.

The Transformation Plan

In order for UDC to be an advanced public system of higher learning several things must occur. The initial steps are reflected in the 10 overarching institutional goals for academic year 2015-2016, and can be summarized as follows: fix what's broken, redesign the learning model, design and establish a student development and success division, redesign the business model. Depending on which of the financial assumptions discussed later are in place, the fundamental regeneration of UDC would begin at a pace that would exceed, would meet, or would not achieve the 2020 goals described above.

Fix What's Broken

It is a long list for many reasons, some within the control of UDC and some beyond. Two events of major budgetary impact were the slashing of the budget by the control board, and the establishment of the community college without adequate capitalization. Nevertheless, there are basic issues that must be addressed at the outset before any progress can be made. These include: Middle States Reaffirmation, removal from the federal financial aid probationary list, establishment of reliable and efficient business processes supported by stable information systems, improving faculty and staff union relationships, and addressing brand challenges.

Learning Model

In 2013, UDC did a credible job of focusing, redesigning and streamlining the academic program inventory. However, there is more work to be done in that regard. Outstanding issues include refinement of the general education curriculum, assignment of responsibilities between the 4-year campus and the community college, location and scheduling of course offerings, and articulation of courses between the community college and the 4-year campus. A university

wide committee, chaired by the head of the community college, will engage in the design work to be completed by mid-spring 2016.

Student Development and Success

Currently there is no cohesive system of student support across the university. There are components, often duplicative, in Workforce Development, the community college and the 4-year campus. What is needed is a fully integrated development and support network that removes the obstacles to the student's focus on anything but learning, and provides out-of-classroom learning support when needed. The system should also include assistance in gaining employment during matriculation and upon graduation. A university wide committee, chaired by the head of the Division of Student Development and Success, will engage in the design work to be completed by mid-spring 2016.

Business Model

Like many universities, UDC is organized to serve the student that in many ways no longer exists. 18 year olds who reside on campus and graduate in four years are becoming rare. At UDC, that type of student is, and has always been, even rarer. We have the 18 year old, but we also have older students, working students, international students, students who seek certification without a degree, and students who aspire to be doctorate level scholars. Almost half of our students attend class after 5 p.m. The business model must not only be more efficient and technology driven, but it must also accommodate a broad range of student needs across multiple campuses. A university wide committee, chaired by the head of operations, will engage in the design work to be completed by the mid-spring 2016.

2016-17 Financial Scenarios

The achievement of the 2020 goals described above is completely dependent on the decision of the District to embrace them. When Land Grant and Workforce Development expenditures devoted to non-degree seeking students are excluded, the cost of educating a UDC student is on par with similar institutions. Nevertheless, some investment is required in order to achieve the necessary transformation. Operating systems must be re-engineered, information technology upgraded, and faculty and staff skills enhanced.

Much like DC Public Libraries, DC Parks and Recreation, DC public Schools, and DC Charter Schools, the District of Columbia's university can be a model of higher learning that sets a standard for the nation. The past notwithstanding, UDC is poised to begin the process, if being such a model is the will of the people we serve, as reflected in the political and financial support of the plan outlined above.

Various levels of support are reflected in the financial scenarios offered below. The revised Vision 2020 Goals can be exceeded with additional investment and a sustainable and dependable funding stream (Vision 2020 Budget). They can be met if resources are not reduced (Hold Harmless Budget). Vision

2020 goals cannot be met if resources are reduced (2015-16 Level Budget) (Mayor's MARC Budget). The preliminary financial scenarios related to the four options are described below.

"Vision 2020" Budget – $69M MARC + $2M "AS IS" + $5.2M "HOLD HARMLESS"
+ $5M DC Investment
+ 2M RECURRING FEDERAL LAND GRANT MATCH
Commitment to build an advanced public system of higher learning

IMPACT

- "Hold harmless" impacts, plus
- Processes re-engineered and information systems upgraded
- Faculty and staff skills enhanced
- District commits to regenerating UDC as an advanced public system of higher learning that serves the community of the District.

SELF GENERATED REVENUE ENHANCEMENTS/EFFICIENCIES

Sale of UDC President Home	$1M (one-time)
Business efficiencies/new business model	$750K
Enrollment management	$500K
Space rental (Cleveland Park library)	$250K (one-time)
Total	$2.5M ($1.25M one time)

SELF GENERATED REDUCTIONS

Eliminate housing subsidy	$300K
Eliminate food subsidy	$200K
Reduce Outside Counsel	$150K
Total	$650K

PS/NPS INVESTMENTS/BUDGET EHNANCEMENTS - $3.1M Self Generated

Academics	
Student support	$2M
Academic Programs/Faculty	$2M
Land Grant	$2M
Personnel/Business Model	
Staff enhancements	$1M
Technology	$1M
Marketing	$1M
Security	$1M
Total	$10M

"Hold Harmless" BUDGET - $69M MARC + $2M "AS IS" +$5.2M RECURRING DC FUNDING

➢ **Covers structural deficit**
➢ **Covers anticipated COLA's, etc.**

IMPACT

- Stability builds hope
- Morale is stabilized
- Politics stabilized
- Fund Balance stabilized
- Positive union negotiations
- Positive movement toward 2020 Goals

SELF GENERATED REVENUE ENHANCEMENTS/EFFICIENCIES

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Enrollment management	$500K
Space Rental (Cleveland Park Library)	$250K(one-time)
Total	$2.5M ($1.25M one time)

SELF GENERATED REDUCTIONS

Eliminate housing subsidy	$300K
Eliminate food subsidy	$200K
Reduce Outside Counsel	$150K
Total	$650K

HOLD HARMLESS FUNDING

PS	$3.8M
NPS	$1.4M
Total	$5.2M

PS/NPS Investments – Self Generated

Academics	
Student support	$500K
New academic programs/faculty	$500K
Personnel/Business model	$200K
Marketing	$500K
Technology	$750K
Security	$550K
Total	$2.65M

"FY 15-16 LEVEL" BUDGET - $69M MARC + $2M RECURRING DC FUNDING RESTORED

➢ **Does not cover $2.2M structural deficit due to COLAs and tax/rent escalations at our leased facilities.**

IMPACT

- Tread water
- Morale manageable
- Politics manageable

SELF GENERATED REVENUE ENHANCEMENTS/EFFICIENCIES

Sale of UDC President Home	$1M (one-time)
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Total	$2.5M

SELF GENERATED REDUCTIONS

Eliminate housing subsidy	$300K
Eliminate food subsidy	$200K
Reduce outside counsel	$150K
Total	$650K

NPS INVESTMENTS – $1M FROM UDC's FUND -$1M Self GEnerated

Marketing	$500K
Technology	$500K
Student support	$500K
Security	$500K
Total	$2M

MAYOR's MARC BUDGET SUBMISSION - $69M

- ➤ **Reduction of $2M to cover reduced appropriation**
- ➤ **Reallocation of $2.4M to cover structural deficit due to COLAs and tax/rent escalations at leased facilities.**

IMPACT

- ➤ Internal Discord
  - ○ Increased compensation inequity between union and non-union employees
  - ○ Elimination of key positions
- ➤ Morale worsens
- ➤ Difficult Union Negotiations
  - ○ No funds budgeted for negotiation outcomes
- ➤ Forces UDC to use its fund balance to invest in its future
- ➤ 2020 Goals will be delayed

SELF GENERATED REVENUE ENHANCEMENTS/EFFICIENCIES

Sale of UDC President Home	$1M (one-time)
Business efficiencies/new business model	$750K
Enrollment management	$500K
Space rental (Cleveland Park library)	$250K (one-time)
Total	$2.5M ($1.25M one time)

SELF GENERATED REDUCTIONS

Reduce adjuncts	$500K
Eliminate all but critical hires	$500K
Eliminate housing subsidy	$300K
Eliminate food subsidy	$200K
Continuing Education	$200K
Reduce outside counsel	$250K
Total	$1.95M

ONE TIME NPS INVESTMENTS – $2M FROM UDC's FUND BALANCE

Marketing	$500K
Technology	$500K
Student support	$500K
Security	$500K
Total	$2M