

Regents kick off efficiency review of universities



Protesters picketed a Iowa State Board of Regents town hall meeting to discuss board potential cuts at the UI Friday.

Sara Agnew,, Iowa City Press-Citizen; 11:41 a.m. CDT April 1, 2014



Members of a student labor union for teaching assistants protest Friday during a town hall-style meeting at Phillips Hall at the U of I. (Photo: Benjamin Roberts/Iowa City Press-Citizen)

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IOWA CITY, Ia. – Leaders involved with the largest-ever efficiency study of Iowa's state universities on Friday promised a transparent, comprehensive review of operations that they said would ensure the University of Iowa remains sustainable well into the future.

More than 300 U of I faculty, staff, students and community members — including about a dozen protesters — attended an hourlong town hall meeting to kick off Deloitte Consulting's comprehensive review of higher education in Iowa. The Iowa Board of Regents agreed in

February to pay Deloitte \$2.45 million to review operations at Iowa's three state universities to find ways to save money, streamline services and collaborate.

Regents hope to find \$15 million to \$24 million in efficiencies at the three institutions, or six to 10 times the original investment. Finding the savings is necessary to continue to deliver high-quality education, they said. Deloitte will hold similar town hall meetings Tuesday at Iowa State University and on April 7 at the University of Northern Iowa.

"Our goal is to transform our organization into one that is sustainable for the long term and true to our academic mission of education, research and service," U of I President Sally Mason said. "This is an inclusive effort. We respect the diverse views of students, faculty and staff on our campus, which is why we are encouraging our entire university community to share their ideas with us."

Bruce Rastetter, president of the Iowa Board of Regents, said that it has been 30 years since the last efficiency study and that a review of the entire system is long overdue. The regents govern the universities.

"It's our responsibility as regents to make sure the universities are run efficiently," he said. "The status quo clearly is unsustainable if we're going to maintain our high academic standards."

Examples cited of how a university system might find efficiencies include simplifying policies and procedures and collaborating more with the two other state universities. For example, the schools might share faculty or make purchases together to cut costs.

Any savings that result from the review will be reinvested into the university where they were found, officials have said.

Rick Ferraro, director of Deloitte Consulting, emphasized that the first phase of the review is to identify opportunities for efficiency.

"We don't know where they are," he said. "We don't know Iowa deeply enough. We need to understand your operations."

University employees asked questions Friday that underscored the skepticism and anxiety that have accompanied the review. The questions, submitted anonymously and read by a university official, showed concern about job cuts and the elimination of academic programs offered on multiple campuses. Others questioned how Deloitte could understand the universities' operations in such a short time.

Ferraro said the review may lead to recommendations to cut the workforce but that he had no idea yet. He called one question "relevant and insightful" about how services such as information technology would be governed if they were consolidated to one campus but served the different needs of all three.

Virginia Fraser, Deloitte's project manager for the Iowa study, said the company already has scheduled almost 200 meetings next week with U of I students, faculty and staff and still is booking appointments.

Rastetter said the Board of Regents would not take any action on the results of the study without a full public airing and invited listeners to participate. He also said the board would remain true to the missions of each of the three universities.

"You have our commitment on that," he said.

The current system of funding education in Iowa — tuition now makes up 70 percent of the universities' funding, compared to 30 percent decades ago — is not sustainable, Ferraro said.

He said the only way the universities can remain competitive is to become more efficient and more creative with innovation.

"You find ways to be more efficient so you can reallocate your resources to fund important innovative activities that get you to the next level," Ferraro said. "That's what this project is about."

U of I graduate student Cathlyn Lucas-Carr, president of the union that represents graduate teaching assistants, said she is suspicious of the university's promise of transparency and wonders who ultimately will be involved in the final decision making.

"They aren't including the people most affected by these efficiencies. Here we are 10 a.m. on Friday, most people are at work right now," she said. "Luckily, me and some of the other graduate students are not working today. But most other people are working."

Rastetter said after the meeting that the review should minimize the need for some of the double-digit tuition increases the regents have approved in years past. He said it would also help persuade lawmakers to keep increasing funding by showing that the schools "have found as many efficiencies as possible."

The protesters marched in front of Phillips Hall, where the meeting took place, shouting "Dump Deloitte! Stop the audit!" They did not disrupt the meeting.

Regent Larry McKibben emphasized that this is only the first phase of the review process.

"We are simply going to the batting box today," he said. "We're not on first base. We are in a study that I believe is transformational, and I'm not going to be a part of a study that fails."

Ferraro said the review likely will be a multiyear effort.

"We can't figure this out by September," he said. "We can only find possible opportunities to discuss it further by September. That what's we're doing."

Both the regents and Deloitte officials said it is imperative to find ways to reduce student loan debt.

"One of the goals is to make sure that we focus on student debt, which has continued to increase in Iowa and across the nation," Rastetter said. "We want to change that dynamic."



University of Iowa President Sally Mason speaks while on stage with (from left) Iowa State Board of Regents President Bruce Rastetter, Regent Larry McKibben, as well as Rick Ferraro, and Virginia Fraser with Deloitte Consulting during a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the UI discussed how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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Iowa State Regent Robert Downer has handed literature from the Local 896/COGS labor union while making his way into a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the UI discussed

how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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University of Iowa Athletics Director Gary Barta attends a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the State Board of Regents and the UI discussed how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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Members with the Local 896/COGS, a student labor union for teaching assistants, protest during a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the State Board of Regents and the UI discussed how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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Deloitte Consulting President Rick Ferraro shows economic numbers during a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the State Board of Regents and the UI discussed how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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Text from a slide shown during a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the State Board of Regents and the UI discussed how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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Virginia Fraser with Deloitte Consulting speaks during a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the State Board of Regents and the UI discussed how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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University of Iowa President Sally Mason glances over the Virginia Fraser with Deloitte Consulting during a town hall-style meeting at UI Phillips Hall on Friday morning, March 28, 2014. During the meeting with faculty, staff, and the general public, the State Board of Regents and the UI discussed how and why they would be working with Deloitte Consulting, and that broad cuts would likely be made. (Photo: Press-Citizen / Benjamin Roberts)

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The Associated Press contributed to this story.

About the efficiency study

THE GOAL: Deloitte Consulting is conducting the largest efficiency review in the history of Iowa's three public universities to identify ways to help them spend their dollars more wisely.

WHAT WILL BE EXAMINED: The study will look at business operations, educational programs, athletics and infrastructure at the University of Iowa, Iowa State University and the University of Northern Iowa.

TARGET SAVINGS: The review, which will cost \$2.45 million, is meant to free up between \$15 million and \$24 million.

PLANS FOR SAVINGS: They're to be reinvested back into the universities in different ways. That could mean reshaping course offerings and introducing more online classes, strengthening teaching and research, increasing scholarships, keeping tuition increases in check or lowering student debt.

HISTORY: A similar study in the late 1980s that cost \$1.25 million examined unnecessary duplication of academic programs at the three universities.

TIMELINE: Regents hope to have a list of changes by the end of this year pulled from recommendations by the consultant, faculty, staff and the public. Cuts and a reorganization could start in 2015.

Upcoming public forums

Iowa State University

WHERE: Howe Hall Auditorium.

WHEN: 10 a.m. Tuesday.

University of Northern Iowa

WHERE: Maucker Union Ballroom.

WHEN: 1:30 p.m. Monday, April 7.

The public can also make recommendations at the efficiency sites for each university:

- University of Iowa:

efficiency.uiowa.edu

- Iowa State University:

web.iastate.edu/efficiency

- University of Northern Iowa: uni.edu/web/efficiency