



## STANDARD 3: INSTITUTIONAL RESOURCES



### REPORT OF WORKING GROUP 2: NJIT STRATEGIC PLANNING— THE RESOURCE ALLOCATION PROCESS

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### 3.0 WORKING GROUP ASSESSMENT CHECKLIST FOR STANDARD 3

| FUNDAMENTAL ELEMENTS OF INSTITUTIONAL RESOURCES  | TEAM EVALUATION   |
|--|---|
| (From <i>Characteristics of Excellence in Higher Education: Requirements of Affiliation and Standards of Accreditation</i> (Philadelphia, PA: MSCHE, 2009))  | 4=EXEMPLARY<br>3=EMERGING EXCELLENCE<br>2=MEETS STANDARD<br>1=DEVELOPING COMPETENCY |
| ➤ strategies to measure and assess the level of, and efficient utilization of, institutional resources required to support the institution’s mission and goals;  | 3   |
| ➤ rational and consistent policies and procedures in place to determine allocation of assets;  | 3   |
| ➤ an allocation approach that ensures adequate faculty, staff, and administration to support the institution’s mission and outcomes expectations;  | 3   |
| ➤ a financial planning and budgeting process aligned with the institution’s mission, goals, and plan that provides for an annual budget and multi-year budget projections, both institution-wide and among departments; utilizes planning and assessment documents; and addresses resource acquisition and allocation for the institution and any subsidiary, affiliated, or contracted educational organizations as well as for institutional systems as appropriate; | 4   |
| ➤ a comprehensive infrastructure or facilities master plan and facilities/infrastructure life-cycle management plan, as appropriate to mission, and evidence of implementation;  | 3   |
| ➤ recognition in the comprehensive plan that facilities, such as learning resources fundamental to all educational and research programs and the library, are adequately supported and staffed to accomplish the institution’s objectives for student learning, both on campuses and at a distance;  | 3   |

|  |   |
|--|---|
| ➤ an educational and other equipment acquisition and replacement process and plan, including provision for current and future technology, as appropriate to the educational programs and support services, and evidence of implementation; | 3 |
| ➤ adequate institutional controls to deal with financial, administrative and auxiliary operations, and rational and consistent policies and procedures in place to determine allocation of assets;   | 3 |
| ➤ an annual independent audit confirming financial responsibility, with evidence of follow-up on any concerns cited in the audit's accompanying management letter; and   | 4 |
| ➤ periodic assessment of the effective and efficient use of institutional resources.   | 3 |

### 3.1 INTRODUCTION

The human, financial, technical, physical facilities, and other resources necessary to achieve an institution's mission and goals are available and accessible. In the context of the institution's mission, the effective and efficient uses of the institution's resources are analyzed as part of ongoing outcomes assessment.

#### 3.1.1 Précis: NJIT Planning and Resource Allocation under Conditions of Scarcity

New Jersey Institute of Technology resource allocation process is closely aligned with the strategic priorities of the university. We strive to meet these goals set forth in the strategic plan given the overall state of the economy.

The detailed operating budget is always conservatively developed and considers internal as well as external factors. Thus, the dramatic decline in the State economy was not unforeseen and its' impact on our annual appropriation had been considered during our annual budget development process. Early recognition of these external factors permitted Senior Staff to develop timely revenue and expense alternatives, which were prioritized and outlined on FY2008 midyear and FY2009 budget development scorecards. Further, once the Board of Trustees approved the operating and capital budgets, the budgets are continually monitored for any internal or external conditions that may impact overall compliance. Any potential issues are identified and resolved in consultation with the Senior Staff.

The dramatic decline in the world economy did adversely impact the University's endowment. Endowment investments totaled \$72.3 million at June 30, 2008 and totaled \$64.5 million at June 30, 2010. However, as reported by the audit firm KPMG in our June 30, 2010, Financial Statements and Management's Discussion and Analysis, "The University's endowment is prudently managed, with a broad-based asset allocation. A group of managers, each focused on their sector of the asset allocation, limited exposure to sub-prime investments, and use of alternative investments, including timber, to implement the investment strategy have, to date, been reasonably effective given the overall market conditions." In fact, endowment investments increased approximately 11.8% during FY2010, reflecting realized investment gains, fair value increases and new gifts.

Following national trends, over the past 10 years base state appropriation support has declined by more than 25%. Budgetary constraints due to a decrease in state funding along with the need to keep our tuition affordable has lead to budget reductions and reallocations. These reallocations support new faculty hires through the FSIP program, enhancing our academic programs, while supporting enrollment and research growth. Capital projects currently underway include the purchase and restoration of Newark's Central High School, the Naimoli Family Athletic and Recreational Facility, and the NJIT Campus Gateway project (JLL, Elkus Manfredi, NJIT, 2010). Despite these difficult economic conditions NJIT is poised to achieve our strategic priorities approved by the Board of Trustees.

### *3.1.2 An Overview of Group 2's Standard 3 Charge and Questions Addressed*

To investigate NJIT's institutional resources and their capability to fulfill the NJIT mission effectively and effeciently, the Steering Committee and Working Group 1 jointly developed the following charge questions:

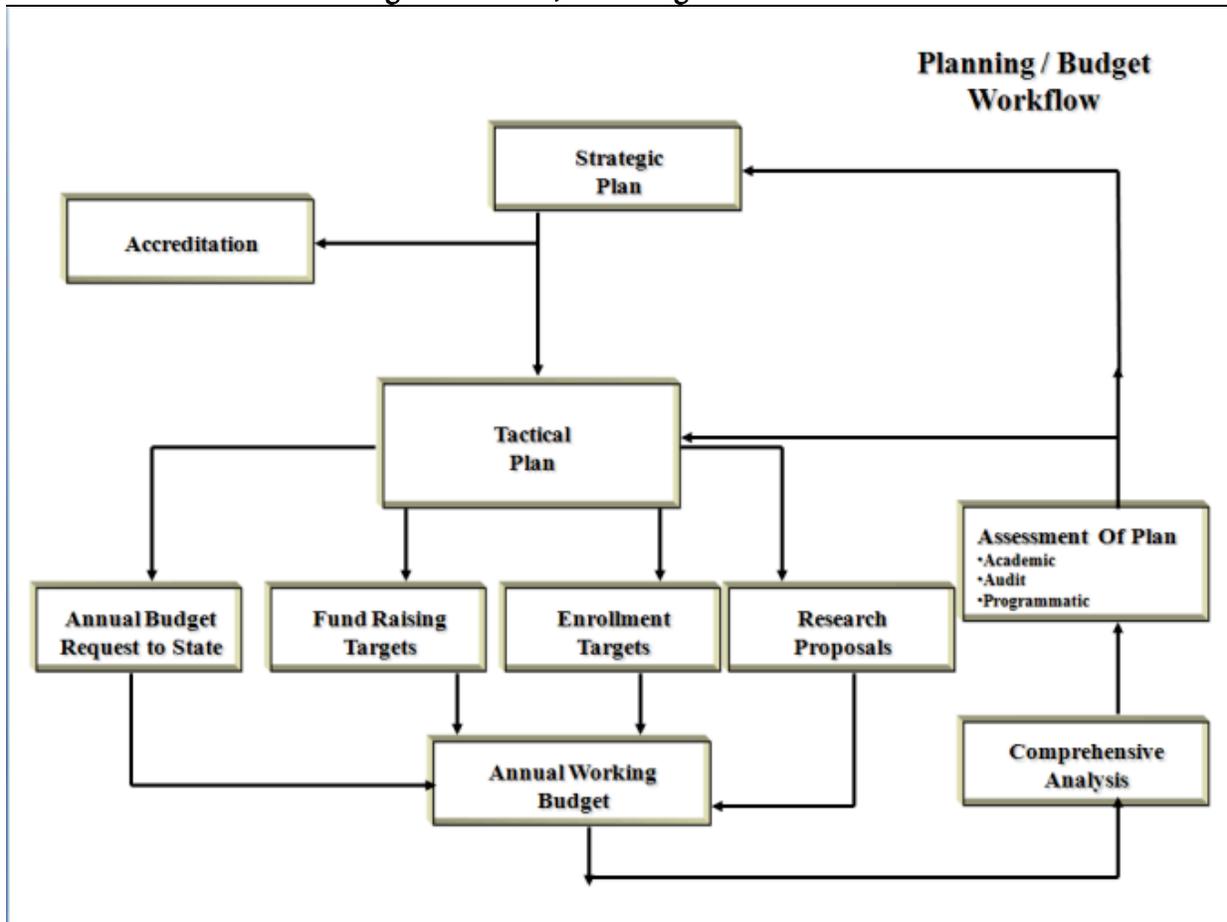
- 3.0 What are the most significant current and near-term challenges facing NJIT regarding its human, fiscal, technological, and facility resources? How are these challenges identified, prioritized and addressed? (*Section 3.2.1-3.2.2*)
- 3.1 In light of challenges to human, fiscal, technological, and facility resources, how effectively does NJIT manage institutional resources to achieve mission success? (*Section 3.2.4*)
- 3.2 In support of the present strategic plan, how will NJIT assure that sufficient resources are allocated to foster education, research, economic development, and service? (*Section 3.2.1, 3.2.3. 3.2.5*)

## 3.2 SELF STUDY INQUIRY AND OUTCOMES

### 3.2.1 Resource Development and Allocation Process

New Jersey Institute of Technology follows a budget resource development and allocation process that facilitates clear funding identification as well as assessment of operational results. As displayed in Figure 3.0, this process is conducted on an on-going basis and is closely linked to strategic planning.

Figure 3.0. NJIT Budget Workflow



In summary, the NJIT resource allocation process, which has overall approval from the Board of Trustees and is consistent with the mission and goals of the university, seeks to:

- Assess and determine how best to develop and allocate resources that support accomplishing the university's strategic objectives,
- Conduct a campus-wide budget briefing in early July to inform the community on major operating budget considerations prior to official Board of Trustee review and action
- Determine the financial, human and facility requirements to achieve the operational effect,
- Conduct operations on an annual basis within available resources,

- Assess outcomes of operational programs, processes and financial results on an on-going basis, and
- Communicate results to the university community and constituency.

Given the overall economic downturn affecting appropriations received from the State of New Jersey, the university has made business decisions maximizing revenue while prioritizing expense allocations. For example, resources required effectively to support the overall success of our 2004–2010 strategic plan (Altenkirch, 2004), as well as our newly revised 2010–2015 strategic plan (Altenkirch, 2010), were primarily supported by effectively reallocating existing funds. (For more on these two strategic plans in terms of academic and fiscal impact, see Working Group Reports for Standards 1 and 2.)

### *3.2.2 Human Resources*

Personnel costs (salaries and employee benefits) exceed 77% of the general operating budget (excluding student aid and mandatory/non-mandatory transfers). The payroll growth, to a large extent, is the result of collective bargaining agreements. More than 82% of full-time employees are currently affiliated with one of our six bargaining units. Additionally, a seventh bargaining unit was recently created that covers approximately 440 graduate students, post-doctoral fellows, and research scientists. Human resources are sufficient to support adequately current academic, administrative and support functions.

However, the administration recognizes the need for revitalization and, as such, continues to make selected faculty and staff hires that are in line with the University's mission and strategic objectives, or, are critical to support on-going operations. Funds made available by faculty separation programs have been designated toward new faculty appointments in the College of Architecture and Design, the College of Science and Liberal Arts (Biology), the Newark College of Engineering (Biomedical Engineering) and the School of Management. These new hires will enhance the academic programs within their respective school or department and support anticipated enrollment and research growth.

Preliminary base operating budget allocations are distributed during the budget development phase (annually each February), which is closely aligned to the State of New Jersey fiscal cycle and the New Jersey Governor's Budget recommendations. The Office of University Budgeting works closely with the dean's, vice president's and president in analyzing supplemental budget requests and displaying these requests on a budget scorecard. (For more on these scorecards, see Attachment 1 in the NJIT Digital Database. See also Working Group Report, Standard 7). Once all budget factors (revenue and expense) are fully discussed and prioritized, the senior staff (the president and vice presidents) make final allocation decisions resulting in a balanced budget, supported by tuition and fees, State appropriations, external research and private/corporate giving. The annual operating budget is summarized and presented to the Audit and Finance Committee of the Board of Trustees for discussion and input. The final budget, including tuition and fee rates for the upcoming academic year, is presented for approval at the Board's July meeting, which takes place after the State Appropriation Act is approved by the State Legislature.

The Senior Vice President for Administration and Treasurer is responsible for briefing the Board of Trustees on all financial matters at its meetings throughout the year. The University is kept informed of the budget process through the *Presidential News* website (Altenkirch, 2011).

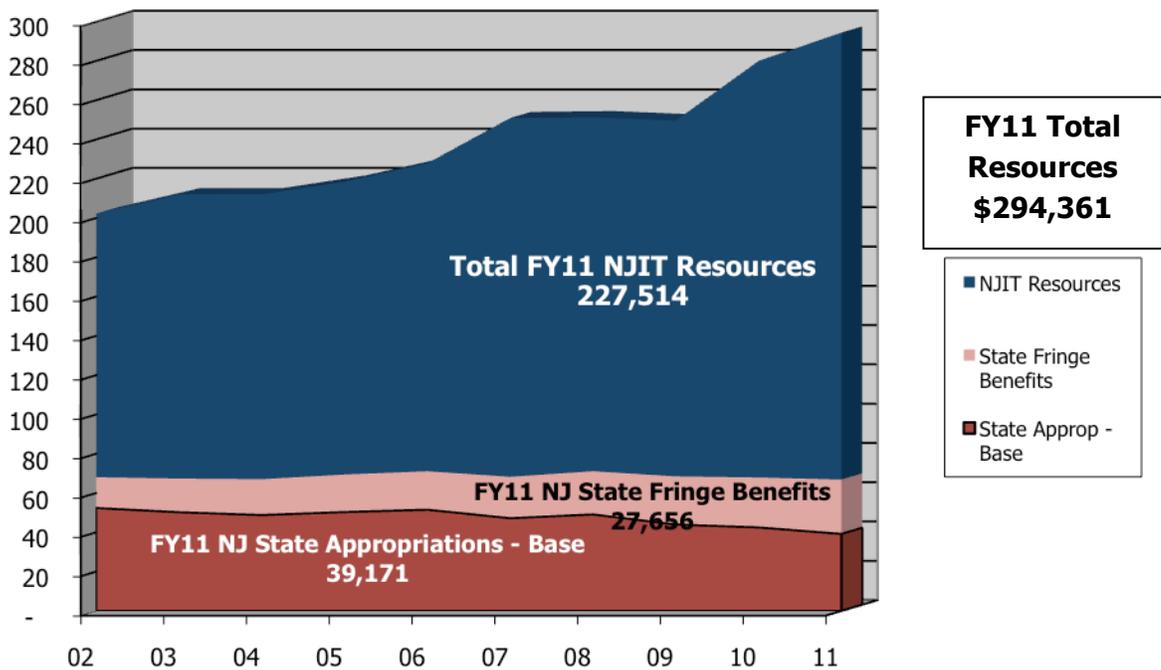
On-going detailed budget monitoring occurs throughout the year, facilitated by an on-line budget management system. This secured access system, which is updated daily, provides fiscal managers drill-down capability to their budgets, providing these managers with up-to-date budget management tools. The Office of University Budgeting also conducts detailed mid-year (December) and end of third quarter (March) budget reviews where any corrective actions required to maintain a balanced budget are reviewed/approved by senior staff and implemented.

### 3.2.3 Ten Year Financial History; Feature Emphasis—The Van Houten Library

The 2002 to 2011 financial history of NJIT is provided in Figure 3.1. As depicted, over the past ten years, total operating resources, (per annual financial statements) have increased to \$294.4 million for FY2011, a growth of \$92.1 million, or 46% from FY2002.

**Figure 3.1. NJIT Financial History, 2002 to 2011**

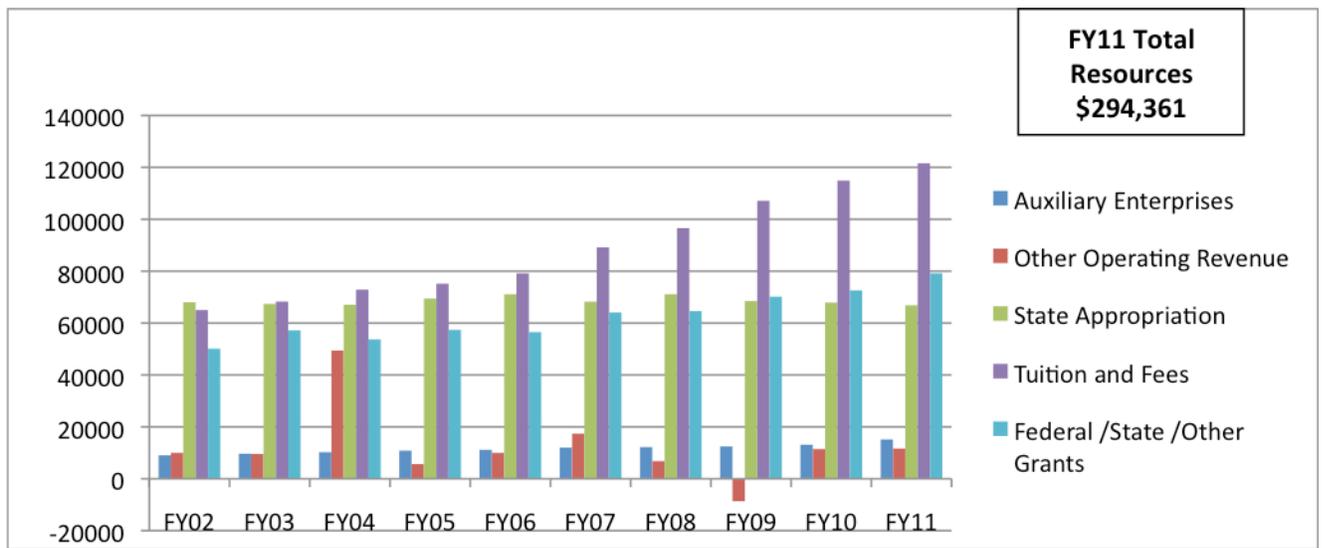
#### **NJIT Operating Resources *Dollars In Thousands***



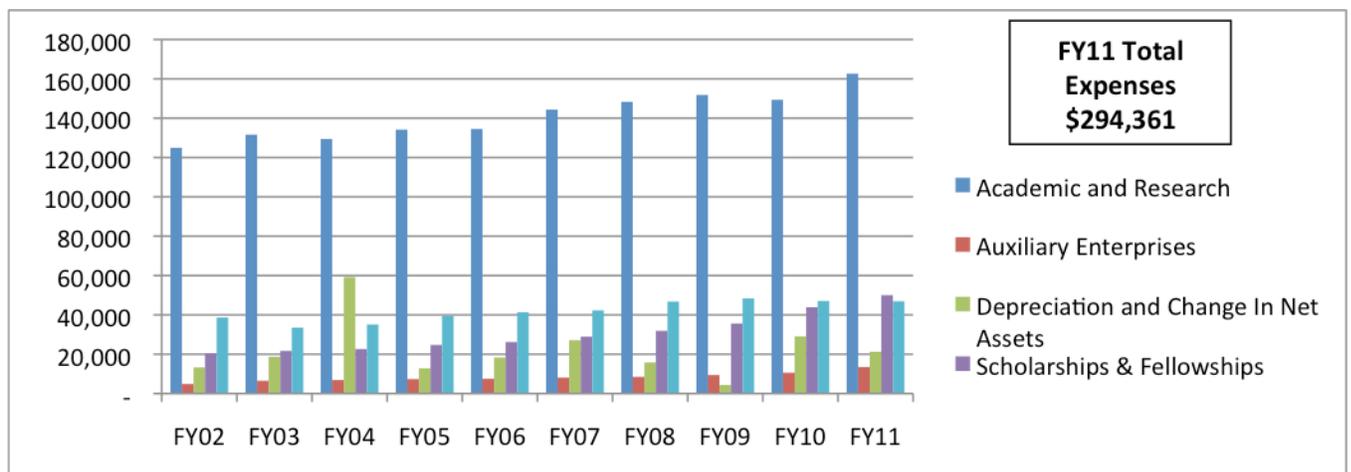
Over this ten year period, base state appropriation support has declined by more than \$12.9 million (25%) while state support for employee fringe benefits has increased by \$12.2 million (79%) resulting in a \$0.8 overall reduction in state funds. Total state support currently represents approximately 30% of total operating resources, compared to 44% a decade earlier.

Figure 3.2 displays the major categories of operating resources from FY2002 through FY2011 (per annual financial statements) indicating that total revenue has grown by 46% and totals \$294.4 million in FY2011. This figure clearly shows the increased reliance on tuition and fees, steady growth in federal, state and other grants, and level state appropriation funding. In FY2002, tuition and fees represented 43% of total resources compared to 55% in FY2011. This growth is due to annual enrollment and rate increases. Over this ten year period, growth in federal, state and other grants total \$15.9 million, or 42%. This is consistent with our strategic objective of increasing external grants and contracts.

**Figure 3.2. Ten Year History of Revenue Sources**



**Figure 3.3. Ten Year History of Expense Detail**



As shown in Figure 3.3, the overwhelming majority of expenditures at NJIT (demonstrated in our publically available annual financial statement) continue to be academic or research related. These expenses have grown from \$ 124.9 million in FY2002 to more than \$162.7 million in FY2011, a growth of 30.2%. Over the past ten years, scholarship and fellowship expenses have

more than doubled, from \$20.4 million in FY2002 to \$50 million in FY2011. Over the same period, support expenses (facilities, administration, fund raising) have increased by \$8.2 million (21.3%) while auxiliary services (residence halls, food services, parking) expenses have increased by \$8.6 million (177.1%).

Attachment 3 in the NJIT Digital Database reflects the unrestricted income budgets for FY2002, FY2007 and FY2011, their percent of total general operations, and the dollar/percent change from FY2002. This display clearly indicates the increased reliance on tuition, fees and assessment revenue from 43% of total revenue in FY2002 to 55% in FY2011. Over this ten year period, this source of revenue has increased by 83%. Over this same timeframe, state appropriations (base funding, salary program funding, and employee fringe benefit funding) has declined from 44% to 30%. Over this period, total state dollars have slightly declined (\$0.8 million), with base support declining by \$12.9 million and fringe benefit support increasing by \$12.1 million. Auxiliary services income has grown from \$9.0 million to \$15.2 million (67%), primarily due to a recent lease agreement with a private residence facility for an additional 230 beds. Increases in indirect cost recoveries represent the significant portion of the foundation centers/other category. Indirect cost recovery from external grants has increased from \$4.2 million in FY2002 to \$8.0 million in FY2011.

Attachment 4 in the NJIT Digital Database displays the unrestricted operating budgets for FY2002, FY2007 and FY2011, their percent of total general operations and the dollar/percent change from FY2002. This attachment indicates that, by expense category, the percent share of general operations has, for the most part, been very consistent. Ten year personnel increases of approximately \$39 million represent a growth of 40%, or less than 4% annually. Increases in the non-personnel budget categories are primarily reflected in utilities, due to campus expansion and annual rate increases. This increase would have been greater had various energy efficiencies not been implemented. A ten year increase in student awards of \$10.8 million (117%) is primarily attributable to three award programs, Honors College, Athletics and State-mandated programs for unemployed residents along with annual tuition and fee rate increases.

Attachment 5 in the NJIT Digital Database compares the unrestricted general operations budget to several support areas for FY2002, FY2007 and FY2011, their percent of general operations and the dollar/percent change from FY2002. For example, the Public Safety Department represented 2.5% of the general operating budget in FY2002 while it reflects 2.9% of the FY2011 general operating budget. Over this period, the personnel budgets have increased by approximately \$1.9 million (58.8%), primarily due to negotiated contractual agreements, while the non-personnel budget reflects a \$23k reduction over the same period.

The Library budget has slightly increased from 1.9% to 2.1% of the total general operating budget and reflects salary increases of 56.7% and non-personnel increases of 27.1%. It is important to emphasize this gain in light of the 2007 review by Katherine Mayberry and Herman Berliner conducted for the Middle States Commission on Higher Education. "It is highly recommended," they wrote, "that the library staff draw up a plan for adding 5,000-7,000 new book titles annually and present it to the faculty and administration for their consideration and possible

implementation.” While that list was established, the growth of the significance of databases for a research university—coupled with enhanced efforts to increase inter-library loan efficiency (the RapidILL service), collaborative efforts with Dana Library at Rutgers-Newark, and increased attention to eBook purchases—obviated the need for more books. Under increasing conditions of scarcity, establishing a browsing library of books did not align with the NJIT research mission. Keeping pace with the rising costs of digital databases seemed a more appropriate use of resources, especially after the 2008 financial crisis. Full text databases remain the main focus of library purchases: Access to scientific, engineering and other journals continues to be a key resource that the library provides to the NJIT academic community. We thus conclude, in Mayberry and Berliner’s phrase, that we have “kept our eye on the ball” (p. 4). Under severe budget constraints, NJIT has continued to make great strides in meeting the informational needs of all NJIT shareholders.

The Information Services and Technology Division has maintained a consistent percentage (4.9%) of the general operating budget with an FY2011 budget exceeding \$8.6 million. The growth displayed for physical plant (12.9% to 15.4%) is primarily due to the growth of the facilities (2.2 million sq ft in FY2002 to 2.9 million sq ft in 2011). Utility expenses have grown from \$3.9 million in FY2002 to \$10.1 million in FY2011, a change of \$6.2 million (157.6%).

In FY2002, the Athletics Department budget reflected the needs for a Division III program, representing 0.4% of the general operating budget. The FY2011 general operating budget for the Athletics Department reflects the current investment of \$4.5 million, or 2.6% of the general operating budget. This funding increase was a 2004 – 2010 strategic plan initiative.

### Budget Projections

As part of on-going planning, the University Budget Office, with support from the Finance Division, develops multiple year operating budget and Statement of Revenues, Expenses and Changes in New Assets projections incorporating all known factors and estimates of future expectations, incorporating FY2010 – FY2015 strategic plan objectives. Revenue and expense assumptions are conservative, but realistic, especially given the current economic climate.

Major revenue assumptions for FY2012, FY2013 and FY2014 include:

- Level or 1% growth in the base state appropriation
- Zero state funding of collective bargaining salary programs
- Steady rate increases for employee fringe benefits
- 2% annual student headcount growth
- 4% annual tuition and fee increases
- 3% annual increase for on-campus housing
- Steady (2%) growth in federal grants plus recognition of \$6.7 million annually in new funds
- Conservative 1% increases for State and other grants
- Estimated 1% annual increases to the permanent endowment fund

Major expense factors for FY2012, FY2013 and FY2014 include:

- Recognition of deferred FY2011 salary program in the FY2012 plan, 0% salary program for FY2012
- Estimated 2% salary program for FY2013 and FY2014
- 30 faculty will participate in the 'Faculty Separation Incentive Program' (FSIP) with budget savings of \$3.6 million
- FSIP funds 're-invested' within instruction/instructional support between FY2012, FY2013, and FY2014 consistent with the FY2010 – FY2015 strategic plan
- Planned program growth in the non-personnel budgets of 1% annually
- Steady growth in research, supported from both institutional and external sources
- Continue increases in scholarships/fellowships, with most of the increased budget supported from restricted funds
- Utility rate increases averaging 5%-6% per year. As no new facilities are planned, no increase in consumption
- Depreciation expenses will slightly decline as no new facilities are planned
- Interest expenses are known and will not change over these fiscal years
- New strategic plan allocations will occur as new funds are identified or existing funds are re-purposed.

Attachment 5 in the NJIT Digital Database displays the FY2011 unrestricted income budget and revenue projections for FY2012 through FY2014. These revenue projections are consistent with enrollment planning and conservative estimates on State appropriations.

Attachment 7 in the NJIT Digital Database reflects the FY2011 unrestricted expense budget and expense projections for FY2012 through FY2014. Once completed, the income and expense budgets will equal, and include funds in support of the FY2010 – FY2015 strategic plan.

Attachment 8 in the NJIT Digital Database displays the ten year history of the NJIT Statement of Revenues, Expenses, and Changes in Net Assets along with projections for FY2012 – FY2014. The university's financial position over the past nine years, FY2002 through FY2010, reflects increased revenues totaling \$56.9 million, \$45.7 million in expenditure increases that result in a \$51.9 million increase in net assets. The projections are consistent with our revenue and expense assumptions described above.

### *3.2.4 Independent review of financial management*

An independent auditing firm (currently KPMG LLP) annually audits the university financial statements with results discussed with senior administration and the Board of Trustees. The firm's unqualified opinion consistently recognizes that the financial position of New Jersey Institute of Technology and the changes in its financial position and its cash flows for the years then ended are in conformity with U.S. generally accepted accounting principles with no material weaknesses indicated (KPMG LLP, NJIT, 2003-2010).

Further, financial data are provided to the Office of Institutional Research and Planning for inclusion in annual IPED's and other external reports, as well as to the New Jersey Commission on Higher Education.

### *3.2.5 Infrastructure: Facilities and Technology*

Infrastructure maintenance is an important part of the NJIT mission of service. Facilities and maintenance, along with a focus on technology, are analyzed below.

#### Facilities and Maintenance

Capital project funds to support facility repairs, maintenance, technology, and minor facility improvements are initially identified and funded from the base operating budget. Every year a list of capital projects is presented to senior staff to review and to prioritize. The most immediate needs are addressed first. These types of projects would encompass roof replacements, HVAC maintenance, update computer labs and servers, classroom fixtures and furniture, elevator maintenance, and security system upgrades. This list of funded capital projects is also included in the annual budget presentation to the Board of Trustees.

Major facility construction/renovation projects have been funded by State bonds, NJIT bonds, private gifts, and operating reserve funds. On October 26, 2010 NJIT completed a \$69.5 million dollar bond refinancing through New Jersey Educational Facilities Authority. A small portion of the proceeds of this refinancing have allowed work on restoring Newark's Central High School. Recently, Moody's Investors Service, Inc. and Standard & Poor's Rating Services have assigned their municipal bond ratings of "A1" and "A+", respectively (Moody's, 2010) (Standard & Poor's, 2010).

Progress on campus development has been on-going at NJIT, and follows the Facilities Master Plan updated in 2008 (Ayers Saint Gross, Fletcher Thompson, NJIT, 2008). The NJIT campus encompasses more than 45 acres with 28 buildings containing approximately 2.9 million gross square feet with a current replacement value of \$906 million (Attachment II). Of the total building space, approximately 80% was constructed after 1965. Over the past ten years, there has been an acceleration of facility improvements, including an \$80 million, 178,023 sq. ft. campus complex that encompasses: a new Campus Center which includes a modern, continuous dining area, a faculty/staff dining facility, the Hazell Ballroom, student activity offices, and several student support offices; the newly constructed Fenster Hall to house the Department of Biomedical Engineering, the Office of Admissions, and administrative offices; and the full renovation of the Eberhardt Hall NJIT Alumni Center to serve as a facility to accommodate alumni and fundraising functions, office space for the Alumni Association of NJIT and University offices of Advancement, Alumni Relations and Development.

In June, 2010, the University purchased the historic Central High School building. Upgrading the fire detection and suppression systems on the second floor resulted in 13 classrooms (588 seats) becoming available for the spring 2011 semester. Use of this facility is currently limited to

classroom usage on the second floor. The full use of this facility is still in the planning stage but it will be consistent with our strategic priorities. The Naimoli Family Athletic and Recreational Facility, which opened in the spring of 2011, is a 25,000 square foot facility housing athletic and recreational activities as well as year-round tennis. This facility was made possible, in part, by a generous gift from Vincent Naimoli ('62), Founder and Chairman Emeritus of the Tampa Bay Rays of Major League Baseball.

In addition, management of the Big Bear Solar Observatory in Big Bear Lake, California, and a dedicated array of solar radio telescopes at Owens Valley Radio Observatory in Owens Valley, California, became the responsibility of the Center for Solar Research at New Jersey Institute of Technology effective July 1, 1997 under a lease for the land and buildings until the year 2048. The observatories and equipment are valued at about \$12 million.

Implementation of the NJIT Campus Gateway Plan (JLL, Elkus Manfredi, NJIT, 2010), a mixed-use, residential and retail redevelopment of properties north of campus, plus an NJIT parking lot has taken some major steps forward. A designated Master Developer for the project is to fund these initiatives through private investment. This project focuses on neighborhood residential, retail, and entertainment enhancements. Implementation has begun in partnership with the Master Developer, Jones Lang LaSalle. In addition, proposals for development of a Greek Village, as well as a potential residential and retail complex on Warren Street within the same footprint, have been received and are currently being evaluated. (For more on the Campus Gateway Project, see Working Group Report, Standard 1.)

NJIT recognizes the importance of a facilities' environmental performance over its life cycle in order to conserve energy and protect the environment. To achieve this mission NJIT employs many types of efficiency strategies to foster a green campus environment. One way is on-site power generation, which was made possible by rebate funding from the NJ Board of Public Utilities. The on-site power generation was achieved using 160 UV powered solar panels to produce 52 MW of electricity and eliminate approximately 86 thousand lbs of CO<sub>2</sub> emissions per year. We also are working to improve the exterior of our facilities to conserve energy by optimizing building shading, insulating exterior walls and roofs, and limiting glazing area to 25% window-wall ratio wherever possible. In 2010 we received \$1.7 million in Federal ARRA funds for "green" initiatives to be put in place for Oak residence halls. As part of this initiative NJIT utilized solar technologies to displace gas as the primary source of hot water for cooking, showering, and laundry. To improve electricity efficiencies, regenerative elevator technology that captures energy generated when an elevator descends or rises was employed and electronic ballasts were put in place to improve lighting efficiencies for common areas with the most advanced fluorescent technology. On a broader scale we have installed 9 high efficiency boilers, 3 high efficiency chillers with free cooling and VFD pumps that operate based on immediate building needs.

## Technology

NJIT is a computing intensive university. During the last 25 years the university invested heavily in information technologies that have brought NJIT recognition as an innovator and leader for the pragmatic and intelligent use of information systems, services and technology in higher education. Information technology plays an important enabling role in virtually every task performed on the NJIT campus across teaching and independent study, research, campus communications, library services, engineering and architectural design, and high performance computation. A range of “self-service” functions through the university portal allow faculty, students, and staff to process most administrative transactions electronically. Faculty use learning management systems, electronic discussion spaces, and electronic repositories that extend the traditional classroom experience to that of a "virtual classroom". The university’s computing infrastructure facilitates technology transfer to industry and maintains contacts with its alumni, friends, and other constituents.

FY2011 will see completion of the major phases of Project ORBIT (Organizational Reengineering using Banner Information Technology), a three-year effort to upgrade the university's legacy student, financial, and human resource information systems with a modern suite of software. Project ORBIT will better position the university to deliver increased services to students and faculty, automate complex business processes, and support data-driven decision making for long-term strategic planning. Information technology remains an intrinsic part of the campus culture, a vital part of the university's infrastructure. Preliminary FY2012 budget planning includes \$10 million financing program with most of these funds earmarked for technology and technology infrastructure upgrades.

### **3.3 CRITICAL ANALYSIS AND CONCLUSIONS**

The university has a well-defined and transparent process for strategic planning and resource allocation to meet strategic priorities. The processes for operational planning and resource allocation to meet on-going operational priorities and capital maintenance needs for human, financial, technological, and facility resources are centralized at the senior staff level. Constricted budgets due to continuing decreases in State support and the need to keep tuition affordable for current and prospective students has lead to budgetary reductions at a university-wide level. In spite of these challenges, the university has shown agility in meeting emerging operational necessities. An example is the recent purchase of Newark’s Central High School to serve as a focused learning facility and a showcase for NJIT, the purchase and implementation of the Banner suite of ERP software to replace our aging financial, student, and human resource systems, and the \$10 million planned investment in research and technology requirements.

### **3.4 COLLABORATION WITH OTHER WORKING GROUPS**

In scheduled meetings hosted by the Rapid Assessment and Steering Committee, our Working Group collaborated with other groups. Collaboration was also strengthened through meetings with the self study consultant (Robert Clark). Asynchronous communication was fostered

through the open source content management system (Moodle); in that platform, the Working Groups collaboratively reviewed each stage of the planning and reporting process, from question design to outlines of the Working Group Reports, to edited review, to final copy.

### 3.5 RECOMMENDATIONS FOR IMPROVEMENT

#### 3.5.1 Recommendations Table: Standard 3: Institutional Resources

| <b>RECOMMENDATION 1</b>   | <b>Achieve enhanced transparency in the university’s tracking, monitoring, and reporting of institutional resources</b>  |
|---|--|
| <ul style="list-style-type: none"> <li>• VISION: The desired future for the recommendation</li> </ul>                       | <p>A more transparent process of tracking, monitoring and reporting to the university community on budget allocations that impact our human resources, technical resources and facilities.</p>   |
| <ul style="list-style-type: none"> <li>• STRATEGY: The methodology recommended to achieve the vision</li> </ul>             | <p>Charge Senior VP for Administration and Treasurer with developing a more transparent process of tracking, monitoring, and reporting.</p>  |
| <ul style="list-style-type: none"> <li>• TACTIC: The specific action recommended to implement the strategy</li> </ul>       | <p>Create a sub-committee (including faculty, staff and administration) within the existing Strategic Planning Committee charged with informing the general university community about the resource allocation process and decisions made that could impact human resources, technical resources and facility resources. Also, to improve budget transparency, provide managerial access to on-line budget management reports.</p> |
| <ul style="list-style-type: none"> <li>• ASSESSMENT: The metric recommended to measure achievement of the vision</li> </ul> | <p>Review sub-committee reports and monitor access to tracking and reporting.</p>  |
| <b>RECOMMENDATION 2</b>   | <b>Achieve enhanced transparency in the university’s process for reviewing the use and allocation of key facility space</b>  |
| <ul style="list-style-type: none"> <li>• VISION: The desired future for the recommendation</li> </ul>                       | <p>A more transparent process for reviewing the use and allocation of laboratory, educational, recreational, and administrative space to ensure efficient use.</p>   |

|   |  |
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| <ul style="list-style-type: none"> <li>• STRATEGY: The methodology recommended to achieve the vision</li> </ul>             | Charge Senior VP for Administration and Treasurer with developing a process of review of use and allocation of space.  |
| <ul style="list-style-type: none"> <li>• TACTIC: The specific action recommended to implement the strategy</li> </ul>       | Form a committee (including faculty, staff and administration) that would assess existing space utilization and make recommendations to Senior Staff for sharing or modifying existing space usage which support current educational, research, recreational and administrative needs, consistent with the strategic plan. |
| <ul style="list-style-type: none"> <li>• ASSESSMENT: The metric recommended to measure achievement of the vision</li> </ul> | Conduct follow-up surveys to evaluate development and implementation of plan.  |
| <b>RECOMMENDATION 3</b>   | <b>Leverage the recent investment in Banner to design a comprehensive technological infrastructure</b>   |
| <ul style="list-style-type: none"> <li>• VISION: The desired future for the recommendation</li> </ul>                       | A technological infrastructure that is up to the standards of our benchmark universities.  |
| <ul style="list-style-type: none"> <li>• STRATEGY: The methodology recommended to achieve the vision</li> </ul>             | Improve the technology infrastructure starting with a comprehensive assessment of requirements needed for a top-tier technological university. Further, explore options of improving business workflow processes using existing technologies.  |
| <ul style="list-style-type: none"> <li>• ASSESSMENT: The metric recommended to measure achievement of the vision</li> </ul> | Conduct follow-up surveys to evaluate development and implementation of plan.  |
| <b>RECOMMENDATION 4</b>   | <b>Continue to strengthen our core values, reflected in the <i>Strategic Plan, 2011-2015</i>, of service, excellence, integrity, student-centeredness, civility, and diversity</b>   |
| <ul style="list-style-type: none"> <li>• VISION: The desired future for the recommendation</li> </ul>                       | Establish a working environment in which employees are treated professionally and fairly according to existing agreements and laws.  |
| <ul style="list-style-type: none"> <li>• STRATEGY: The methodology recommended to achieve the vision</li> </ul>             | Review human resources policies and procedures to insure that employees are being treated professionally and fairly as stipulated by bargaining unit agreements as well as laws  |

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|   | issued by the State and Federal Government.   |
| <ul style="list-style-type: none"> <li>• TACTIC: The specific action recommended to implement the strategy</li> </ul>       | Create a university committee that evaluates existing human resource policies and recommends changes to the VP Human Resources and Sr. Staff. |
| <ul style="list-style-type: none"> <li>• ASSESSMENT: The metric recommended to measure achievement of the vision</li> </ul> | Committee will make evaluation reports available to appropriate Shareholders.   |

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