Strategic Plan Goal Steward Progress Report

Sustainability of Valuable Resources

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<th>STRATEGIC THEMES</th>
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| Sustainability of Valuable Resources | Marquette will assess, evaluate and transform university operations and practices to increase efficiencies, sustain shared resources, and thrive in tomorrow’s competitive higher education landscape. | • Cultivate financial literacy and shared fiscal stewardship  
• Grow endowment and annual revenue through philanthropy  
• Foster sustainable practices and a culture of environmental responsibility  
• Leverage the visibility and resources of the new Big East Conference |

Context:

As part of the overall strategic planning effort, the university has taken the opportunity to explore ways to improve the viability of its financial position. The objectives are to build cash reserves and provide resources for funding the strategic planning initiatives. To do so will require the university to adopt two specific financial goals and strategies over the next 5 to 7 years beginning in FY14:

1. Improve financial position – focus on improving, relative to other private and Catholic colleges and universities, the university’s financial viability as measured by the Comprehensive Financial Index (CFI) to a minimum of 6 or above, and the Credit Rating to a minimum of A2 (Moody’s) or above (see additional information on the Sustainability of Valuable Resources progress report page on the strategic plan website.)

2. Fund Strategic initiatives and priorities – create a permanent Strategic Initiative Pool (SIP) over the next five years.

A Financial Resources Task Force was formed in fall 2012 and charged by the president with developing a set of recommendations to help Marquette achieve and maintain fiscal sustainability in a challenging and changing environment, and to create strategies for funding the strategic plan. The Task Force identified a set of goals and implementation strategies to reduce costs, increase revenues, and enhance organizational effectiveness, some of which are outlined in the tactics below.

Activities in progress to implement or advance the plan goal:

Objective: Cultivate financial literacy and shared fiscal stewardship.

**Tactic:** Improve the university’s financial viability as measured by the Comprehensive Financial Index to ensure financial sustainability and remain competitive with our peers while maintaining our Moody’s rating.

**Tactic:** Create a Strategic Initiatives Pool funded by operating expense reductions, and develop policies and procedures for awarding the funds. Develop and implement a plan to reduce administrative expenses over the next five years, review current expense policies to find additional cost savings, and institute an annual budget review process to assure that units meet budget goals.

**Tactic (collaborating with Enhancement of Organizational Effectiveness):** Redesign university planning and decision-making processes by creating a committee structure that coordinates planning, decision-making, and strategic implementation at the university.
making and assessment, reduces the overall number of university committees and clarifies decision-making responsibility and accountability. Review new budgeting models that incentivize and reward innovation, cost savings and revenue generation.

**Objective:** Grow endowment and annual revenue through philanthropy.

**Tactic:** Working with the academic deans, develop three-year academic and financial plans, including developing a process and template for establishing new academic programs.

**Tactic:** Work with University Advancement to establish stretch goals to increase the endowment.

**Tactic (collaborating with Enhancement of Organizational Effectiveness):** Seek additional sources of revenue by looking for opportunities in non-academic auxiliary services.

**Objective:** Foster sustainable practices and a culture of environmental responsibility.

**Tactic:** Increase and promote sustainability efforts on campus. One recent example is a September 2013 feature story in *U.S. Catholic* that noted that Marquette has invested $7 million in energy and water efficiency improvements during the last few years, reducing annual energy use by more than 1.5 million kilowatt hours and annual water consumption by more than 13.4 gallons.

**Activities planned to implement or advance the plan goals:**

- Beginning in the FY14 year and continuing until FY17, increase the Contingency Fund by $2 million per year to reach a goal of $10 million.

- Review the university’s expense infrastructure and develop recommendations for reducing administrative expenses through the elimination of unnecessary expenses, creating purchasing efficiencies, and consolidating and streamlining administrative functions.

- The Office of Finance will work with the Provost to develop financial profiles for each of the colleges and divisions.

- The Provost has established an Enrollment Task Force that will provide recommendations and goals for various segments of enrollment including undergraduate, international, graduate and professional students. This initiative is being implemented under the Pursuit of Academic Excellence for Human Well-being goal.

- A Program Review process is being developed to insure that all programs, academic and non-academic, are delivered in an effective and efficient manner. This initiative is being implemented under the Pursuit of Academic Excellence for Human Well-being goal.