
Docket Item:

10-year Strategic Capital Development Plan Update

Summary:

This docket item contains an update on contract spending for the 10 year Strategic Capital Plan Project and an update on the work that has occurred since the beginning of the contract.

Docket Material:

The HECC's contract with SmithGroup totals \$821,420 and concludes September 30, 2019. To date, \$440,907 (or 54%) has been spent, leaving a contract balance of \$380,513.

Now that the campus visits have concluded, attention is being turned to the analysis phase of the project. The summary timeline included below shows the progress made. A draft report is expected for HECC staff consideration by mid-September. The final report will be presented at the October F&A meeting.

Summary Timeline

February	Kick off Meetings
Feb – May	Data Collection
April	First Visits
May	Initial Analysis
June	Second Visits
Jul – Aug	Development of Plans
September	Draft Report
October	Final Report

A number of data items still need to be collected. Although not exhaustive, some of the data still needed includes room inventory data, staffing data to include the mix of part-time versus full-time staff, and projected research expenditures if available. Collaboration continues with the institutions on refining their ten-year enrollment projections detailed by resident, non-resident, online and other components.

As a reminder, the contractors will develop a plan that summarizes capital needs based on demographic, economic, industry, and other related environmental factors. The plan will describe the existing and potential future capital portfolio by region according to ideal usage. And the plan will be developed based on current and future economic and workforce needs. More details are included in the appendix via a summary of the contract.

As part of the work noted above, the consultants have provided indication of areas they are focusing on during their analysis:

- Enrollment projections, and more specifically achievable enrollments, are a key consideration as they directly tie in to space needs at the institutions.
- Deferred maintenance and the suitability of existing space for newer teaching methodologies will be considered.
- The need for timely and accurate data related to existing campus space and its utilization and funding will be noted.
- The investment needed for online learning, as well as student support services, will be among the considerations.

Staff Recommendation:

Discussion only.

Appendix

Summary of Contract – Strategic Capital Development Plan

General Terms

Contract begins February 6, 2019 and ends September 30, 2019. Total contract cost is \$775,760. The contract is with SmithGroup, specifically their campus planning and analytics group. They are one of the nation's leading design and planning firms with experience on over 700 campuses around the country. Funding was not provided separately but realigned within the agency's existing budget.

Summary of Project

Contractor shall develop a strategic capital development plan by leveraging proven comprehensive capital needs analysis and demographic trends. The plan shall consist of a collaborative process which includes the universities and other stakeholders. The plan shall contemplate the holistic capital needs of the State and the best approach to achieve state goals for higher education thus creating a consistent approach. The plan shall provide the HECC with both a forward-looking basis for prioritization and an opportunity to take the broad view of higher education investments.

Summary of the Statement of Services

Section 1 – Services Generally

Contractor shall collaborate with the HECC to best meet its needs and shall consider any previous program plans and campus-wide studies as well as state-wide systems in the development of the plan.

Section 2 – Kick Off Meeting and Communication Plan

Contractor shall attend F&A meeting on February 6, 2019 and shall facilitate a kick-off meeting with the HECC to discuss roles and responsibilities.

Section 3 – Data Collection and Analyses

Contractor shall obtain data including existing capital plans and other baseline data, building inventory, facilities inventory, course data, staffing data, research data, student data, and other data including enrollment projections. Contractor shall assess, validate and conduct a thorough analysis of the data. Contractor shall engage stakeholders and conduct outreach to industry and local entities to help inform program alignment with market needs.

Section 4 – Comprehensive Strategic Capital and Academic Plans Assessment

Contractor shall conduct a high-level capital needs assessment that will assess space capacity, existing space utilization, special facilities and infrastructure that may include benchmarking to peers. This work includes two on-site stakeholder meetings at each campus. Contractor shall conduct analysis

focusing on each university's external environment. Contractor shall consider space utilization to identify potential opportunities and deficiencies.

Section 5 – Statewide Needs Assessment

Contractor shall develop an assessment of state need based on all available data and best practices. Contractor shall analyze demographic trends, enrollment trends, credential production, job demand, and the impact of technology on instructional delivery with the purpose of determining what occupations will be in demand. Contractor shall estimate future needs of employment. Contractor shall align data to inform strategic decisions regarding campus growth scenarios, locations of campuses and centers, and new programmatic offerings. It is anticipated that up to 15 statewide maps will be provided.

Section 6 – HECC Strategic Plan Alignment

Contractor shall substantially and appropriately align with the HECC's strategic plan.

Section 7 – The Plan

Contractor shall develop a strategic capital development plan that targets the Oregon public university capital portfolio through 2029 and shall provide a summary of capital needs based on demographic, economic, industry, and other related environmental factors. The plan shall describe the existing and potential future capital portfolio by region according to ideal usage and utilization, estimating space need for different broadly defined academic disciplines. Contractor shall develop the plan based on current and future economic and workforce needs.

Specifically the contractor shall:

- Consider recent research on student learning
- Apply Tinto's theory¹ of student retention during their assessment of space needs
- Forecast the postsecondary credential production requirements associated with state goals
- Provide a comparison of the supply of graduates with the demand of future job openings
- Use findings of environmental scans to identify opportunities for future program development
- Analyze national and statewide trends currently shaping workforce talent
- Analyze enrollment trends with a strategic focus on new student enrollment and the retention of currently enrolled students
- Develop an overview of the region's economy and educational talent pipeline to understand the alignment between available talent and the needs of employers
- Shall provide existing and potential future capital portfolios according to ideal usage and utilization including space need by academic discipline and degree level

¹ Vincent Tinto is a professor at Syracuse who wrote a book in 1993 called *Leaving College*. In it he proposed a theory that compares the withdrawal from college to the idea of leaving society resulting from a failure of the student and the campus to create a sense of belonging for the student.