ABHE 77th ANNUAL MEETING

FEBRUARY 14-16, 2024

Trustee Dashboards of KPI's and Board Portals

Dr. John Derry

President Emeritus, Hope International University

ABHE Board Governance Coach

How would you characterize the condition of your college?

- Healthy
- Surviving
- Intensive Care

What do you need to know to answer that question?

Trustees **cannot** fulfill their responsibilities and make the best decisions without sufficient and accurate information.

Effective leaders rely on consistent, carefully curated, comprehensive data that enable them to evaluate and ensure mission achievement for the short and long term.

Board Portals

A board portal is a governance tool designed to provide trustees and administrators with online access to resources that help manage meetings, documents, and communication.

Board Portals

An excellent board portal is:

- ✓Readily accessible online
- ✓Secure and password protected
- ✓Customized to your needs
- ✓Easy to navigate (folder and file names)
- ✓Updated in real time (last minute changes)
- ✓Affordable

Board Portals

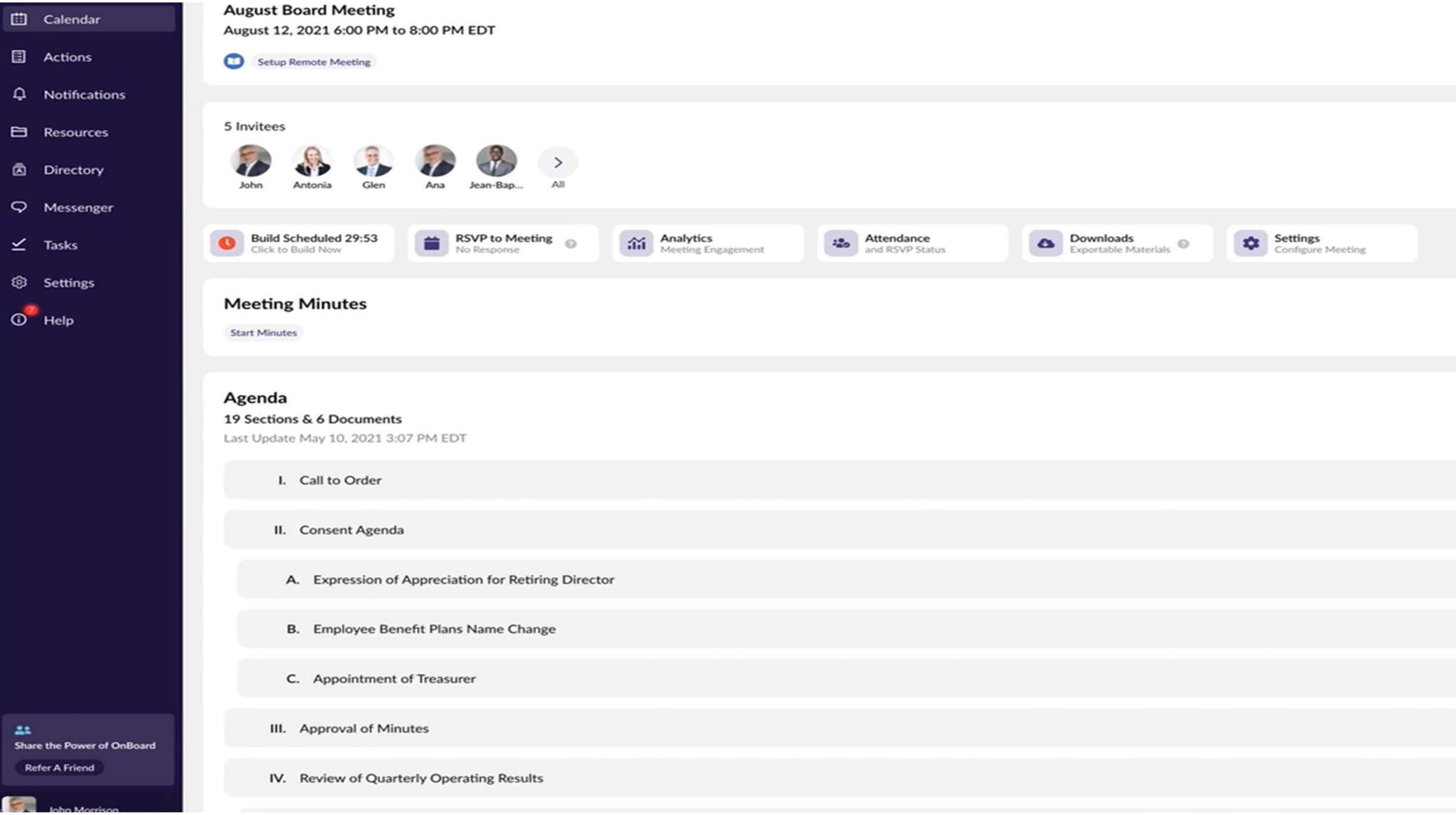
An excellent board portal contains:

- ✓Governing documents such as bylaws, etc.
- ✓Policies arranged by topic and date
- ✓Strategic Plan
- ✓Minutes of meetings and committees
- ✓Calendar reminder of meetings and events
- ✓Agenda for upcoming meetings
- ✓Board Meeting Packet

Board Portals

Professionally Designed

- OnBoard (onboardmeetings.com; $1500)
- BoardEffect (boardeffect.com; request demo)
- BoardCloud (boardcloud.org; $2400)
- Convene (azeusconvene.com; $250 per user)


Calendar
Actions
Notifications
Resources
Directory
Messenger
Tasks
Settings
Help
Share the Power of OnBoard
Refer A Friend
John Morrison
August Board Meeting
August 12, 2021 6:00 PM to 8:00 PM EDT
Setup Remote Meeting
5 Invitees
John
Antonia
Glen
Ana
Jean-Bap...
All
Build Scheduled 29:53
Click to Build Now
RSVP to Meeting
No Response
Analytics
Meeting Engagement
Attendance
and RSVP Status
Downloads
Exportable Materials
Settings
Configure Meeting
Meeting Minutes
Start Minutes
Agenda
19 Sections & 6 Documents
Last Update May 10, 2021 3:07 PM EDT
I. Call to Order
II. Consent Agenda
A. Expression of Appreciation for Retiring Director
B. Employee Benefit Plans Name Change
C. Appointment of Treasurer
III. Approval of Minutes
IV. Review of Quarterly Operating Results

6 Invitees - Board of Directors

I. Call to Order

II. Consent Agenda

A. Expression of Appreciation for Retiring Director

B. Employee Benefit Plans Name Change

C. Appointment of Treasurer

III. Approval of Minutes

IV. Review of Quarterly Operating Results

A. Financial Report

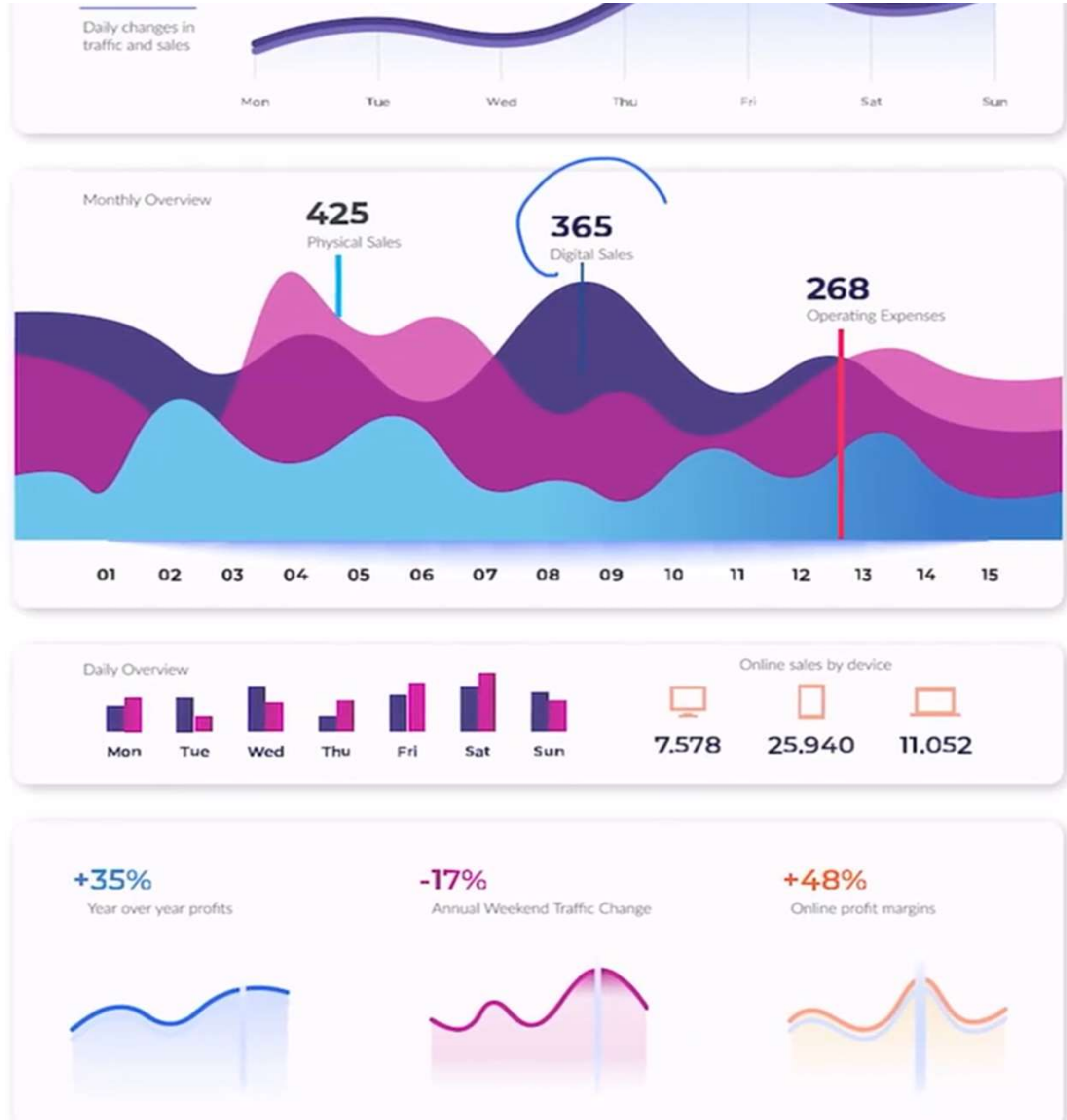
B. Declaration of Quarter Dividend

V. Operation Update

A. Approval of New Technology Platform

VI. Corporate Strategy/Business Development Update

VII. Litigation Update



Board Portals

Personally Designed

- Microsoft SharePoint and One Drive
- Google Drive
- Drobox, Box.com, etc.

BROWSE PAGE SHARE FOLLOW EDIT

Presidents EDIT LINKS

College and University Presidents

Presidents Home

- Association Guidelines
- Colleges & Universities
- Chaplaincy Commission
- Discussions
- Documents and Resources
- Higher Ed Web Sites
- Presidents Directory
- Tuition Waiver Program
- Recycle Bin

EDIT LINKS

Announcements

new announcement or edit this list

✓	Title		Modified
	College and Univesity Presidents' Lunch	•••	April 19, 2017

Calendar

January 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20

Higher Education Web Sites

new link or edit this list

✓	Edit	URL	Notes
		Association for Biblical Higher Education •••	
		Council of Christian Colleges and Universities •••	
		Association of Governing Boards •••	
		Chaplaincy Endorsement Commission •••	

Colleges & Universities

new link or edit this list

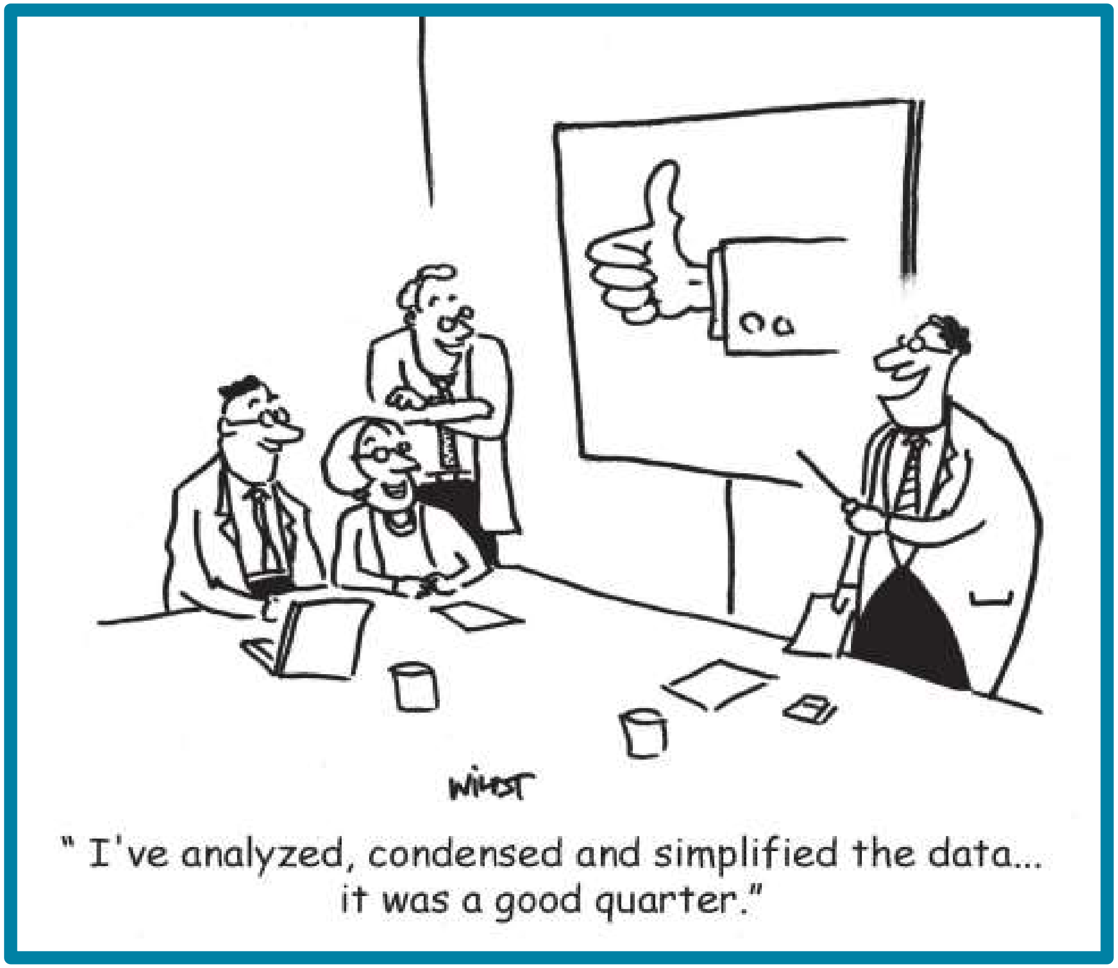
✓	Edit	URL	Notes
		Alberta Bible College •••	
		Blueridge College of Evangelism •••	

The Role and Benefits of KPI's

- **Definition**
  - A quantifiable measure used to determine how well your college is meeting its operational and strategic goals.
- **Purpose**
  - Evaluation and Assessment of Success
  - Alert Leadership to Problem Areas
  - Sustainability – What is the condition of the college?
  - Benchmarking
  - Decision-making

Board Policy Statement

- Prior to each trustee meeting, the administration will provide the board with a concise report of key **metrics** that indicate the status of institutional heath and effectiveness.
- Get the support and approval of the Board of Trustees.
- Designed and Prepared by the Administration.


" I've analyzed, condensed and simplified the data...
it was a good quarter."

Dashboard Metrics

- Essential <u>High-Level</u> and <u>Relevant</u> Facts
- Visually Presented for Quick Comprehension
- Consistently Provided at Each Board Meeting
- Aligned with Mission and Sustainability
- Executive Summary/Narrative as Appropriate

Reminder: *The Dashboard is NOT an exhaustive recap of activity and developments in all areas of the college.*

Selecting Appropriate KPI's

How do you decide which metrics to track?

- Academic
- Advancement
- Enrollment
- Finance
- Student Affairs

Indicator	Definition	Source	Prepared by	Green	Yellow	Red
Headcount	Number of students enrolled in degree programs	Registrar	VP Enrollment	Increase of 5% or more	Decrease of 4% to increase of 4 %	Decrease of more than 5 %
FTE	Full Time Equivalent for students enrolled in degree programs	Registrar	VP Enrollment	Increase of 5% or more	Decrease of 4% to increase of 4 %	Decrease of more than 5 %
Tuition Discount Rate	Unfunded scholarships percent of tuition revenue	Business & Finance	VP Business	45% or less	46% to 52%	53% or more
Net Tuition Revenue	Net tuition generated by TUG, OUG, GRAD	Business & Finance	VP Business	Increase over previous year	Equal to previous year	Less than previous year
Gift income	Total of donor giving to restricted and unrestricted funds	Advance. Office	VP Advancement	At or above budget	5% below budget	10% below budget
Operating Budget Surplus or Deficit	Net loss or gain at end of fiscal year	Business & Finance	VP Business	No Budget Deficit	Deficit of ___% to ___%	Deficit of ___% or more
DOE Financial Responsibility Score	Composite rating based on cash reserves, assets, debt, etc.	Business & Finance	VP Business	1.5 or above	1.1 to 1.4	1.0 or below
Housing Occupancy	Percent of capacity of residence hall occupancy	Residence Life	VP Student Affairs	375 or above	325 to 374	324 or below

Creating a Useful Dashboard Processes and Reports

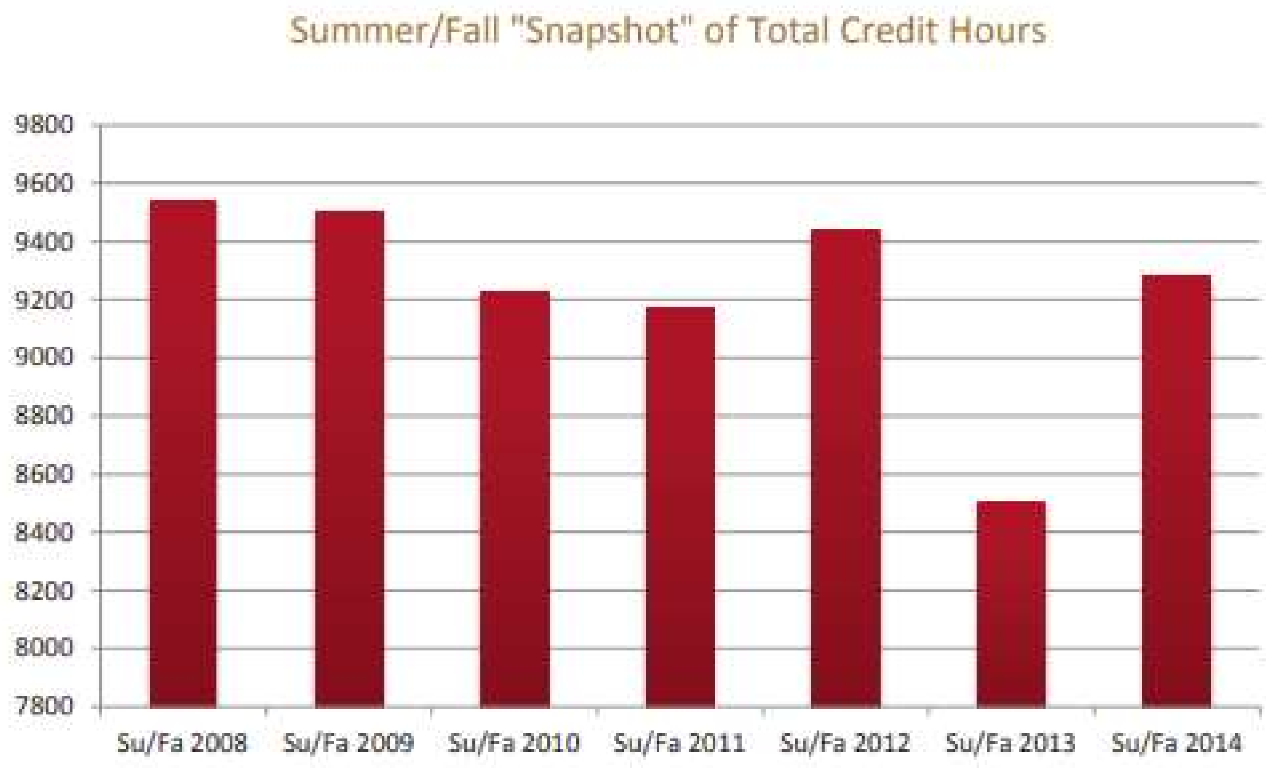
- ✓ User Friendly
- ✓ Visually Attractive
- ✓ Right Chart
- ✓ Color Coded
- ✓ Show Trends
- ✓ Simplicity
- ✓ Provide Context

The Balanced Scorecard Model Adapted for Higher Education

Financial *or* Stewardship	• Financial Performance • Effective Resource Use	**Debt** **Composite Score** **Endowment** **Default Rate** **Net Tuition** **Donations**
Customer & Stakeholder	• Customer Value • Satisfaction and/or Retention	**Graduation & Retention Rates** **Placement Rates** **Student Satisfaction Inventory**
Internal Process	• Efficiency • Quality	**Tuition Discount** **Enrollment and Yield Rates** **Accreditation Status**
Organizational Capacity *or* Learning & Growth	• Human Capital • Infrastructure & Technology • Culture	**Facility Capacity/Occupancy** **Employee Status** **Faculty/Student Ratio**

Digital Dashboards

A Low-Budget Dashboard



A Low-Budget Dashboard

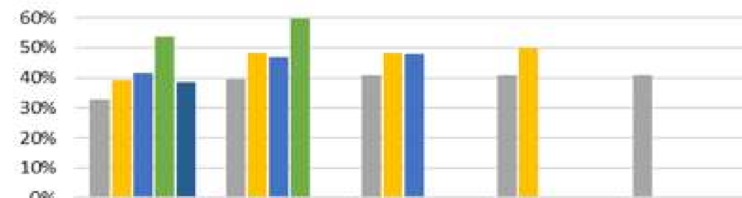
Gross Tuition	$ 1,500,000	$ 1,750,000	17%
Scholarships	(500,000)	(550,000)	10%
Net Tuition	$ 1,000,000	$ 1,200,000	20%
Church giving	$ 350,000	$ 375,000	7%
Donor giving	250,000	260,000	4%
Total Operating Gifts	$ 600,000	$ 635,000	6%
Net Endowment Draw	$ 1,000,000	$ 950,000	-5%
Other Income	$ 250,000	$ 235,000	-6%
Total Revenue	$ 2,850,000	$ 3,020,000	6%
Total Expenses	$ 3,000,000	$ 3,000,000	0%
Operating Surplus (Deficit)	$ (150,000)	$ 20,000	

A Low-Budget Dashboard

Graduation Rate Trends by Cohort: TUG First-Time Students

	F07 = 122	F08 = 87	F09 = 65	F10 = 85	F11 = 111	F12 = 108
4 Year Rate	25%	21%	23%	25%	37%	35%
4 Year Benchmark	40%	40%	40%	40%	40%	40%
6 Year Rate	43%	47%	42%	39%	48%	46%
6 Year Benchmark	50%	50%	50%	50%	50%	50%

Graduation Rate Trends by Cohort: TUG Transfer Students



	4 Year Rate	5 Year Rate	6 Year Rate	7 Year Rate	8 Year Rate
F10 = 76	33%	40%	41%	41%	41%
F11 = 64	39%	48%	48%	50%	
F12 = 77	42%	47%	48%		
F13 = 67	54%	60%			
F14 = 52	38%				

Graduation rates are reported for each incoming fall cohort of both first-time, full-time and first-time transfer students for four, six, and eight-year completions.

6 year benchmark: 50%; **GREEN** = >45%; **YELLOW** = 35% to 45%; **RED** = <35%.

Retention and graduation rates are key indicators that are monitored by both accrediting associations and government agencies. In addition, these figures provide necessary information for academic, budgetary, and other elements of strategic planning. Federal reporting for these rates applies only to first-time, full-time students who enter in the fall semester. Both the four and six-year rates are presented for first-time, full-time students. Also shown are the graduation rates for transfer students. While these students vary in the amount of credits they transfer in from different institutions, they demonstrate a comparable six-year graduation rate to first-time students.

A Low-Budget Dashboard

Income Statement 2017-2018	Tuition Discount Rate 2017-2018	DOE Composite Score 2017-2018	Endowment Principal 2017-2018
$527,948 surplus	50.2%	2.0 (est)	+4.9%

Measures

Income Statement: net loss or gain at the end of the fiscal year.
GREEN = >$300K; YELLOW = >$50K and <$300K; RED = <$50K
Tuition Discount Rate: unfunded scholarships as a percentage of tuition revenue; benchmark is regional peers.
GREEN = ≤40%; YELLOW = 41% to 45%; RED = ≥46%
DOE Composite Score: based on cash reserves, assets, debt, etc. monitored for Title IV eligibility. Below 1.5 is in the failing range.
GREEN = >1.8; YELLOW = >1.5 and <1.8; RED = <1.5
Endowment Principal: book value of HIU's endowment funds.
GREEN = increase in value ≥4%; YELLOW = increase or decrease <4%; RED = decrease ≥4%

Student Loan Default Rate

	Number in Default	Number in Repayment	Default Rate
2013	26	448	5.8%
2014	42	489	8.5%
2015	27	444	6%

Monitoring financial indicators is essential for ongoing fiscal health. These four metrics, as well as a fifth – Student Loan Default Rate – are very instrumental. The 2017-18 fiscal year ended with a net surplus. This has a significant bearing on the DOE Composite Score that is currently estimated at 2.0. The Student Loan Default rate has seen a slight yet steady climb that is consistent with national trends. The Student Loan Default Rate is based on a three-year cohort. Schools with a default rate of 30% or greater in three consecutive years or 40% in the most recent fiscal year may be subject to sanctions in the school's Title IV program participation.

GREEN = < 5%; YELLOW = 5%-15%; RED = > 15%

Questions for Reflection

1. Is our board portal user friendly and functional?

2. How well does our Dashboard of Key Performance Indicators inform us of the data necessary to govern strategically?

3. What metrics and trends are we not currently monitoring that need to be included on our dashboard?

ABHE 76th ANNUAL MEETING

FEBRUARY 15-17, 2023

Trustee Dashboards of KPI’s and Board Portals

Questions and Discussion