The COVID-19 pandemic—first and foremost a health crisis—will have lasting impacts on every aspect of our lives, including how colleges and universities operate. In an interview with Lindsay Wayt, director, analytics, NACUBO, Sherri Newcomb, senior vice president and chief operating officer, Queensborough Community College, The City University of New York, discusses planning and budgeting challenges and opportunities in higher education’s new reality.

Queensborough Community College is in New York City, the epicenter of the COVID-19 in the U.S. Can you share the early lessons learned from this crisis?

At the start of the spring term in January, we had a potential case that launched several actions. We immediately executed emergency management protocols as well as Centers for Disease Control and Prevention guidelines (as they were available). We had the student remain off campus. We closed every room that he had been in, brought in an industrial cleaning service, and informed people he had been in contact with. In those early days, we realized that testing, protocols, and guidance were likely to be inadequate in meeting the crisis.

We decided early on to be extremely conservative in our definition of essential employees. A lot of people are essential, but they aren't essential to be in-person, on campus. Many had an esprit de corps feeling, and it was challenging to have conversations and explain that this isn't about demonstrating your leadership skills in person. It’s time to work remotely and important to lead by setting that example.

Fortunately, our actions did result in significant mitigation of the spread of COVID-19 at that time.

The pandemic has shed light on things institutions are doing well and not so well. What are some discoveries you made while navigating COVID-19?

Despite literally decades working on productivity and efficiency initiatives, it’s surprising how much opportunity remains for improvement. For example, as we transitioned processes online, we initially limited VPN use to employees who needed access to secure databases and systems. However, a request for VPN access came from staff updating faculty contract processing, a function that shouldn’t require VPN access. This caused us to pause and ask questions about our processes. We learned entries were first being made in a specialized system prior to updating the student information system —meaning work was being duplicated—so we adjusted practices to avoid redundancy.

Our student-advisor meetings offer another example. After launching virtual advising meetings, we’re finding a 15 to 20 percent improvement in show-rates for appointments. Students are keeping their Zoom appointments with advisors. It is a lot of additional work to get to campus to meet with an advisor—we’re a commuter campus, we’re five miles from the closest subway stop—it’s a logistical feat for students to come to campus, even in normal times. It seems that everybody is benefiting from this new practice.

Additionally, meetings are more outcomes-focused. Virtual meetings seem to be planned more thoughtfully, and that’s made a noticeable difference in our effectiveness. I’ve been thinking about how we can maintain these benefits as we transition back.
As you think about the challenges you and your colleagues are facing during this crisis, which ones highlight needs for more drastic changes in institutional planning and budgeting?

Throughout my career, I have found that certain options come on the table at certain levels of pain, if you will. Sometimes crises mean more sharing, more collaboration, more understanding, more transparency, and more people being brought into the process.

Like other institutions, we had budget problems before—we experienced a gradual enrollment decline over the past few years; other challenges manifested as budget problems in the name of pedagogical reform. So, we had challenges going into this, but there were still opportunities to learn. The foremost example was our experience working through enrollment scenarios.

When we first started planning in April, we were down over 40 percent in both continuing and new student enrollment, year-over-year. The gap is now 25 percent, but it was in that environment we began to plan how we would operate in fall 2020. The opportunity, and essential requirement, was there to consider every single section we offer. And I mean literally.

We’ve been working with department chairs, providing them with data about each section—enrollment history, the timing that courses fill, comparing courses on these metrics. The base plan ensures that full-time faculty will have a full course load of the most viable courses, according to the data. This is something that simply wasn’t part of the planning and budgeting process before.

We continue to assimilate new information as it becomes known but were able to get everything level set to certain assumptions—where we now can make adjustments to the base plan on the margins going forward.

How can data-informed discussions propel change?

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Data and analytics improve collaboration and often enable conversations you wouldn’t otherwise have.

I always try to think about how I can help each division or department succeed. During planning and budgeting meetings, I’m not focused on what my goals are. I’m focused on listening to what goals they have, what they are struggling to accomplish, and how our collaborative work can be of the most value.

Most important of all is trust. If you’re not trusted, you’re not going to get anywhere. You might be able to force some things through with good data or analysis, but, at the end of the day, you’re not going to transform anything.
Higher Education Planning and Budgeting:
Opportunities for Cultural Change in a Post-COVID Reality

Challenges Existed Before the Pandemic
Even before the coronavirus pandemic, colleges and universities felt the pressure of challenges, such as revenue concerns and performance pressure, on their planning and budgeting processes. Research findings elucidate these concerns:

- Largely, state appropriations to colleges and universities have not fully recovered from the Great Recession. As of FY 2019, state appropriations to higher education are 8.7 percent below 2008 levels (SHEEO, 2020).

- Although the average 10-year rate of return on endowments reached 8.2 percent (with the Great Recession falling off of 10-year average calculations), college and university endowments earned, on average, a return of only 5.3 percent in FY 2019 (NACUBO and TIAA, 2020). In addition, institutions’ average first quarter returns for FY 2020 were –13.4 percent (net of fees) (NACUBO and TIAA, 2020).

- Although organizational giving to higher education increased (i.e., foundation giving), personal giving to higher education decreased, with alumni donations falling by 7.9 percent between 2018 and 2019 (CASE, 2020).

- Affordability concerns persist. Although a majority of Americans believe in the value a postsecondary credential, only half believe a high-quality education after high school is affordable (New America, 2020). In addition, while 59 percent indicated community colleges spent money wisely, less than half believed other institution types did (47 percent for public four-year institutions, 46 percent for private, non-profit colleges and universities, and 33 percent for for-profit institutions).

- Affordability concerns are supported by data. Between 1980 and 2019, the student share of costs at public institutions increased from 20.9 percent to 46 percent (SHEEO, 2020).

- At private, non-profit institutions, tuition discount rates continue to rise, reaching an estimated 52.6 percent for full-time, first-year students and 47.6 percent for all undergraduates, on average, in 2019–20 (NACUBO, 2020). Although providing institutional aid can help address affordability concerns, there is an impact on revenue. After adjusting for inflation, net revenue from tuition and fees fell, on average by 1.3 percent between 2018–19 and 2019–20. Although not to the same extent, institutional aid practices impact affordability for students and institutional revenue for public colleges and universities as well.

These challenges, exacerbated by the coronavirus pandemic, create an opportunity for change. Some institutions may have the ability to make small adjustments, but others, we hope, will take advantage of this opportunity to dive into their data; bring more stakeholders into conversations; put more practices—even long held ways of operating—“on the table” for discussion; and rethink how they can best deliver on their mission.