Leadership Academy for Student Success

# Module 7: Leading Finance Strategically to Advance Reforms

## Participant Toolkit

# Learning Objectives

* Understand how to approach institutional finance from a strategic mindset to advance change
* Understand strategies to more effectively use limited institutional resources to advance reforms

# Module Overview

* Kickoff Activity
* Strategic Finance: Resource Acquisition and Alignment to Mission (Part 1)
* Strategic Finance—Stranded Assets Activity
* Strategic Finance: Resource Acquisition and Alignment to Mission (Part 2)
* Module Closing: Debrief and Reflections

# Independent Reflection

# What is your experience with your college's budget and budget process? What do you know about them?

# Does your college’s budget or budget process reflect student success priorities? If so, how?

# What do you think it means for finance to be strategic?

# Strategic Finance—A Framework for Strategic Resource Acquisition and Mission Alignment

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| **GUIDING QUESTION:** *What makes strategic finance strategic?* |
| **NOTES:** |
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Strategic Finance—Finance as Culture

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| **GUIDING QUESTION:** *How does the culture around finance at your college compare to the description in the presentation?* |
| **NOTES:** |

# Turn & Talk

***Directions:*** *Turn to a partner and discuss the questions below.*

How would you describe the culture around finance at your college?

Can you think of a time when a financial decision told a story about the college’s priorities? What was the decision and what story did it tell?

# Strategic Finance—Disciplined Revenue and Expenditures

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| **GUIDING QUESTION:** *Where might stranded assets exist at your college?* |
| **NOTES:** |

# Stranded Assets Worksheet

***Directions:*** Take 15 minutes to work through the stranded assets worksheet. Then discuss your findings with a partner.

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| **Stranded Assets Strategy** | **Description** | **Do you see an opportunity at your college to find and reallocate stranded assets in this area? List specific examples of where to look.** |
| **Reallocate year-end balances** | * Monitor expenditures and identify the sources of year-end fund balances on a recurring basis * Devise a strategy to reallocate those funds to priority activities * Ensure that incentive structure does not lead to unintended consequences |  |
| **Stranded Assets Strategy** | **Description** | **Do you see an opportunity at your college to find and reallocate stranded assets in this area? List specific examples of where to look.** |
| **Explore collaborative services** | * Are there college functions that could be delivered more effectively or at a lower cost if efforts were combined with other institutions? * Consider, for example:   + Marketing materials   + Online courses/programs   + Information technology (hardware, software, website, and services)   + Back-office operations that are not central to mission, such as accounts payable, accounts receivable, and purchasing |  |
| **Revamp the course schedule** | * Could it be more efficient and effective? * Are costs and enrollment considered together? * Does the central administration retain ultimate decision-making? * Do scheduling decisions align with student success strategies? * Are the impacts on students of current and proposed changes in course scheduling routinely considered? |  |
| **Stranded Assets Strategy** | **Description** | **Do you see an opportunity at your college to find and reallocate stranded assets in this area? List specific examples of where to look.** |
| **Spread systemic reallocation over a  multi-year period** | * Create a budgeting process that reduces every department’s budget by one percent annually * Visibly reallocate those resources to efforts related to the college’s priorities for success for all students * Over a five-year period, a significant reallocation of resources will occur, and everyone’s attention will be on student success priorities |  |
| **Examine the functional areas where you are currently spending** | * Could those funds be used to advance student success more effectively? * Advising * Professional development * Faculty release time * Other |  |
| **Stranded Assets Strategy** | **Description** | **Do you see an opportunity at your college to find and reallocate stranded assets in this area? List specific examples of where to look.** |
| **Consider “dark time” personnel budgets** | * Does the college budget personnel at 100 percent, even though some positions will be temporarily unfilled? * How much does the typical unspent personnel line item amount to each year? * What happens to unused personnel budgets at year’s end? * How could that money be budgeted differently at the beginning of the year to advance student success goals? |  |
| **Consider how your college manages its fund balances** | * How often does your college review its fund balance policies? * When these policies are devised, does the college consider the opportunity costs associated with different levels of reserved funding? * What are the opportunities for leveraging fund balances to advance student success goals? What are the risks? |  |

*Use this space for any additional reflections from the stranded assets activity.*

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| **NOTES:** |

# Strategic Finance—Finance Through Partnership

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| **GUIDING QUESTION:** *How does the approach to partnerships described in this presentation compare to other approaches you’ve seen?* |
| **NOTES:** |

Module 7 Reflection: Leading Finance Strategically to Advance Reforms

*Take a few minutes to reflect independently on the following prompts:*

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| What are your takeaways from the module? What questions do you have? |
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| As a result of this learning, what might you: |
| …keep doing? |
| …stop doing? |
| …start doing? |