

Chapter 3. Planning, Resource Allocation, Institutional Renewal & Institutional Resources (*Standards 2 and 3*)

Overview of Charge

The working group charged with Standards 2 and 3 studied two sets of College-Institute documents. These included, but were not limited to, the Strategic Plan from February 2006 for the College-Institute, the Bell & Trice financial study from October 2006, and the more recent New Way Forward paper of December 2009. The working group also reflected upon and discussed administrative and Board operations to ascertain the availability and accessibility of resources that are needed to achieve HUC-JIR's mission and goals. The group reconsidered their original choice of research questions for Standard 3 and considered that studying research question 3.1 (B-3 in the Self-Study Design) would best serve the planning goals of the report and that the other two questions would be sufficiently answered in the compliance material that follows. After the working group addressed the research questions and fundamental elements, they took the unusual step of posing a series of questions to guide their suggestions for improvement.

Standard 2. Planning, Resource Allocation, Institutional Renewal

Overview of HUC-JIR Planning, Decision Making, and Assessment Processes

The following description relates to a number of the MSCHE standards. It is designed to illustrate how HUC-JIR "conducts ongoing planning and resource allocation based on its missions and goals, develops objectives to achieve them, and utilizes the results of its assessment activities for institutional renewal" (Standard 2); and that "[i]n the context of the institution's mission, the effective and efficient uses of the institution's resources are analyzed as part of ongoing outcomes assessment" (Standard 3). Further, this narrative is intended to show that the College-Institute's "system of governance clearly defines the roles of institutional constituencies in policy development and decision-making" (Standard 4), and that HUC-JIR's "administrative structure and services ... foster quality improvement" (Standard 5), as well as demonstrating compliance with the Standard 7 requirement that HUC-JIR "has developed and implemented an assessment process that evaluates its overall effectiveness in achieving its mission and goals..."

As noted in Chapter 2, the College-Institute's mission statement is centered on three activities: (1) developing leaders, (2) applying the spirit of Reform Judaism, and (3) advancing critical study. The HUC-JIR statement of purpose describes three core functions. To further the mission, the College-Institute is called upon to be "the educational and intellectual center of Reform Judaism," "a Jewish religious community" founded on certain principles, and "an innovative resource and learning center." To fulfill the mission and purpose, seven kinds of planning and decision-making produce achievable institutional goals that can be promulgated, furthered and assessed. These areas of planning are: (1) strategic planning, (2) annual budgeting, (3) curricular improvement, (4) promulgation of policies and procedures, (5) improvement of administrative systems, (6) staffing and human resources decisions, and (7) emergency decision-making.

In order to describe the ways in which the College-Institute relates to each of these kinds of decisions, a specific example of each will be given identifying (1) individuals and groups

involved in making the decision and (2) the process by which the decision is made and the ways in which it is informed by evidence, and is itself assessed for the sake of future decisions.

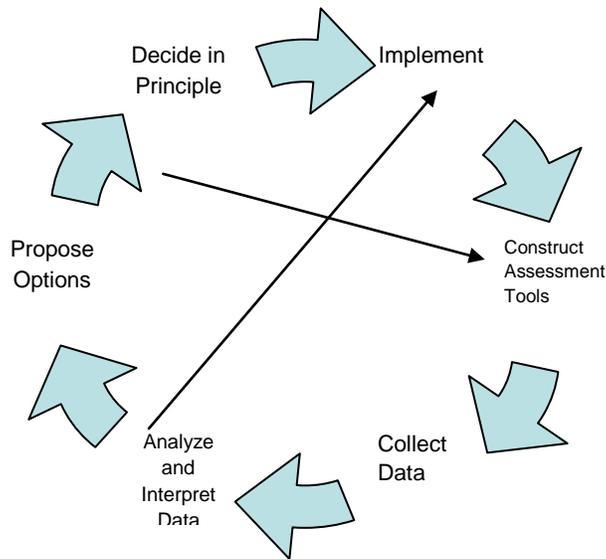
Individuals and groups involved in making the decision

The College-Institute has a complex structure, and a number of functions and interests are engaged in the decision-making processes. The main ones are

- Board of Governors: (1) Chair, (2) Executive Committee, (3) Specific Board Committees, such as Academic & Faculty Affairs, Investments etc., (4) Plenary
- President's Cabinet: (1) President, (2) Vice Presidents, (3) The full President's Cabinet including President, Vice Presidents, and Deans
- Campus: (1) Deans, (2) Associate Deans (who are usually the local directors of the Rabbinical School), (3) Program Directors, (4) Faculty Chairs, (5) Chairs of Faculty Committees, (6) Student Representatives, (7) Local Administration, (8) Boards of Overseers
- Trans-Campus: (1) Faculty Council, (2) Academic Advisory Council, (3) Ad Hoc Committees, (4) Trans-Campus Student Representatives, (5) Directors of Administrative and Academic Support Departments, (National Registrar, National Director of Libraries, Senior National Director of Schools of Education, Director of Information Technology, Director of eLearning), (6) Fund Managers
- Others: (1) Alumni Representatives and Organizations, (2) Reform Leadership Council, (3) Funders, (4) Consultants

Decision-Making Processes

Decisions in the College-Institute are made in furtherance of goals that stem from the Mission and Purpose document (see Chapter 2). Each of the seven kinds of decision-making systems described below involves use of a planning/assessment cycle. While these systems are distinct, they have in common a process: to further the mission of the College-Institute and to respond to a variety of factors (assessment data, budgetary realities, new circumstances, etc.) leading to the development of specific goals to be achieved. In this way the overarching mission and purpose of the institution is advanced. This process can be expressed in a simple diagram:



The two straight arrows in the diagram are intended to express that after a decision in principle is made, tools to assess the nature of the implementation are selected, and after data is analyzed, the next step is implementation. To give an example, after a decision in principle to apply for single accreditation, tools for choosing the most appropriate accreditation agency were created. After these data were analyzed, a choice was made and the decision was implemented.

Strategic Planning

Strategic planning processes have been initiated by the chair of the Board twice in the last seven years. In each case, much of the initiative for the process has been carried by the Board with significant input from the President's Cabinet. For example, the process leading to the adoption of the 2006 Strategic Plan can be described as follows: Based on a variety of factors, the Executive Committee of the Board made a decision in principle to engage a firm to lead a strategic planning process. A small group decided upon an organizational consultancy firm that worked intensively with governors and administrators to produce SWOT analyses of all the major programs of the College-Institute. These and other assessment tools were used to generate data, the analysis of which led to the promulgation of the strategic plan. (See also below at "Additional Findings Related to Compliance with Standard 2")

The 2012 strategic plan update process has taken as its base line the previous strategic plan. Recommendations from the earlier document are now being tracked to gauge the extent to which they were carried out, and the effect they had on the College-Institute.

Annual Budgeting

This process is driven by the President's Cabinet, subject to the approval of the Board. The fund managers are centrally engaged in this process, as are the deans. A specific example is the budgeting process for the 2012-13 year. To ensure that the process would be timely, efficient, thoughtful, and collaborative, it began with training sessions directed to fund managers and others engaged in entering data to the MIP accounting software system. This step was added to the process in response to feedback from a number of administrators that better training on the local level would eliminate data bottlenecks at the National Business Office. The Budget Committee of the Board set out the parameters of the budget, and the President's Cabinet was charged with the task of preparing a number of contingency plans in the event that income predictions proved too optimistic. Fund managers and, where different, the program directors were given the task of preparing initial budget proposals, overseen by deans and vice presidents. The President's Cabinet, with the assistance of the Business Office, was charged with the task of examining the proposals and responding by a certain date. The Board Budget Committee was kept informed throughout the process. Once the President's Cabinet had approved the budget proposal it was brought to the Budget Committee and to the entire Board for ratification. Feedback relating to budgetary decisions takes a variety of forms. There are the usual tools designed to gauge budget performance and discipline, as well as responses from key constituencies relating to decisions that have been taken. An example of a specific budgetary decision ensuing from assessment of the 2012-13 budget is the decision taken by the President's Cabinet to reduce the number of fund managers from 55 to 15, in an effort to enhance efficiency and budget controls. Campus deans now manage the budgets and review the programs of many operations located on their campuses that had previously reported directly to the Business Office. In addition, the VPAA and VPFA met with each campus dean at the beginning of the 2013-14 budget process to ensure that financial goals are accurate, clear, and attainable. The Budget and Finance Committee endorsed these innovations and will assess their effectiveness throughout the fiscal year.

Curricular Improvement

Responsibility for the curriculum lies primarily with the faculty. In conjunction with the VPAA, they prepare proposals for curricular change. Budgetary dimensions have to be ratified by the President's Council and the rest of the budgeting process. Decisions involving a change to the national curriculum are ratified by the AAC. The specific example of a process towards curricular change is the initiative to re-examine Hebrew instruction in the Rabbinical Program. This process has not yet reached its fulfillment. Following a number of discussions among faculty colleagues, and a session devoted to language learning at the all-campus faculty retreat in 2002, new impetus to the discussion was provided by evidence gleaned from the assessment rubrics coming out of the Cincinnati school. Further, calls to re-examine the Hebrew entrance requirement were made by the recruitment and admissions administration team. In June 2012 a group comprising faculty representatives from each campus convened in Jerusalem, and a position paper was generated. Responses are being solicited from faculty colleagues and in early 2013 the issue will be discussed by each local faculty. Proposals for curricular change will be brought to the AAC, and budgetary dimensions will be discussed as part of the 2013-14 budgeting process. Any curricular and policy changes, such as a change in the current Hebrew requirement for entry into the program, will be assessed for their implications on student learning outcomes as well as for their impact on other areas such as recruitment and admissions.

Promulgation of Policies and Procedures

Depending on the nature of the policies in question, those involved in the planning and decision-making process will include administrators and faculty members. A particular example is the process leading to the completion of the National Student Academic Handbook. Impetus for the creation of this handbook came from the gap analysis that formed part of the preparation for this self-study, as well as from the recommendation of a new national registrar hired in July 2011. The registrar and his team spent some 120 hours (from September 15, 2011-March 1, 2012) reading through all the existing handbooks and catalogues and preparing the draft of an integrated handbook. This was then discussed at length, modified and approved clause by clause by the AAC. The most contentious issue has proven to be the question of grading policy, which was finally ratified by the three stateside campuses in December 2012. The AAC has mandated that the first year of the new handbook be deemed a trial year, and that the impact of these new policies be monitored carefully by program directors and periodically by the AAC.

Improvement of Administrative Systems and Practices

Many different constituencies are involved in these processes. Each administrative director is encouraged to suggest areas for improvement. A particular example relates to the decision to introduce a Student Information System, described below. The planning and assessment cycle described above is well exemplified by this case. A decision in principle was made by the 2006 Strategic Plan to introduce a SIS, based on a reading of the needs for greater integration and efficiency. A small group was mandated to go through an assessment process, to construct assessment tools in order to choose the best system, and after this data was collected, analyzed and interpreted, a decision was made to contract with a particular vendor. After implementation, much evidence began to emerge through faculty consultations and other assessment tools. Once this data had been collected, analyzed and interpreted, steps were taken to suit the personnel of the SIS team and changes to the system were effected by Empower, the vendor. These decisions were implemented, and so the process continues.

Details of this process typify HUC-JIR's approach to decision-making and implementation, and are captured in SIS Story in Relation to Standard 2.

Staffing and Human Resources Decisions

In 2011 a new national registrar was selected (see fuller discussions at the end of Chapter 4 and *Research Question 9.2* in Chapter 5). His predecessor had been situated on the New York campus. A committee comprising faculty and administrators from all four campuses was selected by the VPAA, and the final candidates for this position were interviewed in New York and Cincinnati respectively. Throughout the process, the Director of Human Resources was consulted. Following the selection of Clyde Parrish, he worked with the VPAA to create an economically viable system to provide coverage for the Registrar's Office across the four campuses. Since budgetary exigencies made it impossible to continue with a full-time registrar on each campus, a new system was created. A full-time assistant was hired in Cincinnati, and a staff member who had been working full-time in New York now serves both the Registrar's Office and the Office of Financial Aid. Meanwhile, the staff member providing support to the Louchheim School in Los Angeles and the secretary of the YII program in Jerusalem have been deputized to work as part of the registrar's teams. In this way, imaginative staffing decisions can be made even in times of budgetary challenge. Annual reviews and administrative surveys help provide data by which the efficacy of these decisions can be gauged.

Emergency Decision-Making

Not all decisions can be made according to the timetable of the budgetary year. Unforeseen circumstances demand immediate response. The programs in Jerusalem have provided a number of such examples over the years. The YII program has established regular procedures to deal with emergency situations. During December 2012, Operation Defensive Pillar was accompanied by missile attacks on several Israeli targets and air raid sirens went off twice in Jerusalem. During that time, the directors of the Schools of Education and the School of Jewish Nonprofit Management had to decide if the planned trips to Israel of students in their programs would go ahead; if there were legal and financial dimensions to any cancellation; if the advice given by the US State Department had to be followed; and what the procedure would be to deal with the curricular implications of any decision to cancel or suspend the trips, or to make them voluntary. Both of these directors and senior members of their teams held meetings with the president and VPAA. Decisions included the creation of a communications plan designed to keep students informed of the school's decisions, and a process of review to be implemented if the situation would deteriorate. In this way, too, planning and decision-making can be seen to be part of a planning and assessment cycle. Circumstances may change, but the same essential process is in place.

Discussion of Research Questions and Compliance

Research Question 2.1

To what extent is the relationship between the institution's vision/strategic plan and the budget development process (both operational and capital) well understood and effectively implemented? Is a process for establishing and implementing priorities transparent and clearly understood?

HUC-JIR has taken steps at the Board level and in the National Business Office to create an effective budget development process (see the preceding "Overview" section on annual budgeting). The chief financial officer and controller work in partnership with governors who

serve in financial capacities to achieve a balanced budget. Throughout the process the president, vice presidents, and deans are informed of progress that is being made. Numerous recommendations are shared concerning strategies to reach the desired result.

Ultimately, the completed budget is presented to the Finance Committee, whose chair leads the Board approval process. The custom is not to bring a budget to the Board without sufficient preparatory conversation to ensure its passage. Once passed, the VPFA and her staff monitor charges against the budget to make sure that HUC-JIR stays within its means.

Observations of the working group that were not documented in the Administrative Survey Results suggest that some members of the faculty and some others with oversight responsibilities do not sufficiently understand the budget process. This was supported by the VPFA, who noted that too many fund managers request more than they need without realizing that this unnecessarily ties up funds during the year that might have supported important resources, such as additional faculty. This observation also correlates with the working group conclusion that there is not a sufficiently articulated relationship between preparing the budget and the Academic Vision. In an environment where “survival mode” has been the norm for the last three years, the working group expressed concern for how much discretion the VPAA and the faculty have in making the budget reflect academic interests. Several of the group’s suggestions detail how these concerns need to be reflected in the renewal of the 2004-06 strategic planning process, with special attention to S2_02. It should be noted that the Administrative Survey did document considerable improvement in accounting services under the new VPFA.

Research Question 2.2

What issues should the institution be planning for in areas like human resources, technology, and physical plant? How will an integrated system of planning and resource allocation help address those issues?

Human Resources

The VPAA is addressing the future composition of the faculty. In addition, certain assumptions about some phased retirees have been revisited. It has become clear that some of the cuts, especially to support staff, had to be restored, particularly relating to admissions and recruitment (see the section on “Additional Findings Related to Compliance with Standard 8” in Chapter 5). These actions demonstrate the importance of revisiting decision-making on some regular basis, especially to balance “financial sustainability” with “institutional objectives” as implied by S2_01 and S2_02. The VPAA presented an Academic Vision and Faculty Plan to the Board at its June 2012 meeting. The plan is currently under discussion with the Faculty Council and local faculties. In general, the working group faculty members believe it is a fine vision but question whether the portrait of the faculty is sufficiently bold. Metrics described in the plan pertaining to the future composition of the faculty reflect what will most likely happen as faculty become promoted or leave the College-Institute upon retirement. The group proposes that planning should simultaneously consider not only the objectives currently considered practical, but also the highest aspirations for the faculty. This would help identify what it would cost to realize an optimized vision of faculty members’ impact on the College-Institute and its renewal.

Technology

Distance learning places demands on equipment, and calls for staff to maintain equipment and help faculty and staff create courses and hold video calls. HUC-JIR has recently expanded band

width to a sufficient level on all campuses to make its programs more widely available. Faculty involved in distance learning reported some difficulties in their comments in the Administrative Survey Analysis, but individual faculty members have already indicated improvement since the survey.

Physical Plant

Currently, deferred maintenance budgets are developed locally (c.f., CN and NY, LA, and JR Maintenance Projections and Maintenance Plan). However, the chair of the Board Buildings & Grounds Committee and the stateside campus deans are developing maintenance budgets for the entire institution (see below). The Jerusalem campus has just started its first significant maintenance project in twenty-five years. The renovation of the campus will cost \$1.3 million, which has already been raised, and will restore the campus' physical plant completely.

Additional Findings Related to Compliance with Standard 2

In February 2004 the College-Institute launched a comprehensive strategic planning process under the direction of a Strategic Planning Committee comprised of eleven Board members (a majority of the committee members), seven key administrators, and a faculty member from each stateside campus (fulfilling the participation aspects of S2_02). An outside consultant guided the committee to "establish a vision for the College-Institute's future, establish priorities for the College-Institute's program and resources, address concerns of the accrediting bodies, and clarify fundraising priorities."

The introduction to the strategic plan noted both the goal and its connection to the HUC-JIR mission (complying with the institution-wide aspects of S2_01a, S2_01c and S2_01d):

The overall goal of the strategic planning process has been accomplished: to create a framework for decision making that would be anchored in HUC-JIR's mission and reflect both excellence and financial sustainability. Embedding this approach to priority setting in the culture of the institution will strengthen HUC-JIR's capacity to respond thoughtfully and creatively to the challenges and opportunities that lie ahead.

Data was collected via site visits, surveys, interviews, and SWOT (**S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats) analyses (fulfilling the "assessment" aspects of S2_01b and S2_02). The forty-eight page Strategic Planning Committee Report was supplemented with almost 250 pages of Appendices. The Board of Governors discussed the report at its February 2006 meeting in Los Angeles, where the report was unanimously adopted.

Criteria for Decision Making (p. 6 of the Strategic Plan) provide a historical context for this working group's charge. The decision-making process was viewed through three lenses that fulfill compliance with S2_03: (1) Institutional Objectives, (2) Financial Sustainability, and (3) External Factors. *Institutional objectives* advanced the mission of the College-Institute and focused on the ability to attract and support outstanding faculty and students, as well as the initiatives that they would create. *Financial sustainability* dealt with allocating resources for teaching and learning, as well as securing permanent funding (endowment). *External factors* looked at HUC-JIR's relationships with the wider Jewish community, including the URJ and its member congregations, the CCAR, and other Jewish institutions of higher learning such as the Jewish Theological Seminary.

Since the criteria had been applied on a case-by-case basis even prior to receiving Board approval, the report noted that this decision-making method "has already proven to be an

effective tool for assessing individual programs and financial commitments.” However, the report cautioned that “the greater difficulty of choosing among competing priorities” still remained.

To help identify institutional priorities, the report recommended that HUC-JIR use the decision-making criteria over the next two years (2006-08) to determine resource allocation and to guide deliberation regarding the continuation, elimination, or reduction of programs. Decision-making criteria would also be used to prepare annual budgets beginning in FY 2006-07. The Strategic Planning Committee thought that “by using the criteria, the focus of the budget will shift from a set of incremental numbers on a page to a true reflection of the goals and priorities of the institution.” The report further suggested that HUC-JIR “develop annual budgets and long-range financial plans for the Board’s consideration that take both a *vertical approach* – validating expenses within individual programs and policies – and a *horizontal approach* – by assessing the budget across all programs – to determine institutional priorities.”

Employing these decision-making criteria led to paradigm shifts. Going forward, for example, the Nelson Glueck School of Biblical Archaeology at the Jerusalem campus would be funded solely by proceeds from its endowments and from grants solicited exclusively for the School’s use. This was a reflection of diminished interest in allocating College-Institute operating funds for archaeology. The decision freed vitally-needed operating support for what were defined as “core” activities.

Decision-making criteria also resulted in new initiatives that were designed to enhance the College-Institute. The College-Institute invested in what were clearly institutional priorities in a process that showed strong fulfillment of S2_05. A new SIS was purchased to strengthen internal management. The OIRA was created to elevate the importance of assessment and evaluation. The renovation of the Klau Library was undertaken, further advancing the Cincinnati campus’ reputation as a center for research and scholarship. Electronic learning was introduced, enabling HUC-JIR to maximize faculty resources while seeking to achieve economies. These were but a few examples of the administration deciding to direct internal resources to, or to raise funds from individuals or foundations for, activities that were clearly deemed important. The criteria, decisions, and ensuing actions described above showed compliance with S2_03.

Another action recommended in the plan immediately followed its endorsement: the Board hired the consulting firm of Bell & Trice to study how the College-Institute could strengthen its balance sheet so as to ensure fiscal sustainability. The 2008-09 financial climate only deepened those concerns. As the stock market plummeted, HUC-JIR lost 40 percent of its endowment, dramatically depleting annual operating revenue. The weakened economy also made it difficult for URJ congregations to meet their dues projections, thus beginning the decline in revenue from MUM⁸ income. This further eroded support for the College-Institute’s operating budget.

Under these circumstances there was no choice but to focus on survival as the College-Institute struggled to meet its financial obligations. The most controversial Bell & Trice recommendation was to close a stateside campus in order to reduce operating expenses. Intense deliberation with internal and external constituencies revealed numerous unforeseen negative financial consequences of this recommendation, such as its impact on regional support for the College-Institute and the URJ (see the Minutes of the Board of Governors meetings from October, 2008 and March, May, June and September, 2009) The Board decided to retain HUC-JIR’s current organizational structure and seek other immediate and dramatic means to weather the economic crisis.

⁸The URJ assesses dues from each member congregation and splits them with the College-Institute at a ratio of 56% for the Union to 44% for the College-Institute. The HUC-JIR portion supports unrestricted annual operating expenses.

The response was to generate multiple ad hoc committees of Board members, administrators, faculty members (chosen by and representing the faculty), and, when student life issues were addressed, also students. This clear developmental advancement in the strategic planning process led to a more complex list of recommendations that provided a practical strategy for advancing sustainability.

The strategy was communicated in the New Way Forward Plan to achieve fiscal sustainability by June 2014. The road map provided was approved by the Board of Governors in November 2009. It is detailed in the 2009 minutes of the Board of Governors meetings in September and November. Relevant reports include those of several ad-hoc Task Force Committees (pdf pages 102-111), a preliminary Academic Vision by the VPAA (123-132), the Board Oversight Task Force report (144-150), a final New Way Forward Academic Vision (158-161), and the formal public announcement (162-163). Besides reinforcing HUC-JIR's compliance with S2_03, these reports document assurances of accountability and assignment of responsibility as required by S2_04.

A combination of cost reductions and increased attention to maximizing revenue continue to be central to achieving NWF goals. Cost reductions impacted faculty and staff compensation, decreased personnel numbers, and diminished operating budgets across all sites. Increased income would be realized through programmatic partnerships, rental revenue, monetization of assets (campus non-essential land sales), and accelerated fundraising to grow endowment and increase annual unrestricted operating support.

Supporting S2_06, a Board Oversight Committee was created to monitor HUC-JIR progress toward meeting NWF goals. The Oversight Committee meets regularly, providing quarterly financial reports to the president and governors. These communications ensure that the College-Institute continues to be guided by NWF strategies. Although some NWF goals remain to be met, recent reports to the Board have shown that NWF is on course toward solid financial footing for HUC-JIR.

To date, NWF has resulted in significant reductions in operating costs and significant revenue growth. Assets have been monetized through the sale of land at the Los Angeles and Cincinnati campuses, adding \$37 million to the endowment. As of December 31, 2012, the value of the endowment was \$176 million. This sum is more than three times the value of the endowment when Rabbi David Ellenson assumed the HUC-JIR presidency in June 2001 and double its value following the adverse impact of the 2008-09 recession. Over \$76 million for all purposes was raised between July, 2009 and September, 2012. This dramatic growth attests to the importance of two strategies that Board leadership put forward – the decision to monetize assets and to fundraise aggressively.

Further demonstrating the Board commitment to development, a new Vice President for Institutional Advancement was appointed in July 2010. Her role at HUC-JIR includes guiding the capital and annual campaigns, supporting executive staff and volunteers, and overseeing national and regional institutional advancement staff, including alumni relations and communications, and public affairs.

Following the completion of a campaign planning study, the Board authorized a comprehensive fundraising campaign with a working goal of \$125 million at its June 2011 meeting. Including a "silent" fundraising period that mirrored the launch of NWF in the prior year, over \$83 million has been raised as of January 2013 to grow endowment, support faculty and academic programs, enhance technology, and meet student needs. The FY 2013 operating budget is balanced, whereas a budget deficit amounting to \$10 million existed only four years ago. These results

provide a convincing proof of the College-Institute's record of institutional and unit improvement based on strategic planning, required by S2_05.

In providing a prescription for achieving financial sustainability, the Board defined institutional priorities. Financial sustainability, one of three criteria for decision-making in the 2006 strategic plan, had become by 2009 the most important factor in decision-making. The other criteria, "institutional objectives" and "external factors," were minimized. The Board, as expressed in the NWF, demanded cost-saving innovations rather than educational innovations that did not increase costs, and revenue-producing services rather than services that engaged the College-Institute's partners without impairing finances. This led to the most powerful evidence that the plan has been assessed from its inception.

The assessment of the planning recommendations, documented in the Board of Governors Minutes, together with the dramatic change in process showed impactful assessment, which nevertheless was more of the "authentic" sort than had been planned.⁹ The reaction to the Bell & Trice recommendation for campus closing was a powerful and authentic response to weaknesses in the process that led to it. The advancement demonstrated in the processes used to generate the NWF illustrates the value of wider community engagement in assessment processes.

To emphasize the role of assessing and broadening the implementation of the NWF, the Governance Task Force mentioned above was converted in 2012 to a standing Committee on Governance. In July 2012 this group discussed a renewed strategic planning process, which the Board chairman envisioned to occur before the May 2013 Board meeting. The minutes of the Governance Committee for 07/2012 include a discussion of updating the strategic plan. Subsequently, a Strategic Planning Oversight Task Force was appointed to work in concert with the Presidential Succession/Transition Committee (see Chapter 4) and the Governance Committee. The Task Force led a session at the October 2012 Board meeting. As the strategic plan update moves forward, its success will depend on ensuring broad input, consensus, and commitment across the entire community. The July 2012 meeting of the Governance Committee also saw the initiation of a Board survey to document changes since the 2009 Board Survey and to discover governance areas needing improvement. This new survey was conducted in August, 2012 with results available in the October 2012 Board Survey. The survey shows sustained compliance with assessment (S2_06).

Standard 3. Institutional Resources

Discussion of Research Question and Compliance

Research Question 3.1

What steps have been taken to evaluate how effectively resources are allocated and expended? What specific changes have been implemented and with what results?

To contextualize the working group findings it is important to note that HUC-JIR would have had greater difficulty in evaluating and ascertaining compliance with Standard 3 prior to August 2009. Simply put, the College-Institute did not have an OIRA. The capacity for identifying data that merited collection, implementing collection processes, and interpreting and applying data were limited. A decision was made in 2009 to create a national OIRA organized by a recognized

⁹Here the educational use of "authentic assessment" is extended to the institutional context. In the link referred to in the text, Jon Mueller defines the term as "a form of assessment in which students are asked to perform real-world tasks that demonstrate meaningful application of essential knowledge and skills."

expert in the field, under the supervision of the VPAA. This signaled a transformation in HUC-JIR's attitude toward institutional assessment. In announcing the appointment, the VPAA noted that,

despite considerable economic challenges, we have created this new position as part of our commitment to creating a culture of evidence across HUC-JIR. This strengthens our efforts in the area of compliance and education, and speaks to a more profound goal—to make significant decisions based on good data to deepen teaching and learning in our institution.

Further affirmation of the growing importance of institutional research and assessment is found in the appointment in 2010 of an assistant to the director. The OIRA has helped administrators, members of the Board of Governors and Boards of Overseers, deans, faculty, and staff to become increasingly familiar with the characteristics of excellence articulated by MSCHE in its publication, *Characteristics of Excellence in Higher Education*. The OIRA created processes for delivering information that has led to evidence-based decision-making. The significant financial investment that HUC-JIR has placed in the Office and in embracing best evaluation and assessment practices is evidence of compliance with S3_01 and S3_02.

Over the past year the VPAA has been working with the deans of the stateside and Jerusalem campuses to develop a plan for the allocation of faculty across the College-Institute. The paper analyzed tenured and tenure-track faculty by gender, faculty rank, and areas of specialization. In addition, the College-Institute's use of adjunct faculty at its US campuses was also assessed. Findings were presented at the June 2012 meeting of the Board of Governors. Recommendations were made as to the long-range composition of the tenured faculty and the engagement of adjunct faculty. The commitment of the VPAA and the deans to further refinement and implementation of the strategic plan for the allocation of faculty resources illustrates compliance with S3_03.

In January 2012 the College-Institute appointed a new national Director of Human Resources, reporting to the Vice President of Finance and Administration. The College-Institute had made a deliberate decision to upgrade the role, recognizing the need for an individual who could lead a strategic assessment of College-Institute staffing needs in years to come and who could engage colleagues in enhancing strategies for staff development. The new director is redesigning the performance review process, helping to define career paths for staff, and contemplating how College-Institute personnel needs could be met most effectively. His commitment to undertaking these projects and bringing their outcomes to bear on College-Institute management across the campuses demonstrates compliance with S3_03.

Additional Findings Related to Compliance with Standard 3

To ascertain compliance with Standard 3, the working group sought evidence of deliberate, coherent, and transparent processes that would affirm that decision-making regarding the allocation of assets is connected to institutional planning processes. Moreover, the working group also sought evidence to demonstrate that mechanisms for reviewing, monitoring, and evaluating the impact of asset allocation were in effect and utilized. The evidence for compliance with the fundamental elements relating to financial management (S3_04, S3_08, and S3_09) is described in the following paragraphs.

In April 2011 a new Vice President for Finance and Administration and Chief Financial Officer was promoted from Director of Finance and Accounting. A qualified CPA, the new VPFA had extensive nonprofit accounting experience, which enabled the College-Institute to enhance its capacity for financial oversight. She assumed responsibility for all financial, budgeting, and

accounting functions and was tasked with staffing the Audit, Finance, and Investment Committees of the Board of Governors.

The skillfulness of the new VPFA in leading these committees is reflected in the minutes of their meetings. There is a clear process at work in preparing the budget. Deans and vice presidents make recommendations and work collaboratively with the VPFA and her National Business Office colleagues to achieve a balanced budget. Their deliberations are informed by analyses of local and global economic trends that are sure to impact the performance of the College-Institute's endowment. Funds released from endowments and quasi-endowments are key to providing a base of support for the coming academic year. The budget process is also affected by the NWF, which takes a multi-year approach to budgeting (see Chapter 4 as well as the 2010-12 NWF updates, which demonstrate compliance with S3_04).

During the past fiscal year, new projects demonstrated a new commitment to S3_08. In collaboration with the Institutional Advancement Office, all endowment accounts were audited and evaluated against original gift agreements. Deviations were examined and, when necessary, accounts were made whole. Most important, the exercise revealed that HUC-JIR had too many fund managers, leading to inefficiency and wastefulness. As noted above, the National Business Office has adopted a new budget management system that reduces 55 fund managers to about 15 and allows for greater accountability.

Also in partnership with the institutional advancement staff, CASE (Council for the Advancement and Support of Education) standards for campaign reporting were introduced to the College-Institute. The standards reflect "best practices," enable comparisons among institutions, and, of greatest importance, avoid double accounting (cf. CASE Reporting Standards and Management Guidelines, 4th edition, 2009) The CASE Standards also allow for greater levels of analysis (gift type, gift donor, project funded, etc.), enabling staff to be more strategic in their approach to aligning fundraising opportunities with budget needs.

Throughout the year the VPFA confers regularly with the president, deans, and vice presidents, as well as with members of the Audit, Budget, and Investment Committees of the Board and fund managers, to make sure that budget projections are being met. When necessary, mid-year corrections are made. The annual audit management letters (audits for 2009-10, 2010-11, and 2011-12) are shared with the president, deans, and vice presidents, as well as with governors who are assigned to the Audit Committee. A report on the letter is also routinely shared with the Executive Committee of the Board. If issues are raised in the management letter they are addressed immediately, showing compliance with S3_09.

Standards S3_05, S3_06, and S3_07 pertain to facilities acquisition, maintenance, and replacement. The counselor to the president serves as the staff liaison to the Buildings and Grounds Committee of the Board of Governors. The committee is chaired by a governor who is co-chair of one of the largest real estate investment trusts in the world and has extensive experience in evaluating and maintaining facilities. Under his leadership the College-Institute is preparing a detailed facilities master plan for each campus, indicating priority and longer-term needs. Deans gave their campus information to the counselor to the president during fall 2012 (CN Maintenance Projections_provides an example of the input being provided). The Buildings and Grounds Committee will use these reports to prepare a comprehensive budget for capital repairs. The campus reports amount to rudimentary compliance with these fundamental elements, but given the high-level leadership, the ultimate plan will provide exemplary compliance.

Finally, S3_10 calls for periodic assessments of the efficient use of institutional resources. The weekly President's Cabinet call (see President's Cabinet Call Agendas), comprised of the

president, deans, and vice presidents, serves as a forum for an ongoing review of the use and allocation of resources. Requests are made for further in-depth studies as they are deemed necessary. These studies will often include members of the Buildings and Grounds Committee or other Board committees. In addition, a technology survey was conducted in spring, 2012 with the analysis distributed to the Director of Information Services.

Review of Findings Leading to Suggestions for Improvement

In finding examples of HUC-JIR compliance with Standards 2 and 3, several issues were highlighted that could further enhance improvement in achieving characteristics of excellence.

- Resource allocation and institutional renewal need to be tied to the academic vision. Once an academic vision is put forward and embraced by the HUC-JIR community, the financial, technological, and human resources needed to realize the vision should be developed. The leadership of relevant departments across the College-Institute could then be mobilized to provide the requisite resources. New methods are needed to make sure that priority needs are widely communicated across the four campuses.
- During its early activity, the Board's Governance Task Force discovered a lack of familiarity among governors with the operation and on-going work of academic programs. Better orientation materials and activities for the Board concerning the impact of educational activities on budgetary issues could help the Board to be more effective (see also Chapter 4 below). Thus, the new Board Committee on Governance will play an important role in helping prepare the Board to better understand major planning and organizational issues.
- Over the past few years several non-credit academic programs have received restricted funding (see the section in Chapter 7 "Additional Findings Related to Compliance with Standard 13"). Some of these programs are offered to a limited number of students on particular campuses. Methods are needed to determine the educational and resource issues involved in continuing these programs beyond their funding cycles.
- The VPAA aspires to offer a "sixty-year curriculum," a life-long commitment on the part of HUC-JIR to equipping its graduates to achieve their goals. Details of implementation, cost, and assessment are needed. (See also Chapter 2 on mission).
- HUC-JIR is doing synchronous distance learning successfully (using videoconferencing to link students across remote classrooms). Asynchronous learning requires different sorts of resources, especially of faculty time. There needs to be more evidence on the educational costs and benefits of making more use of asynchronous methods. (See also in Chapters 6 and 7 on eLearning).
- The 2006 Strategic Plan recommended an oversight structure for planning that included an implementation committee of Board members, administrators, faculty, and professionals, a finance subcommittee, and a visions subcommittee. With the advent of the 2008-09 financial crisis, this structure became focused on finance and was not always as broadly consultative as originally recommended.
- Working group members perceive that processes around setting priorities and allocating resources call for greater clarity. In particular, there needs to be more integration of financial and academic priorities.
- The Board Finance Committee and NWF Oversight Committee assume faculty and staff are determining how to achieve financial sustainability within the context of an academic vision. Managing resource allocation in times of scarcity is especially challenging.
- There will be a change in the HUC-JIR presidency, hopefully to be appointed by July 1, 2014. Clarifying Board, staff, and faculty roles and processes in setting priorities that impact upon resource allocation would be helpful through the period of this leadership transition.

What could emerge from the MSCHE accreditation exercise that would help a new president make decisions about planning, resource allocation, and institutional renewal?

Suggestions for Improvement for Standards 2 and 3

1. Renew and enhance strategic planning and improvement processes to be more timely and provide for broader community participation in both conception and application.
2. Ensure that the self-study findings are integrated with the updated strategic plan.
3. Involve faculty deeply in institutional planning, especially in articulating their highest aspirations for the College-Institute.
4. Have the Governance Committee clarify roles of committees of the Board as they pertain to setting institutional priorities and allocating resources.
5. Continue to revise the materials and events for Board orientation to include more information on academic programs and related activities.
6. Have the Faculty and Academic Affairs Committee of the Board play a more prominent role in communicating with faculty bodies around budget development to ensure that processes are clear and that budget development reflects HUC-JIR's academic mission.
7. Identify means of providing HUC-JIR "financial literacy" to governors, faculty, and staff.
8. Insure that the updating of the strategic plan addresses objectives, costs, and assessment of specific educational initiatives, such as asynchronous distance learning and the "sixty-year curriculum."
9. Reconstitute a strategic planning implementation committee of Board members, administrators, faculty, and professionals that includes a visions subcommittee as well as the finance subcommittee. (See also now Proposals 1 and 2 in the Strategic Planning Update Report.)
10. Have the National Assessment Committee resume its study of specially funded Co-Curricular Activities.
11. Have the eLearning department make available research reviews of the relative costs and benefits of synchronous and asynchronous methods.
12. Implement justification of budget proposals at all levels by reference to the mission.