

Resource Strategies

Submitted by
NC State Task Force on Resource Strategies

Context

To accomplish its strategic mission over the next five to ten years, NC State must seriously examine the sources and uses of all of its resources. The current funding model at NC State relies heavily on state appropriations. Tuition and fees paid by students are modest, which has resulted in the university's making "best value" lists nationally. Approximately 42 percent of the 2010-11 revenue budget comes from state appropriations; 18 percent from tuition and fees; 19 percent from research grants and contracts; 15 percent from sales and services; 4 percent from gifts and other sources; and 2 percent from federal appropriations. However, the current economic downturn makes it likely that state appropriations will decrease in the future, putting more pressure on the university to raise revenue from other sources. Reductions in appropriations, or increases that don't keep pace with growth, increase the need to maximize operational efficiency.

NC State is classified by the Carnegie Foundation as a Very High Research Activity University, one of only 2.2 percent of U.S. institutions of higher learning to receive that designation. In fiscal year 2010, extramural contract and grant funding totaled \$268 million, a remarkable 30 percent increase over the previous year—and of the 30 percent increase, only 15 percent was directly due to American Recovery and Reinvestment Act funding. However, sponsored program funding had been relatively flat for several years prior to 2010.

Federal funding makes up the greatest portion of sponsored programs (\$200 million of the \$268 million), followed by NC State government (\$35 million), industry (\$20 million), and nonprofit (\$10 million) contracts and grants. The top federal funding sources are NSF (28 percent), DOE (14 percent), NIH (13 percent), and USDA (12 percent), with other agencies making up less than 5 percent each. Relative to peer universities, there is opportunity to increase relative funding levels with both the DoD and the NIH.

NC State ranks near the bottom of its peers in total research funding, but is very competitive on a per tenure-track faculty basis. This is a clear evidence that our relatively small faculty size impacts ranking. However, despite size, NC State ranks seventh nationally in industry funding for all universities without medical schools.

Some contracts and grants provide facilities and administration (F&A) funding to cover the cost of research that cannot be directly attributed to a specific research grant. Although the current federally negotiated rate is 49 percent, research F&A costs have been documented to be significantly higher than that. In addition, the actual F&A collected is only 22 percent of federally sponsored research and 15 percent of all sponsored programs, because many sponsors allow only reduced or no F&A. The total F&A collected in fiscal year 2010 was approximately \$30 million.

Historically, NC State has underperformed its peer institutions in generating private gift revenue from a diversified set of sources. The university has relied heavily on corporations, foundations, and other organizations for its private funding. Funding from these organizations has been primarily in the form of restricted current-use dollars to support specific funding needs. NC State's small endowment relative to its peers can be explained by its less aggressive approach in pursuing funding from individuals, including alumni, parents, faculty/staff, and other friends of the university. Closing this fundraising gap represents a significant opportunity for NC State, over both the short- and long-term, to enhance revenue for its strategic funding priorities.

Starting in 2008, NC State began to make strategic investments in university advancement to address the deficiencies in its infrastructure and staffing. In 2010, consistent with its peer institutions, the university implemented a gift assessment fee and increased endowment assessment fees to generate additional funding that could be used to make strategic investments in both the central functions, and the unit-based fundraising operations across campus. The results of these investments will begin to be realized in fiscal year 2011, as fundraising revenue from individuals and for endowment will see significant increases.

NC State tentatively plans a "quiet" launch of its next capital campaign on July 1, 2013, with a public launch expected around 2016-17, and completion on June 30, 2021. No specific goal for this eight-year campaign has been finalized, but at this time, the university is projecting a \$1.5 billion campaign. The goals of the campaign are to double gift receipts (from \$90 million in 2011 to \$180-200 million by 2021); and raise \$500 million in funding for the endowment, \$250 million for facilities, and \$750 million for current operations.

Even in times of relative prosperity, universities typically make long-term commitments of resources, making change and evolution difficult. For NC State to implement its strategic initiatives and become a greater university, it needs a mechanism for allocating resources that will allow it to pursue and implement new, strategic initiatives; adequately provide resources to high-demand and high-priority programs; and withdraw resources from programs and units that are no longer as efficient or relevant to the university's ongoing mission. NC State is not alone in facing these challenges. Many other universities, including some of our established peers, are experimenting with or have implemented new budget and space allocation methodologies.

NC State must also be a good steward of its resources. The university is a large and complex organization with a highly decentralized administrative and academic structure.

All departments at NC State have staff who provide administrative support to the faculty, staff, and students associated with the department. This support staff may also prepare and enter transactions into the university's financial, human resource, student, and advancement systems; assist with research grant proposals and administration; troubleshoot and or report IT problems; and coordinate facility requests for repairs and maintenance, service disruptions, etc. While the university's decentralized structure has advantages, it has disadvantages as well. Accurately processing many of these transactions requires frequent training in order to ensure a current and comprehensive understanding of relevant NC State, General Administration, and state of North Carolina rules, regulations, and procedures. Depending on the nature of the activity, some of these transactions (hiring for example) may only occur a few times a year, leading to inefficiencies and errors in processing transactions. Our decentralized system, with multiple and often overlapping levels of staff, creates a multi-layer review and approval process with redundancies and inefficiencies.

In summer 2009, NC State identified thirty suggestions for reducing inefficiencies across campus. While approximately half of these suggestions have been studied and are in process or have been completed with recommendations implemented, others have yet to be evaluated. Over the years, rules, regulations, and procedures have proliferated and become more onerous. While many of these rules, regulations, and procedures are the result of UNC system, state, or federal requirements, others are of questionable need and provide little benefit. Complying with these requirements wastes time and consumes resources that could better be spent by faculty and staff in the core mission of the university.

Goals and strategies

For NC State to deliver the highest level of its core mission, the following must be accomplished:

- ***Maximize growth of all resources:*** Growth in endowment and research funding should be a key focus of additional revenues for NC State. NC State should maximize the commercial implementation of NC State research innovations with the goal of enhancing the financial return on research investments.
- ***Plan for a rebalancing of tuition and fees vs. state appropriations:*** While NC State must respect its land-grant mission and the North Carolina constitutional mandate "that the benefits of ... higher education, as far as practicable, be extended to the people of the State free of expense," we must reconsider how to provide a high-quality education at a reasonable price. We believe that in the long term, in order to maintain quality of degree programs, NC State students will need to bear a larger proportion of expenses in a manner more in line with other public universities. Tuition and fees must balance affordability and quality. Additionally, care must be taken to ensure that tuition increases are returned to the university. Finally, any increase in tuition and fees needs to be associated with increases in financial aid so as to maintain affordability, equity of educational opportunity, and future growth in North Carolina's

economy that is stimulated by an educated populace. Tuition and fees should not be thought of as primary sources of revenue growth but must be competitive to ensure that program quality can be maintained in balance with appropriated resources.

- ***Align resources with strategic goals:*** The allocation process must ensure that resources flow to activities of identified high priority while providing a pool of resources for strategic investments. Resources must be allocated in a manner that is flexible, holds all units accountable, and does not unnecessarily add to managerial bureaucracy.
- ***Use resources efficiently:*** Administrative and operational processes must be reviewed for continuous effectiveness and efficiency improvement. However, the university must continue to maintain adequate internal controls, monitoring of expenditures and commitments, and assure the annual audit is clear of major findings. This is essential for continuation of budget flexibility. Creative and efficient solutions should be encouraged through entrepreneurial collaboration and partnerships. The structure of academic and administrative units must be critically evaluated and potentially altered to maximize operational efficiencies.
- ***Allocate with purpose:*** NC State must make resource decisions according to an established process that is clear, understandable, and transparent.
- ***Measure progress:*** NC State must define financial indicators, operational measures, and other metrics reflecting expenditure effects and knowledge effects that demonstrate key elements of the strategic plan success and the true overall impact of NC State's research, teaching, and service activities. A performance measurement system is required that provides an accurate view of information contained in the Data Mart and elsewhere, enabling decision makers to measure, monitor, and manage organizational performance.

Specific recommendations

Develop and implement new resource-allocation methodology

NC State should develop a resource-allocation methodology based on an analysis and rebalancing of each unit's base budget against newly established metrics and should include an annual reallocation of resources into a central pool to be used for strategic reinvestment.¹ Any such resource reallocation must be implemented in an incremental fashion to mitigate the immediate effect on units. The evaluation of base budgets should be completed no less than once per biennium to ensure that budgets are moving in a direction consistent with the strategic plan and performance of the respective units.

Currently, NC State's budget does not accurately reflect how funds are used in individual units. Different departments have employed various strategies to respond to previous budget reductions. Some units cut operational funds, and then used vacant faculty positions to fund operational needs. Because faculty positions are often protected in budget reductions, those

¹ The need for a pool of dedicated resources to be used for strategic hiring of new faculty was mentioned by other task forces including Culture and Community and Faculty Excellence.

units that are operating off faculty lines have their operational funds protected while other units have operating funds at risk. Ensuring that base budgets are accurately assigned (operating funds and personnel funds assigned to appropriate codes) would both ensure more equity in budget-reduction planning, and would provide a more accurate picture of how resources are used across the university.

Each year, beginning no sooner than fiscal year 2012-13, a small set percentage of every unit's (colleges, programs and service units) continuing state-appropriated budget (does not include appropriated receipts) should be returned to a central pool for strategic reinvestment. The unit could potentially retain a percentage of the funding by presenting a compelling case to the provost, vice chancellor for finance and business, or chancellor, as applicable. In addition, a percentage of departing faculty positions, including the associated funding, should automatically be returned to a central pool administered by the provost. The unit could potentially retain a larger percentage of the funding by presenting a compelling case to the provost. Any returned funds would count toward that unit's annual central reallocation. A similar methodology could be developed for non-faculty positions.

In addition, NC State must develop appropriate procedures for a fair and legal method of program termination, and fair and legal methods of terminating tenured faculty associated with those programs, including the creation of incentives to encourage faculty and staff retirements.

As part of a new allocation methodology, the university should advocate for greater budget flexibility with respect to other funding sources, including agricultural research and cooperative extension funds. The current model is outdated and the university would benefit from a more holistic view of budgeting rather than the current "silo" approach.

NC State must develop a transparent process for the funding of traditional undergraduate and graduate programs. For example, many peer institutions use formulas where funding for credit-hour generation is split, with the majority of the funding allocated to the college that is producing the credit hours and a smaller percentage allocated to the college of the student's majors. Given that some credit hours are more expensive to produce than others, the process should be fine tuned by considering both the level of the course and the specific field of study. Having a responsive base-funding formula would allow the deans of colleges and directors of graduate programs to know in advance what funding they would receive to support instructional needs. Before implementing this type of funding formula, NC State must accurately model the impact of the formula on the overall budgets of colleges. Thus, this change should be implemented no sooner than the 2012-13 academic year.

Models of summer school funding and distance education (DE) funding should also be examined with the goal of providing incentives to faculty and departments to deliver high-demand classes that reduce students' time to degree, but that don't adversely affect students financially. The cost of delivering a course is the same in the summer as it is during the academic year, and should be funded similarly by the state. Summer school is part of the core mission of the university. Courses should be delivered that will aid students in meeting goals of

rapid graduation. While the state may be reluctant to fund summer classes at the same level as it does fall and spring semesters, doing so will improve graduation rates and add to the state's population of educated individuals with higher earning and therefore higher tax-paying capacity.

Currently, the tuition and fees charged for DE courses are separate and distinct from the tuition and fees charged for on-campus courses. This financial model incentivizes behavior that is not in the best interests of students, including the creation of online courses that cost on-campus students more to take than traditional courses, with no additional educational benefit. The task force recommends that we eliminate the separate tuition and fee model for on-campus students taking DE courses.²

Increase funded research and innovation

In order to improve its national rankings and increase the flow of resources, NC State should focus on increasing funded research and innovation. One goal should be to increase funded research by 50 percent by 2015. This can be accomplished by

- expanding the role of the Proposal Development Unit (PDU) to include funding for units seeking large grants (e.g; for staff and faculty support)
- making strategic investments to increase large-scale efforts with industry and government. The success of the PDU needs to be leveraged to compete for other funding.
- expanding the university's research portfolio to include a larger proportion of its funding from the National Institutes for Health, the Department of Energy, National Science Foundation, and other federal agencies. This may require strategic partnerships external to the university.
- developing an improved early announcement system to ensure that researchers are aware of funding opportunities with significant lead time. We should also pursue the creation of an agency liaison who would build partnerships with various agencies and support our early-awareness initiative.
- developing young faculty through educational efforts (protection of intellectual property, etc;) coordinated trips to funding agencies, introducing them to sponsors, and having them serve on review panels. A successful model has been employed by the College of Engineering.
- providing professional development opportunities for mid-career faculty for the purpose of preparing them to lead large research efforts
- aggressively seeking master agreements with key companies to promote funded research collaboration.

NC State can also improve its return on investment in innovation, already begun through the new Springboard Initiative.

² This recommendation is consistent with that of the Undergraduate Student Success Task Force, which has said that tuition for on-campus students should not depend on the mode of delivery.

- Maximization of return on investment in innovation requires more effective and efficient centralized coordination of our efforts. The recently announced Springboard Partnership Portal will act as a hub or a "one stop shop" for researchers who want to find collaborators or market their inventions; businesses looking for creative solutions; and faculty, staff, and students who want entrepreneurial training. The increased partnerships resulting from Springboard will contribute to resources in many ways, including commercialization agreements, sponsored research, and startup companies that will grow more highly specialized jobs for the region, build facilities, etc., and generate licensing revenue and inventors who will give back to NC State in various ways. It is forecasted that the Springboard effort could generate eight to ten startup companies annually by 2012, double the current average of four to five per year. It should be noted that the horizon may be long (ten to twenty years) for both licensing arrangements and startup companies and that there is a need for risk tolerance, since all enterprises will not be successful.
- The university also needs to examine its policies related to facilities and administrative (F&A) receipts as well as service centers.³
- The current policies on F&A receipts should be reexamined giving consideration to the enhancement of research infrastructure and financial incentives to principal investigators.
- NC State has considerable laboratory infrastructure in the form of service centers. While this serves industry and provides support for those facilities (staff and students) it also detracts from NC State's ability to classify this as research space and receive an increased overhead rate. This should be examined on a case-by-case basis to reach the right balance that benefits the university. If all service centers were classified as research labs it is estimated that this would generate an additional \$330,000 per year in overhead. Regardless of the path taken, the university should seek to recover appropriate indirect costs.

Focus on simplification, efficiency, and cost reduction

NC State should develop a process for simplifying administrative processes; evaluating and making recommendations concerning the restructuring of its academic and business units; and for identifying new opportunities for efficiency improvement and cost reduction.⁴ In order to facilitate this process, the chancellor should appoint a limited-term employee or consultant with the primary responsibility of evaluating and making recommendations on efficiency-related items, including the structure of business and academic units. Other specific recommendations include the following:

³ This recommendation as well as the following recommendation dealing with F&A receipts are similar to one made by the Research and Scholarship Task Force.

⁴ This recommendation is consistent with one from the Faculty Excellence Task Force, which calls for a consideration of mergers for departments that are too narrowly focused or too small in size to efficiently support the infrastructure required to promote excellence. A similar theme was echoed by the Comprehensiveness and Interdisciplinary Task Force, which called for the consolidation of arts-related activities and reduction of duplication of effort under one academic administration.

- The chancellor should reconstitute the Administrative Process Review Committee as a standing university committee with a charge of evaluating and making recommendations to streamline and simplify university regulations, rules, and other procedures. The Administrative Process Review Committee will be the primary conduit for faculty and staff to suggest changes in administrative processes and will have the authority to ensure that its recommendations are seriously evaluated and implemented if appropriate. The committee will report to the individual identified above.
- NC State should consider the implementation of "regional processing centers" at several locations throughout campus. These regional processing centers could accommodate a variety of functions including but not limited to human resources, student services, advancement (fundraising), facilities services, IT support services, and research grant proposal and administration support. Ideally, a team of staff and other affected parties will determine the positions needed in each regional processing center, the level of required staff expertise, the required management for the regional staff, and the number of support positions that could be eliminated or redirected throughout the campus. Consideration should be given to using consultants associated with the university's Industrial Extension Service to facilitate the team. IES has worked with numerous private and public sector organizations to identify opportunities for greater efficiencies and cost savings and their work has been credited with saving tens of thousands of dollars by eliminating waste in these organizations. IES is currently working with the College of Natural Resources on a project focusing on streamlining administrative processes and reducing inefficiencies that might be used as a pilot for this university-wide project. As part of its charge, the team will identify and facilitate the development of mechanisms and procedures for receiving data for entry into various systems as well as a methodology for acknowledging receipt of the data and communicating back to departments and units submitting data. If regional processing centers are adopted, they must have sufficient staff who understand the nuances and requirements of individual departments and colleges.
- NC State should strive to increase degree and non-degree student enrollment during the summer to maximize the use of physical, technological, intellectual, and human resources on our campus. Opportunities exist to increase enrollment through new and innovative for-credit weekend college programs, existing summer programs, non-credit courses, summer camps, and outreach activities.
- NC State should evaluate the university's fundraising structure in an effort to increase capacity through more efficient use of resources.
- NC State should evaluate the process for classroom management, support, and scheduling in an effort to increase efficiency.
- NC State should consider the consolidation or elimination of redundant programs across colleges, Academic Affairs, and Student Affairs, including diversity programs, honors programs, scholar programs, leadership programs, award programs, admission offices, career centers, etc.
- NC State should consider the consolidation of campus delivery systems for mail and other materials.

- NC State should develop and use metrics to evaluate cost per credit hour and other measures of instructional delivery efficiency.
- NC State should establish policies for research space usage.

NC State should also develop a process for monitoring progress of ongoing initiatives including efforts to conserve energy; expansion of reduce, re-use, and recycle programs; migrating campus Web sites to a managed campus service; moving appropriate staff and lab computer systems to a managed or virtual desktop environment; standardizing document management; migrating faculty and staff to a common e-mail and calendaring system; more efficient use of research facilities;⁵ reducing administrative costs of research centers and institutes; and development of a university-wide digital asset management system.

Increase NC State's endowment and annual giving

NC State should focus on increasing its endowment and annual giving to a level consistent with its peers. To realize the desired growth in endowment and annual giving, the fundraising culture must shift from program-centric to donor-centric. The university must focus less on filling all of its "buckets" or annual programmatic needs, and focus more on the passion and interests of the university's wealthiest constituents. Attracting major gifts must be the focus of all development officers at the university and everyone with fundraising responsibilities needs to be accountable for achieving fundraising goals. Additional investments must be made in a number of areas including principal gift fundraising, corporate and foundations relations, parent giving, faculty and staff annual giving, international development and alumni relations, development communications, campaign management, and alumni outreach. Growth in revenue from the gift assessment fee and endowment assessment fees will cover some of the necessary additional investments, but it is likely that success in reaching our campaign goals will require \$1 million in additional annual support from the university over the next two years.

Consider new tuition and fees model

NC State should study the following options as they relate to student performance and revenue generation:

- The current structure of tuition and fees for undergraduate and graduate degree programs should be carefully evaluated for their ability to deliver a high-quality education and fairness. In addition, structural incentives can be used to incentivize graduation in four years. There should be a higher cost for students who repeat courses, particularly for courses with limited enrollment.
- Since some degree programs are inherently more expensive to offer than others, NC State should consider differential tuition. However, we should avoid having students select majors based on this differential. A modest differential can provide the resources necessary to maintain high quality in selected majors—but the differential must find its way back directly to the appropriate unit.

⁵ The Research and Scholarship Task Force has recommended that the university take a more cross-campus view of shared facilities and develop a plan to better coordinate and lead shared facilities integration.

- NC State should seek separate funding of a summer session (trimester or other options) to assist students in preparing for college study, helping them to graduate in a timely fashion, and supporting those engaged in co-op assignments.
- NC State should change the way students fees are charged so that full fees are charged to students receiving the benefit of the services provided regardless of the course load taken.

Metrics

Identifying metrics to be used to monitor the university's progress toward each long-range (five- to ten-year) goal or strategy will require determining whether relevant data currently exist and if not, whether they can be gathered in a cost-effective manner. It will then be necessary to benchmark the various types of data: outputs (e.g., number of credit hours per FTE); outcomes (e.g. stakeholder satisfaction surveys); impacts (e.g., longitudinal surveys of student satisfaction); or processes (e.g., time to execute HR actions). Benchmarks may be set from peer comparison, best practices, aspirational goals, or simply from past performance. To be useful, appropriate metrics have to be amenable to drill-down query (e.g., from university to college to department). We must have high-quality, reliable data sets and business intelligence software that is easy for decision makers to use.

The recent BEDI study provided a general "logic model" framework for analyzing the efficiency of processes, and may provide useful guidance as decision makers seek to understand the impacts of their actions. While recognizing its limitations, results of the Delaware Study may continue to provide a systematic way of understanding how to compare department academic program metrics across campus (e.g., cost of undergraduate student credit hours generated/instructional FTE) in a way that is consistent with metrics being tracked at our peer institutions.

Sample metrics relating to our task force recommendations are listed below. Here we have in mind that the selected metrics measure outcomes and results, not simply the completion of tasks. Once strategic goals and 2015 targets have been established, some examples of how one might apply metrics to address strategic objectives include:

- To implement allocation strategies that result in a more efficient redistribution of resources (e.g., increase expenditures for instruction from 31 percent to 33 percent of total by 2015), track expenditures by major purpose (instruction, research, public service, student support, etc.). Benchmark against peers, colleges and departments, and track budget allocations against the university's budget principles.
- To improve efficiency and reduce costs in certain areas, track total cost savings from implementation of all initiatives (e.g., the university will reduce redundant services and redesign administrative processes for a total savings of \$5 million by 2015).
- To improve overall instructional productivity (e.g. save \$5 million by 2015), track expenditures lost to student attrition (i.e., instructional expenditures to educate first-year students who did not begin a second year), and track degrees awarded per 100 FTE students.

- To expand fundraising and endowment (e.g. double endowment by 2015), track funds raised and endowment levels.
- To increase revenues from sources other than state appropriations (e.g, increase contracts and grants from 19 percent of total to 25 percent of total by 2015), track revenues by source (state appropriations, federal appropriations, tuition and fees, contracts and grants, sales and services, gifts, and other sources), increase equity and licensing dollars from commercial implementation of research through university-based startup companies and benchmark against peers.
- To develop a formula for partial distribution of enrollment growth funds to ensure adequate support for academic programs, track relationship between enrollment and allocations or instructional expenditures, track percentage of enrollment growth appropriation allocated to direct instruction, and compare actual enrollment to enrollment targets.
- To implement a specific efficiency initiative, such as shared research facilities, track assignable square footage of shared lab space, and benchmark against research dollars per square foot.
- To increase credit hours earned through distance education, summer, or by transferring in, track percentage credit hours earned in each mode, and benchmark against established goals.

Metrics relating to a new resource allocation methodology

- Expenditures in major-purpose activities including instruction, research, public service, academic/student support, etc (need to drill down to program/unit level); benchmark against peers
- Research and fellowship dollars per faculty FTE
- Percent of faculty time allocated to teaching, research, and service
- Budget allocations against university budget principles
- Relationship between enrollment and allocations or instructional expenditures
- Percentage of enrollment growth appropriation allocated to direct instruction
- Percent increase in tenure-track faculty relative to percent increase in state appropriation and corresponding percent increase in enrollment rates
- Comparison of actual enrollment with enrollment targets.

Metrics relating to increased research funding and innovation

- Revenues by source (state appropriations, federal appropriations, tuition, and fees, contracts and grants, sales and services, gifts and other sources); benchmark against peers
- Total research awards and expenditures (track contracts and grants)
- Sales and service dollars (fee for service, rents, training)
- Tuition and fees (on-campus vs. distance education vs. summer school—track percentage of credit hours earned in each mode)
- Licensing royalties and equity in startups

Metrics relating to increasing the university's endowment and annual giving

- Amount of gifts and endowments—goal to increase it two times over ten to fifteen years
- Benchmarks: cost to raise a development dollar per unit.

Metrics relating to efficiency, simplification, and cost reduction

- Assignable square feet of research space/FTE, cost-benefits of shared user facilities
- FTEs of faculty and staff in research/teaching/extension/administration per total semester credit hour delivered or total enrollment in comparison to peers
- Cost per administrative transaction (e.g. travel reimbursements, personnel hired, award processing, proposal development, etc.)
- Revisit standard for calculation of space and examine the validity of space allocation (research, instruction, etc.)

Metrics relating to new tuition and fees model

- Expenditures lost to student attrition—instructional expenditures to educate first year students who did not begin a second year
- Cost per 100 student FTEs
- Cost per credit hour for freshmen, sophomores, juniors, and seniors
- Number of degrees awarded and cost per degrees
- Number of community college transfers
- Track student retention rate, share of students returning after freshman year, graduation rate, and length of time students take to graduate

Long-term performance measurement process considerations

To assess the university's impact realistically and accurately, and to put the metrics in a context that will be useful to a varied base of constituencies, NC State faculty, staff, and administrators need a process by which they can effectively and efficiently account for and measure a range of accomplishments in their work. Of particular interest are outcomes leading to behavior change and its impact on our students, organizations, communities, corporate and government partners, the state of North Carolina and the United States. A thorough evaluation must include results from the perspective of the people and enterprises we impact. Specifically, we should strive to give the recipient/beneficiary an opportunity to articulate the benefits they enjoy from NC State's efforts, and not rely only on perceptions from within an academic or outreach unit. The evaluation results should be made widely available, so constituents and stakeholders can understand the university's positive impact.