**Academic Portfolio Project Overall Goal:**
Drive more transparent and effective operations in AA that will allow for future growth while also achieving the financial target of saving $500K annually.

**Intersection:**
Faculty Activity drives available capacity
Program Performance measures effectiveness of faculty activity (instructional portion)
Budget model enables capacity

The current budgeting process within AA is not working well for Deans or Dept Heads
How do we build a more effective budget model that drives the right strategic prioritization of resources?

We ask faculty to perform several roles that we do not have a consistent way to value
How do we decide what activities are valued and how do we measure that?

Programs generate demand for credits, but departments need to deliver the credits
How do we measure degree granting programs for effectiveness, investment, scaling down/sunsetting?
How do we understand the program elements that lead to successful recruitment/retention of students (inside and outside of their home dept)?

Worcester Polytechnic Institute
## Membership

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
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<tbody>
<tr>
<td>Mary Calarese</td>
<td>Associate VP Finance</td>
</tr>
<tr>
<td>Arne Gericke</td>
<td>CBC Department Head</td>
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<tr>
<td>Rachel LeBlanc</td>
<td>Academic Affairs</td>
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<tr>
<td>Monelle Verdolino</td>
<td>Institutional Research</td>
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<tr>
<td>John McNeill (Chair)</td>
<td>ENG Dean</td>
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<tr>
<td>Reeta Rao</td>
<td>BBT / Associate Dean of Graduate Studies</td>
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<tr>
<td>Kris Sullivan</td>
<td>Associate VP Academic Affairs</td>
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# Budget Process Committee

## Needs / Concerns

- We are losing revenue opportunities
- Resources do not naturally scale with department activity
- Incentives (if any) not aligned with WPI-wide strategy
- Disempowerment and lack of accountability for department heads

## Proposed Approach

**Activity+Performance Based Budgeting**

Allocates funding based on specific activities, performance

- Defined metrics  
  e.g., revenue generated  
- Defined outcome goals  
  e.g., graduation rates  
- More transparency  
- Incentivizes desired behaviors  

- Requires robust tracking and data reporting

## Benefits

- **Budget process inherently supports WPI strategic goals**
  - Example: grow Ph.D. research program from research associated revenue  
  - Acknowledge costs of projects program as worthwhile to support WPI’s leadership / reputation / visibility
- **Equity in resource allocation**
  - Money follows activity (both increasing and decreasing).  
  - Transparent process tied to openly available metrics
- **Incentives align to strategic plan**
  - Support areas where revenue can grow  
  - Sunset programs / activities that cost too much
- **Clear goals tied to WPI mission**
  - Department (heads and faculty) feel empowered: know what they need to do

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