



EDUCATION

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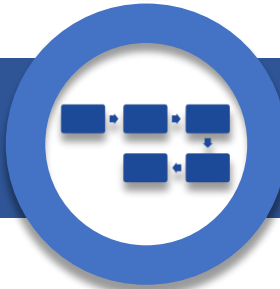
# OPTIONS

FOR LONG-TERM SUSTAINABILITY  
AND VIABILITY OF PENNSYLVANIA'S STATE SYSTEM  
UNIVERSITIES

# RAND was asked to develop and assess possible courses of action that would sustain State System universities



Our work supplements the 2017 National Center for Higher Education Management System analysis

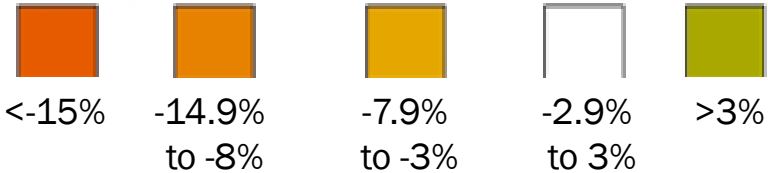
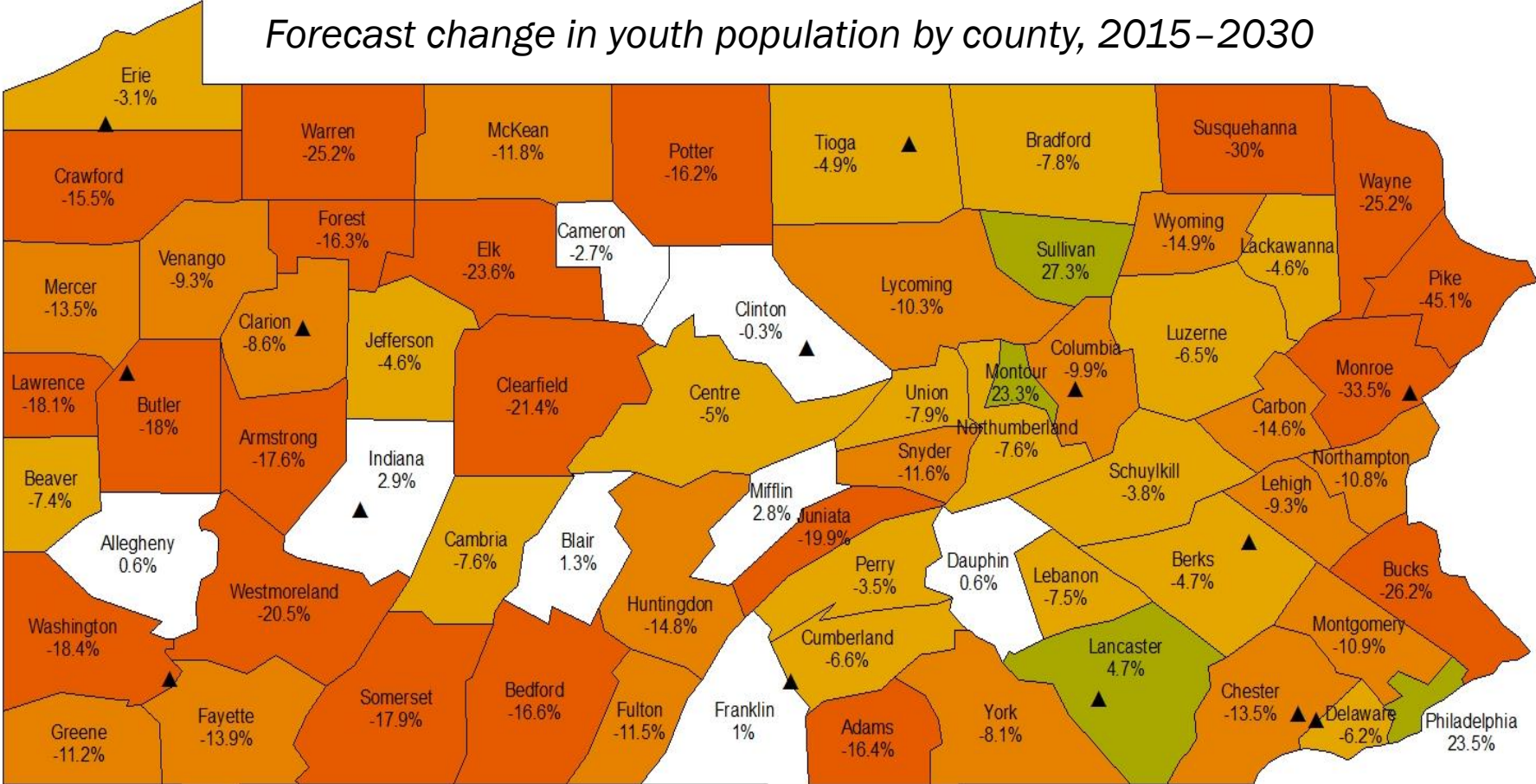


We conducted this work in five steps

- |   |   |   |   |
|---|---|---|---|
| 1 | Review and analyze relevant reports                               | 2 | Review other states' policies and governance structures |
| 3 | Analyze PA higher education statistical data                      | 4 | Gather and review stakeholder input                     |
| 5 | <i>Develop and assess options and implementation requirements</i> |   |   |

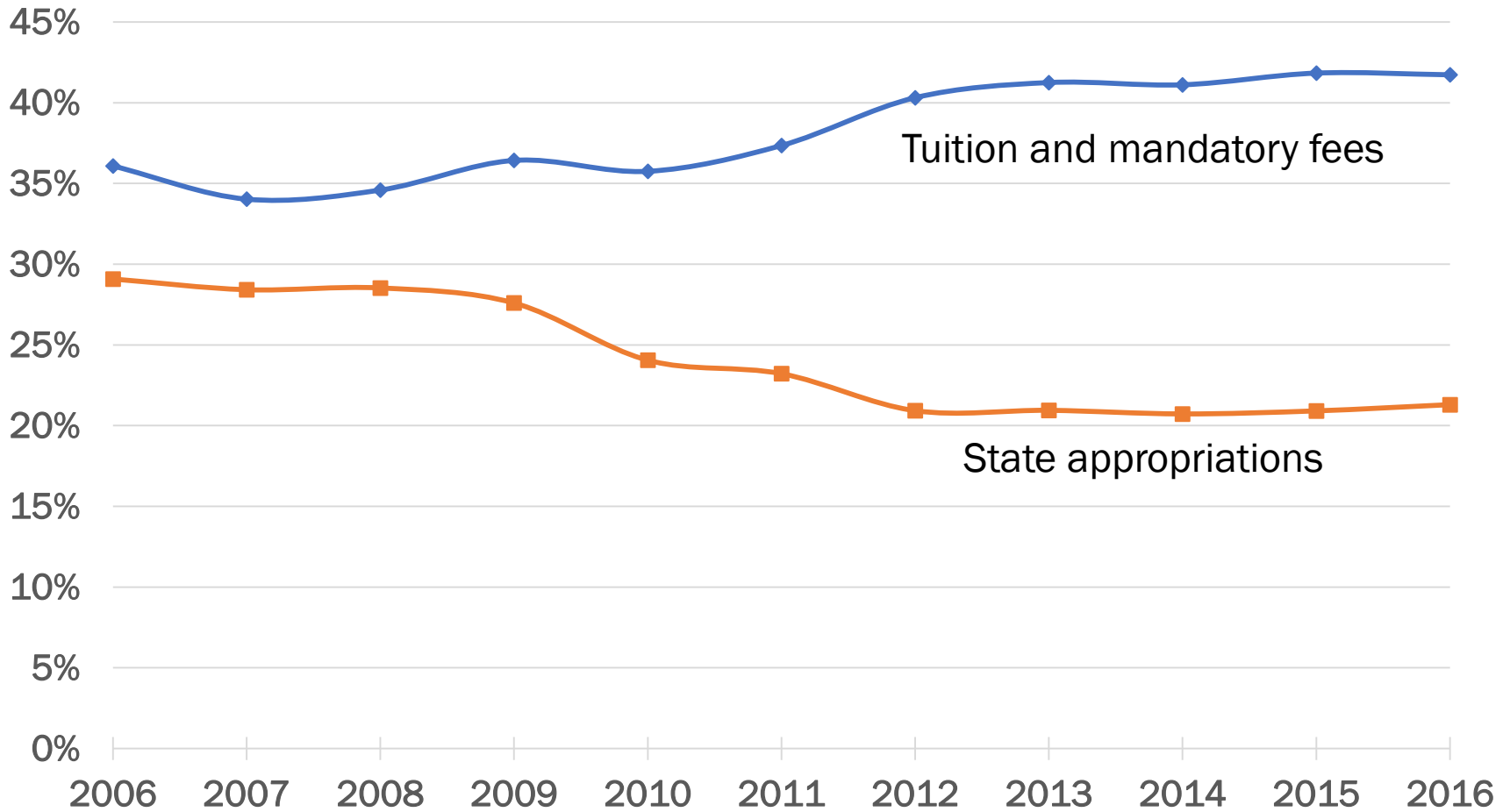
# Demographic trends pose a significant challenge to sustainability

*Forecast change in youth population by county, 2015–2030*



# Funding also poses a significant challenge

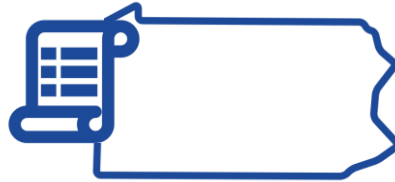
*Major sources of State System university revenues*



# Internal factors reduce the State System's ability to respond to challenges



Governance



State Regulations



System Office Support  
& Services



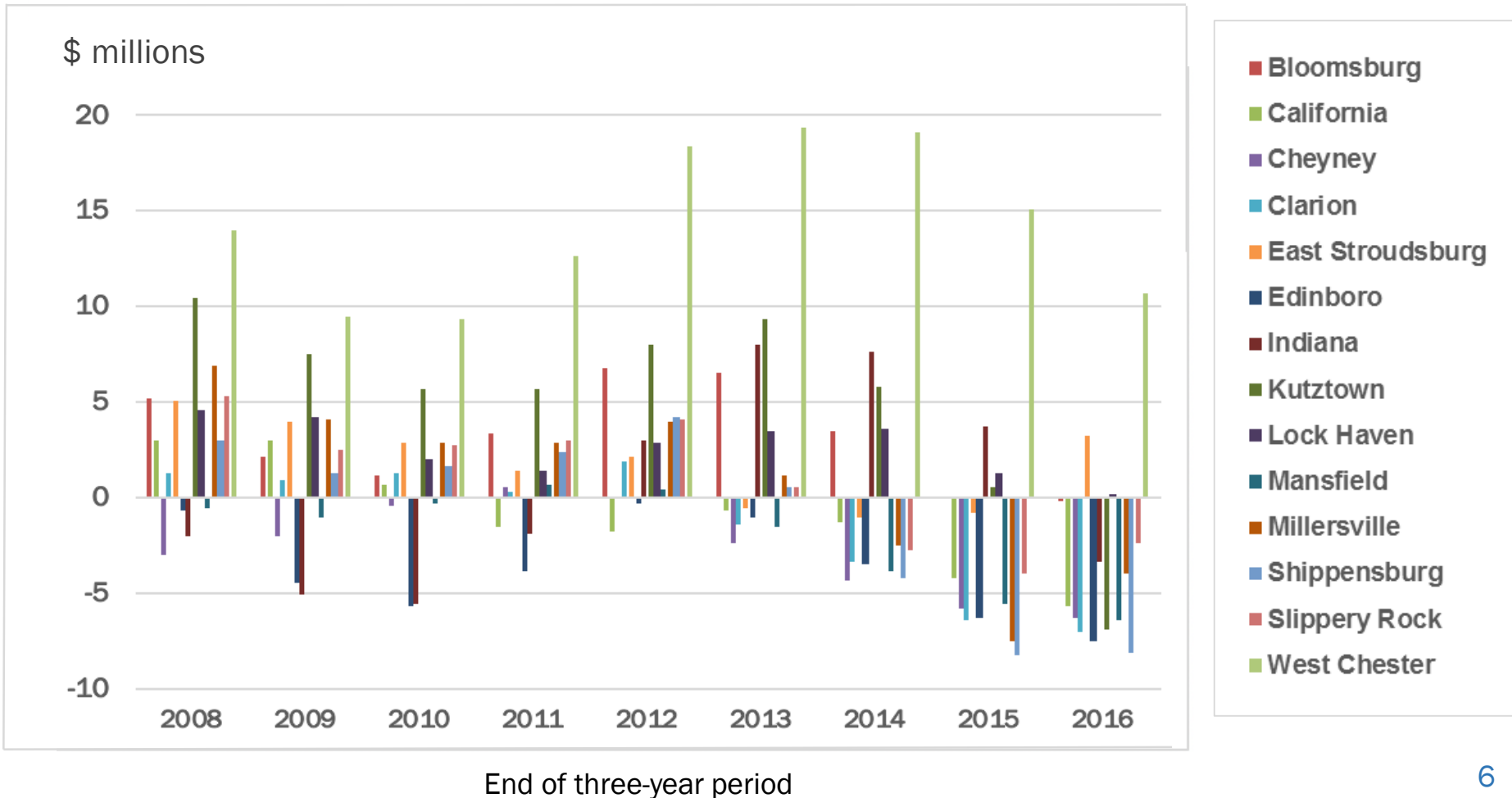
Faculty Labor Relations



Market Focus

# Together, these challenges are negatively affecting the universities—and trends are likely to continue

*Change in net position (surplus or deficit),  
three-year average at State System universities*



# Five options

**1** Improve State System structure

**2** Merge State System universities regionally

**3** Convert universities to state-related status

**4** Place State System and institutions under management of state-related university

**5** Merge State System universities as branch campuses of state-related universities

