Monitor and Evaluate Outcomes from Budgeting Decisions

SUMMARY

Key Points

• A college should establish a system to ensure that its strategies and priorities are being implemented. The system should monitor the processes associated with implementation and collect and evaluate interim performance results.

• The monitoring system should identify responsible parties to carry out and oversee the action plan’s implementation and to manage specific elements and initiatives within the plan; set milestone dates for necessary steps to be taken; and establish a reporting process so that the college is informed on progress in implementing the strategies.

• Throughout the year the college should evaluate student progress towards academic achievement goals. At a minimum, a college should develop a timeline that outlines project checkpoints and identifies which steps are to be completed by what dates. Important information that a college should consider in its evaluation of student achievement are data related to the goals and financial resources critical to achieving those goals.

Related Award Program Criteria

• Criterion 5.A.1: Monitoring Implementation. The applicant can show documented responsible parties, milestones, and a system of reporting for monitoring strategy implementation in its supplementary materials.

• Criterion 5.A.2: Continuous Improvement. The applicant can document in its supplementary materials and budget document the difference between planned and actual results (in both financial and student achievement outcomes), the root causes of those differences, and a plan for how the planning, budgeting, and/or implementation process will be adjusted accordingly.
Introduction
To ensure that the strategies and priorities are implemented with fidelity to the budget document, a community college needs to establish a system that:

I. Monitors the processes that are associated with implementation.
II. Collects and evaluates interim performance results to ascertain whether the strategy is on track to have the intended impact.
III. Uses the information from the monitoring process to make needed adjustments and inform future planning and budgeting efforts.

I. Monitoring Strategy Implementation

Background. A well-developed budget outlines a course of action for the upcoming fiscal year. Such a plan needs to be implemented. However, excellent plans are often improperly or incompletely put into practice. Even if a plan is properly executed, there needs to be some method to determine whether or not the plan/budget is having the desired effect.

Strategic Planning and the Budget
If a college has a strategic planning process, there ideally would be a unified monitoring system for goals, strategies, and budgets.

Recommendation. A college should start by assigning responsibility to a member of the college’s staff with sufficient authority for carrying out and overseeing the implementation of the strategies. Next, the steps needed to successfully put the strategies into practice should be identified, including a timeline and a set of milestones. The action plan that is part of the college’s strategy development should identify most if not all of the required steps. (See Best Practice in Community College Budgeting, 3B — Develop Strategies.) Finally, a reporting process should be established to track the implementation of the strategy.

II. Evaluating Interim Results Throughout the Year

Background. Most colleges have in place periodic check-ins (quarterly, biennially) for monitoring budget execution where the purpose is to compare actual spending to budgeted amounts. A complimentary system for monitoring the implementation of the strategies should build upon these checks, incorporating the implementation review with the fiscal review.

Recommendation. The implementation monitoring system should first identify the key elements that could serve as indicators of progress. At a minimum, a timeline should outline project checkpoints and identify which steps are to be completed by what dates. In addition to a timeline, a college should begin collecting data that are tied to the college’s goals. For example, if the goal is to increase completion, the college could compare the number of degree/certificate completions from the first semester/quarter/trimester relative to those in prior years. While it may take some time for the college’s strategies to fully impact these numbers, this step may provide some indication of whether or not progress is being made. These indicators could also serve as an early warning system of unexpected declines in performance.

Where it is not practical to collect data specifically tied to the goals, there may be other forms of evidence showing whether the strategy is being implemented. For example, if the strategy is to develop a cohort model for incoming students, the monitoring system could track how many new students took part in the program, how many times they were contacted, what percentage of the first-term cohort registered for classes in the second term, etc. Although these measures may reflect program outputs, as opposed to outcomes, they will at least provide an earlier indication as to whether the implementation is on track.
Finally, with financial resources critical to achieving the goals, the college should also have processes established to monitor risks to the budget, as often as monthly, and have options to implement changes in the spending plan to preserve the college’s financial health, while still doing as much as possible to achieve the college’s goals.

**III. Adjusting Strategy and Budgeting in Response**

**Background.** A college may find that a strategy is not having the intended impact on its goals. If so, the college needs to examine the reason for this and adjust its approach.

**Recommendation.** A college should address the following line of questioning in response to strategies that are not having the intended impact:

- Was the action plan implemented correctly? If so...
- Were the actions steps the right ones to take? If so...
- Was the institutional priority the right one for the root cause of the problem? If so...
- Did we have the root cause right?

The answers to these questions will guide the college on where adjustment is needed in its planning and budgeting process.