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ABSTRACT
              The development of a planning, budgeting, and
evaluation model, referred to as an "academic audit" model, at the
University of North Carolina, Asheville, is described. The model is
essentially a model for planning resource reallocation in conjunction
with redefining and reestablishing institutional goals and mission
statements. Priorities for budgeting are set as a consequence or
outcome of the auditing process. The model is cyclical in that an
obvious outcome of the entire process would be a demonstrated need to
perpetuate the model. The first phase of the model involves compiling
extensive data on student enrollment patterns, grading tendencies of
faculty, and other trends and merging that information with budget
data such as faculty salaries and expenditures for equipment and
supplies. The academic audits of each academic program would serve as
the primary information source used by a joint faculty-administrative
advisory committee in the second phase of the program, academic
planning. Using the university's goals and objectives as a guide,
recommendations could be made by the advisory committee as to the
status of present programs, the need for any reallocation of funds,
and the availability of monies for any new programs. Once their
recommendations are considered and acted on, the third phase would be
one of program evaluation and review. This stage essentially would
entail annual updating of the initial academic audit, a review of the
program's progress in achieving stated objectives, and recommending
any changes in funding. A bibliography and audit program timetable
adopted from the National Center for Higher Education Management
Systems are appended. (Author/SW)

ACADEMIC AUDIT: DEVELOPMENT OF A PLANNING, BUDGETING, AND EVALUATION MODEL FOR ACADEMIC PROGRAMS

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The idea for applying the business concept of an audit to certain situations in higher education is not new. Harcleroad and Dickey (1975), are advocates of applying the processes inherent in the business audit to the study of institutions of higher education. Craven (1980), uses the term "program auditing" to describe an evaluation of the **program** evaluation process itself. The academic audit was developed by UNC-Asheville as a method in refining the planning and budgetting process of its academic programs. It is the development of this model that will occupy the body of this presentation.

Evaluation by its very name implies the making of judgments. These judgments can be objective. subjective, or preferably some combination of the two. The objective portion of an evaluation can take place after systematically collecting and organizing data which focuses on those variables identified as contributing to the needs of the university as reflected in statements of mission, goals and objectives. Various quality indicators should be

defined and the appropriate data gathered, organized and analyzed. Recommendations based on the results of objective data should be made only after certain subjective data such as "reputation" has been considered. Reputation is the kind of subjective data which can contribute to high enrollments in a program which does not carry its weight on any of the objective criteria applied through variou; data based quality indicators (Austin & Solomon, 1981). Because reputation is in large measure a faculty dimension, systematic evaluation of faculty in relation to planning is very important (Felder & Blackburn, 1981). Academic program evaluation can be conducted successfully when objective and subjective data is considered in both the formative and summative stages of the evaluation process.

The formative stage of the evaluation process occurs in the beginning when the design of the evaluation project is conceptualized. The summative stage of the evaluation process occurs when the evaluation is completed and the audit is carried out. Thus the audit is intended to be a way for the academic decision makers or managers to determine the effectiveness of the evaluation process. The subsequent program decision actions should be predicated on the outcome of the audit. The academic audit then becomes a means of evaluating the evaluation process itself. The audit is integrally tied into the process so that evaluation becomes on-going and is essentially part of the

overall process of academic planning. (Long, 1980)

According to Craven (1980) an effective evaluation

process should possess several attributes.

> First, the evaluation process must be approved
> by those directly interested in the program under
> review. The process must be academically credible
> and politically acceptable to them. Second, the
> report of evaluation findings, implications, and
> recommendations must be relevant to the decision
> issues that defined the evaluation need in the
> first place. The evaluation information must be
> valid, reliable, and timely. The study recommen-
> dations must be economically and politically
> feasible. The report form should promote an
> easy understanding of the information and facili-
> tate its use in subsequent program decisions.
> Third, the results must be communicated to those
> in a position to make decisions regarding the
> given program....Finally, an integration of
> evaluation efforts with program planning and
> resource allocation activities should be sought
> through institutional policies and practices....
> p.449.

The model presented here is designed to address the

issues identified above. A description of the model for

conducting an academic program audit follows.

Description of the Project

To initiate a planning, budgeting, and evaluating

program, or as UNC-Asheville has, an academic audit, the

university unit responsible for academic programming must

first assess the status of each of its programs in relation

to the university's overall mission. (Cyert, 1973) Too

often the patterns of support for academic programs are

quite arbitrary. Programs receive their previous year's

allotment plus a percentage increase without any concern

for program effectiveness or consistency with the university

mission. The first phase of this review program, i.e. academic audit, entailed an examination of the existing programs and their relatedness to the mission. The Southern Association Reaccreditation process provided a timely rationale for closer scrutiny of the academic programs.

The last ten years have brought about significant changes in the university. These changes have been incorporated into a revised and updated statement of the university's mission as part of our self-study for reaccreditation. The revised mission recognized the need for university to be more service-oriented and to offer more diversified, career-oriented academic programs sensitive to the needs of the community. The institution further learned from its self-study that its primary student market was no longer the traditional eighteen to twenty-two year old student. The average age is now 27, nearly 90% of the student body does not live on campus and most are part-time. These dis-coveries required that our academic programs be examined and an assessment made as to the need to eliminate old programs, establish new ones, and modify existing programs. Without a clear up-to-date picture of the character of a school and its objectives an academic audit serves little purpose other than to reinforce the status quo. Each program was evaluated from this newer perspective. (Bers, 1980)

The "academic audit" was approached from both a quantitative and qualitative standpoint. Four quantitative areas were considered relevant. First, productivity indices such as class size, credit hours generated, lower and upper division courses, and number of majors were used. This information presented a picture of the activity level and interest level on the part of students for a particular program. Second, output data was identified such as number of graduates, in order to monitor the success of a department in moving students through to graduation. Third, information was collected on the character of the faculty in each academic program. Factors such as highest earned degree, rank, tenure, scholarly activity and community and university service helped to describe what the faculty were engaged in. Finally, information on the resources required for a program were necessary. The level of operating expenditures and space requirements were two key elements. All of the quantitative data was then grouped together to provide a description of the efficiency level and effectiveness of each academic program.

Before the qualitative dimensions were considered the overall expansion or contraction of the university had to be understood. UNC-A has shown a steady growth rate for a number of years and projections for future years show the trend continuing. These growth trends impact significantly on the program appraisal process. The elimination of programs because of inefficiency, etc. is not nearly as significant

a question as the reallocation of resources to existing
programs or the establishment of new ones. At institutions
where enrollments are shrinking the issue is centered much
more around the elimination of programs. Again these para-
meters must be understood before proceeding further in the
assessment of academic programs. (Shirley & Volkwein, 1978)

Qualitative assessments of academic programs essentially
entail making judgments as to a department or program's
consistency with university aims. How "good" an academic
program is aside from quantitative descriptions, is clearly
a subjective appraisal that is difficult for a program to
make of itself. (Webster. 1981) One method of assessing
quality is to establish an advisory faculty group repre-
sentative of the various programs to judge the effective-
ness of academic programs. It is essential to the under-
standing of this model that one realize that decisions
about academic programs should not be based solely on
quantitative measures. Some allowance must be provided for
qualitative factors as well. It is also important in the
creation of a review body that the faculty perceive the
group to be fair and representative. At UNC-Asheville the
group was selected from the existing department and program
heads. Each of the six members represented an academic
area or division.

The qualitative model used by the faculty council at
UNC-Asheville involves identifying a program maturity curve