MEMORANDUM

June 15, 2011

To: Members of the Board of Trustees
From: Nancy L. Zimpher, Chancellor
Subject: Effective Resource Alignment Through Shared Services

Action Requested

The proposed resolution authorizes the Chancellor to direct the State-operated institutions of the State University to collaboratively develop and implement strategies to improve efficiency, generate cost savings, build capacity, and increase resources available to the core academic and student service missions of campuses through shared services with respect to administrative functions, procurement opportunities, and re-alignment of academic program offerings.

Resolution

I recommend that the Board of Trustees adopt the following resolution:

Whereas the State University of New York has experienced a significant decline in State operating funding over the past four years; and

Whereas the Board of Trustees wishes to maintain and improve academic quality at the campuses; and

Whereas the Board of Trustees desires to use the resources of the State University to best advantage by minimizing costs for administrative functions to allow for enhanced spending on instruction and student services; and

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Whereas the Board of Trustees wishes to identify opportunities and implement strategies for shared functions among the State-operated institutions of the State University; and

Whereas the Board of Trustees wishes to further encourage enhanced procurement efficiencies; and

Whereas the Board of Trustees further wishes to ensure the best and most effective alignment of academic program offerings; now, therefore, be it

Resolved that the Chancellor be, and hereby is, authorized to direct the State-operated institutions to partner on a sector, regional or mission basis to identify and implement plans to share administrative functions now performed individually by each campus; and, be it further

Resolved that the State-operated institutions and System Administration continue efforts to enhance procurement effectiveness through activities such as participation in the New York State Strategic Sourcing Initiative and further expansion of University-wide contracting opportunities; and, be it further

Resolved that the State-operated institutions collaboratively review their academic program and course offerings, re-aligning such offerings where possible to further improve academic quality and delivery and administrative efficiency; and, be it further

Resolved that plans in pursuit of the above goals developed collaboratively by State-operated institutions and System Administration shall be as directed by or subject to the approval of the Chancellor, or designee.

Background

The proposed resolution authorizes the Chancellor to direct the State-operated institutions to identify and implement plans to improve efficiency, generate cost savings, build capacity, and increase resources available to the core academic missions of campuses through shared services with respect to administrative functions, procurement opportunities, and re-alignment of academic program offerings.
The plans should address, but are not limited to, the areas listed below. The campuses are strongly encouraged to develop additional strategies unique to their region, sector, or mission.

- Administrative services that can be shared on a sector, regional or mission basis. Potential opportunities exist to reduce and consolidate many forms of administrative services performed by individual campuses.

- Procurement savings through further development of the Strategic Sourcing Initiative as well as expanded activity in University-wide contracts.

- Review of academic offerings to ensure that the right programs are being offered in the right locations.

The savings generated through such measures are needed to address repeated budget cuts in recent years, and to devote more resources to the core academic and strategic missions of the campuses.