There has been much public discussion about the rising costs of higher education in the United States and increasing financial burden being placed on students. This session will draw on institutional experiences and the work of the Lumina Foundation to explore system-level strategies to increase productivity while reducing costs.
The Panel

**Curtis Carver**, Vice Chancellor & Chief Information Officer
University System of Georgia

**Brian Hutzley**, Vice Chancellor & CFO
State University of New York

**Rick Staisloff**, Founder/Principal
RPK Group
Trends in Higher Education

- **Recession** – The impact of recession has resulted in substantial reduction in state support for higher education.
- **Funding** – State funding per FTE at public higher education institution declined by 26.1% between 1991 and 2010.
- **Tuition** – To make up for the decline in state support, public institutions have increased tuition and fees at by 112.5% at 4-year colleges and by 71% at 2-year colleges over the past two decades.
- **Enrollment** – Decline in funding has occurred at a time when enrollments have grown significantly, challenging higher education leaders to stretch limited resources in order to maintain quality.
- **Debt** – Student indebtedness has reached unprecedented levels.
  - Average student loan is $24,000.
  - 25% of borrowers owe more than $28,000;
  - 10% of borrowers owe more than $54,000;
  - 3% owe more than $100,000.
  - Student debt has increased from $200 billion in 2003 to almost $1 trillion in 2012, surpassing consumer credit card debt for the first time.
Systemness
Operational Efficiencies & Service Excellence

Brian G. Hutzley, Vice Chancellor and CFO,
State University of New York
November 8, 2012
The Vision

SUNY Chancellor Nancy L. Zimpher:

Over the next 3 years, SUNY will shift 5% of our spending to direct instruction and student services, resulting in $100M being reinvested.

- Campus Based Priorities
- Student Centered Strategies
- Savings Remain at Source
- Investment in savings will be required
System Priorities

• Strategic Sourcing
• IT Transformation
• Transaction Processing Centers, Regional Hubs, Centers of Expertise
• Campus Alliance Networks and Administrative Alliances
Beyond Savings

- Service Excellence
- Innovation
- Quality Improvements
- Efficiencies
- Best Practices
- Savings and Reinvestments
Service Excellence

• Elevator Contract; reducing 27 individual contracts to four regional contracts. Cost savings of ~$1.5 Million.

• On-line tutoring consortium (STAR-NY) - Delhi, University at Buffalo, TC3, Alfred State, Oswego, Ulster Community College and SUNY Cortland.

• All SUNY Libraries loan materials to all other SUNY libraries free of charge.

• Veterans' Affairs Officer, Joint resource – Canton & Potsdam.
Innovation

• SUNY Smart Track Campaign—University at Albany, SUNY Fredonia, Niagara County Community College, Purchase College, Schenectady County Community College, and SUNY Ulster.

• SUNY Student hard waiver health insurance plan—University at Albany, University at Buffalo, Buffalo State.

• SUNY Business Intelligence (BI) and SMRT programs—University at Buffalo innovation & Binghamton University leadership.

• Securing local agreement allowing employees to work after hours on capital projects, resulting in an average savings of 25% per job—Cobleskill & Delhi.
Quality Improvements

• Shared Gift Annuity Program - Manage and accept gift annuity contracts and investments, working with interested SUNY campuses - University at Albany.

• Develop online compliance training for various EH&S regulations and other subject matter—Geneseo.

• Collaborate on training for students and professional development for staff—University at Buffalo & Buffalo State.
Efficiencies

- SUNY-wide print shop utilization efforts
- Centralizing administration of employee recruitment and criminal background checks – Delhi & Cobleskill
- Shared dining/food service contract – Clinton & Plattsburgh
- National Association of Educational Procurement
Natalie Higley
Joint CFO, Canton & Potsdam

SUNY
CANTON

NATALIE L. HIGLEY
Vice President for Business Affairs and Administration
Faculty Office Bldg. 610
34 Cornell Drive
Canton, New York 13617
www.canton.edu

Office: 315-386-7014
Fax: 315-386-7606
higleyn@canton.edu

THE STATE UNIVERSITY OF NEW YORK
Potsdam
1816
44 Pierrepont Avenue
Potsdam, New York 13676-2294

Natalie L. Higley
Vice President of Business Affairs and Administration
Business Affairs Office
Office: (315) 267-2141 • Fax: (315) 267-2318
E-mail: higleynl@potsdam.edu

Two sides of one card
Best Practices

- Partnership with NYS Office of General Services to leverage their efforts utilizing best practices for shared services (Procurement, IT and Transaction Processing Center)

- Regional hub created for MWBE initiative via outreach, training and sharing of vendor lists – Binghamton University

- Consulting services – EOP, financial aid, townhouse development, student activities, auxiliary services, community service – Cobleskill, Delhi
Reinvestment

• Over $6M reinvested in students in first nine months ($18M over three years or 18% of goal)
  o Business, finance, procurement operations
  o IT contracts

• $2.5M came from Administrative Alliances
  o More than 30 new faculty hires as a result of reinvestment
Major Themes:

1. New faculty hires
2. Financial aid programs, tuition credits, and scholarships
3. Career development programs and staffing
4. Tutoring and academic advisement
5. New academic and instructional equipment
The Call For Change
• Resource sharing

• Improving core services across campuses for students, faculty and staff

• Meeting and exceeding our students’ expectations for seamless student services beyond boundary constraints.

• Appropriately realigning funding to meet the goals outlined in SUNY’s vision
SUNY Vision

University Wide Degree Planning and Audit Goals

• Reducing the time to degree completion.
• Facilitating Students ability to complete their degree utilizing all SUNY locations.
• Providing High School Students advance planning toward their academic careers.
• Facilitating Students to be active participants in their degree planning and academic outcomes.
• Providing transparent access to individual academic programs.
• Focus campus resources on more complex Student Services.

Efficiencies
Service Excellence
Best Practices
Quality Improvements
Innovation
Multi-Dimensional

- System-wide
- Regional
- Sector
- Functional
- Specialized Mission/Program

Every faculty, staff, student, college council, and board member has a responsibility.
Beyond Savings

- Service Excellence
- Innovation
- Quality Improvements
- Efficiencies
- Best Practices
- Savings and Reinvestments

Benchmarking, best practices, and creating a culture of continuous improvement
Beyond Savings

The New Model = Working Together

Campus to Campus
Regionally
System-wide
Locally
Across the State
Nationally
Higher Education’s Challenges: Can systems make an impact?

Cost and Productivity

Brian G. Hutzley, Vice Chancellor and CFO,
State University of New York
November 8, 2012