

East Tennessee State University – Administrative Services Review Summary Report

June 30, 2015

Project Goals:

The Administrative Services Committee reviewed and analyzed ETSU's administrative functions with a goal to identify opportunities for increased efficiencies and cost savings, while maintaining or increasing service quality. The Committee considered relevance to mission, support of a student-centered growth agenda, and fiscal stewardships.

rpkGROUP facilitated the activities of the Administrative Review Committee. Subgroups were established to identify opportunities for efficiency enhancement and cost savings. Recommendations were to include identification of service level enhancements, cost savings/reallocation opportunities, areas of investment, creation of a communication plan and related documentation on the review process, findings and recommendations. The subgroups and committee membership are listed below.

Administrative Review Sub Groups

1. Facilities
2. Administrative Structures
3. Leveraging Technology
4. Public Service
5. Academic Support Structures
6. Student Support Structures
7. Net Revenue Generators
8. Duplication of Effort
9. Vendors and Contracts

Administrative Review Committee

Bert Bach, Chair	Provost	Provost, VP Academic Affairs
Scott Beck	Director Planning and Evaluation	Office of Sponsored Programs
Marsh Grube	Vice Provost	Academic Affairs
Mary Jordon	Special Assistant to the President	Affirmative Action
B.J. King	Sr. Associate VP	Office of Financial Services
Hal Knight	Professor	Education Leadership Policy Analysis
Sally Lee	Associate Vice President	Student Services Admin

Stephanie Murphy	Academic Counselor	University Advisement
Margaret Pate	Associate VP	Bdgt and Fin Planning
Bill Rasnick	Associate VP	Physical Plant
Don Samples	Dean	College of Clinical and Rehab Health Sci
Karen Tarnoff	Assistant Dean/Associate Professor	College of Bus and Tech
Vince Thompson	Sr. Dir of Customer Service	Info Technology
Teresa Williams	Director	University Advisement
Pat Van Zandt	Dean	Library Administration

Committee Process and Results

The Committee met on a monthly basis to review and discuss recommendations to determine which should move forward for appropriate approval and implementation. The subgroups met routinely and identified 127 total potential initiatives. The Committee approved approximately 26% of the recommendations for implementation. The remaining were tabled, transferred to other committees for evaluation, require additional analysis or removed completely. Of the approved recommendations, approximately 35% of those had cost savings or required investments identified at this time. The Committee has completed their work and is no longer meeting. A summary of the net financial impact totaling approximately \$2.2 million in additional net revenue is noted below:

**ETSU
Administrative Services Review
Net Impact Summary
As of June 30, 2015**

Subgroup	Net Impact to Date	Savings			Total Savings	Net Revenue Enhancement	Investment Required
		Personnel	Operating	Capital			
Public Service	\$ 790,000	\$ 425,000	\$ 250,000	\$ -	\$ 675,000	\$ 115,000	\$ -
Administrative Structures	\$ 533,188	\$ 603,188	\$ -	\$ -	\$ 603,188	\$ -	\$ 70,000
Acad. Supp. Structures	\$ (92,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,000
Vendors and Contracts	\$ 135,000	\$ -	\$ 135,000	\$ -	\$ 135,000	\$ -	\$ -
Net Revenue Generator	\$ 890,810	\$ -	\$ -	\$ -	\$ -	\$ 890,810	\$ -
Stud. Support Structures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Duplication of Efforts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities	\$ -				\$ -		
Leveraging Technology	\$ (89,150)	\$ -	\$ -	\$ 4,000	\$ 4,000	\$ (93,150)	\$ -
TOTAL	\$ 2,167,848	\$ 1,028,188	\$ 385,000	\$ 4,000	\$ 1,417,188	\$ 912,660	\$ 162,000

rpkGROUP Recommendations

Once the President and/or Senior Leadership review the Committee recommendations and determine which will be moved to implementation, rpkGROUP recommends that the Finance Office review and verify the estimated financial impact of the initiatives, particularly those where the financial impact has not yet been determined. We believe that there is opportunity for additional savings opportunities for ETSU that are not currently reflected in the above summary. When the net revenue is confirmed, implementation should begin with the identification of a responsible owner and success metric for each recommendation, with routine status updates to Senior Leadership or a designated oversight individual or group.

It was determined that a spans and layers analysis was not appropriate for evaluation at the Committee level and rpk would recommend that this be completed and reviewed by Senior Leadership as it could potentially yield additional savings and efficiency opportunities for the institution.