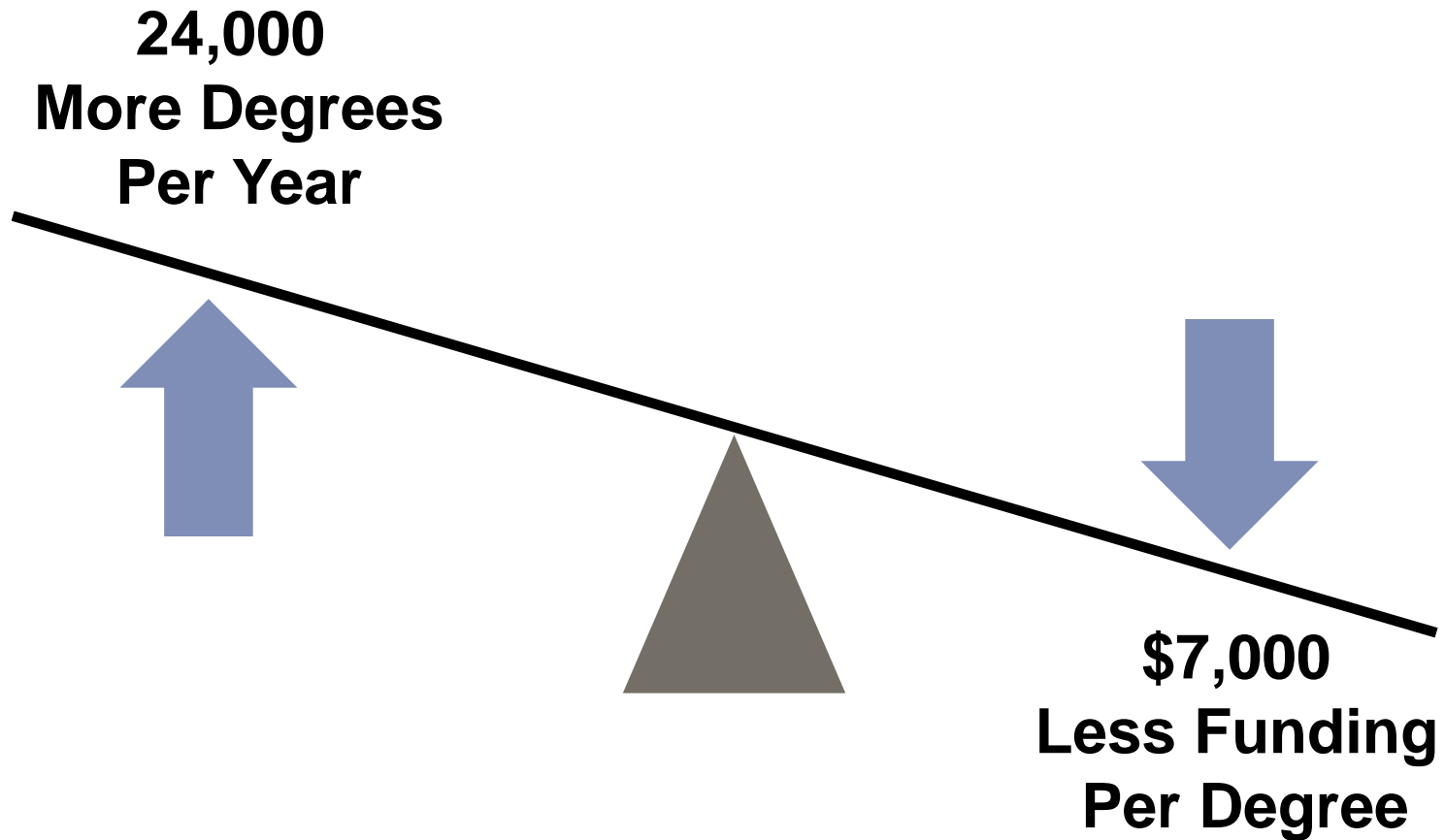


Administrative Effectiveness Committee CSU Channel Islands

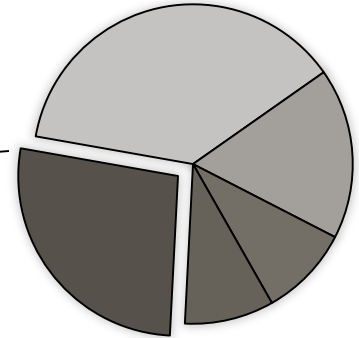
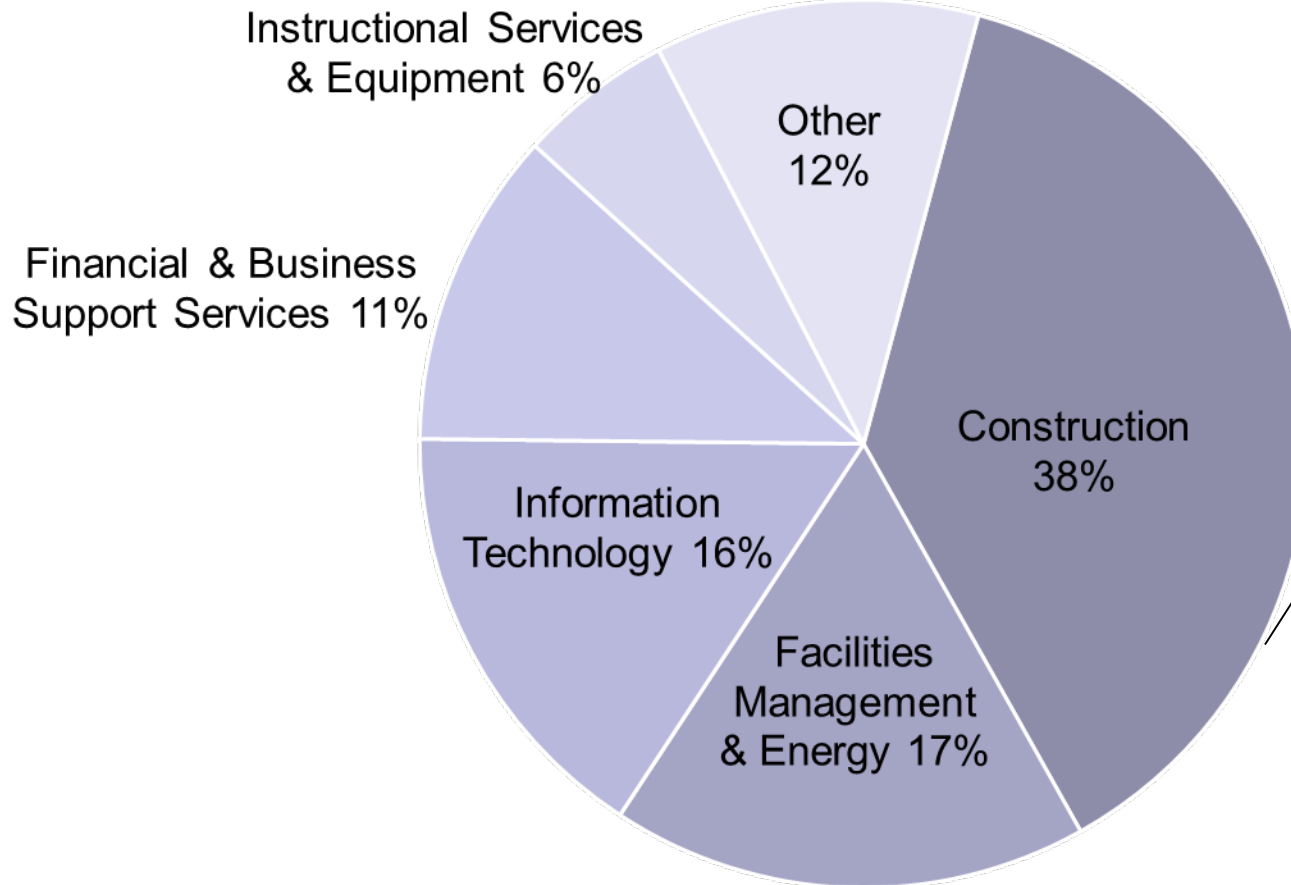
April 6, 2017
Lindero Hall 1776

Procurement and Other Administrative Effectiveness Initiatives

**Committee on Finance - Agenda Item 3
CSU Board of Trustees
November 15-16, 2016**



Spend by Category (%)
Total = \$2.3B



- Reverse auctions San Diego State University
 - \$1 million cost reduction over the contract
- Lean Six Sigma program CSU Channel Islands
 - \$1 million in operational efficiencies

- Common Network Initiative has delivered single network across all campuses and netted \$7.5M/year cost avoidance
- \$15M cost avoidance on software purchases this year
- \$2M/year costs avoided by moving CSU data center to cloud facility



- \$13M/year cost avoidance via systemwide digital library resources
- \$7M in cost reduction from academic technology services this year
- CSU Mentor – systemwide agreement to provide services that assist students in applying to the University
- Affordable Learning Solutions - reduces costs for textbooks and learning needs
- Portfolium – systemwide agreement to assist students in showcasing projects, skills, and experiences

- Purchasing of recycled products
- Sustainable delivery
- Bid evaluation criteria
- Contractual language



- Collaborate with UC and CCC to utilize contracts and create contract portal
- Continue implementation of procurement systems
- Improve analysis of spend to better identify key cost reduction opportunities
- Continue to develop and standardize CSU procurement best practices

Administrative Efficiencies Initiatives

CSU Channel Islands
October 2016

CI'S COMMITMENT TO CONTINUOUS IMPROVEMENT

- CI is committed to **continuous improvement** and routinely reviews resource allocations to ensure maximum effectiveness and identify new opportunities to improve efficiency
- Since 2013-14, CI has helped generate over **\$2.5 million in operating efficiencies** (2.5% of the operating budget), while improving service delivery, and maintaining an annual enrollment growth of almost 10%

CI ADMINISTRATIVE EFFICIENCIES HIGHLIGHTS

Lean Six Sigma Training Program

\$1 Million

- Nearly **400 trained employees** have helped identify over \$1 million in operational efficiencies across all divisions

Resource Reallocation & Cost Avoidance

\$1,028k

- **Reorganization** salary savings approximately \$500k
- Consolidation of student assistants from two divisions under one supervisor, translating to 2.0 FTE in salary savings (or \$150k)
- **Single Solutions Center phone line** helps save approximately \$100k annually
- Other **process streamlining** has helped produce \$45k in annual savings

CI ADMINISTRATIVE EFFICIENCIES HIGHLIGHTS

(...continued)

Program Process Improvements

\$65k

- *Admissions Fee*: 3-step process streamlined into 1 step, for 40% cost reduction
- *Faculty Recruitments*: recruitments consolidated into one annual cycle, reducing cost by staff time by 40 hours and \$25k in associated expenses.
- *Process Work Flow Improvements*: One division reduced internal meeting hours by 800 hours annually, translating to nearly 40% of an FTE.

Energy Efficiencies

\$115k

- LED installation has helped reduce energy consumption by 42% per FTE.
- Smart irrigation systems reduce water used for landscaping by 20%, or \$18k.
- Trash/recycling compactors reduce waste volume/service need for \$10k in savings.

CI ADMINISTRATIVE EFFICIENCIES HIGHLIGHTS

(...continued)

Technology Initiatives

\$350k

- Electronic Funds Transfers has produced \$75k in annual savings
- Automated Request for Goods and Services helped add 3,500 hours of staff capacity (or 1.68 FTE).
- Creation of campus data warehouse to improve data query abilities and will help save between \$100k-\$200k per year once fully implemented.

Student Focus

- ❑ Online transcript request option
- ❑ Disability resource programs' electronic matching program (for note-takers)
- ❑ Automated online student organization registration system helps save \$2k annually



Lean Six Sigma

Organizational Effectiveness Program



Lean Six Sigma is...

- ∞ A model of continuous improvement
- ∞ Meets strategic goals
- ∞ Decisions based on data, metrics and benchmarking
- ∞ Increased organizational efficiencies across campus



Lean Six Sigma is different at CI ...

We've combined of two schools of thought:

1. “Lean” reduces or eliminates waste
2. “Six Sigma” ensures a standard, quality output by reducing variation

Program Milestones/Partnerships

Cal Poly – SLO
The Central Coast
Lean Community



County of Ventura Executive Offices



Lean Six Sigma Training

\$1 million saved

- **Program** - With the introduction and implementation of the Lean Six Sigma program, many efficiency opportunities have been identified and completed throughout the campus, all in support of the University's growth and focus on effective operations.
- **Training** - To date, nearly 400 employees, including senior leadership, have received Lean Six Sigma training with projects identified and completed in all divisions. Cumulatively, tracked projects have resulted in over \$1 million in operational efficiencies.



Channel Islands
CALIFORNIA STATE UNIVERSITY

Goals – Next Steps

- ✧ Embed Lean Six Sigma campus-wide to create a foundation for *continuous improvement*
 - Enhance collaborative partnerships
 - Build a community of practitioners

