

TO: Chancellor John B. King

FROM: Suzanne Smith, President

DATE: August 2, 2023

RE: SUNY Potsdam in Focus: A Plan for Strategic Realignment in Response to Enrollment Decline

SUNY Potsdam, recognizing the need for financial and structural adjustments, has initiated the development of a plan designed to yield a proposed \$9 million annual reduction over the next five years, aligning our revenues with our expenses. Within this plan we have recognized the crucial role played by The Crane School of Music within our institution and across the State.

The urgency for this plan stems from two main factors: a decade-long decline in enrollment without a corresponding decrease in workforce, and a need to adapt to the changing demands of the job market by revising our academic program offerings. This long-term plan offers proactive strategies to address these issues head-on.

The implementation of this plan, which requires difficult choices, will enable SUNY Potsdam to lean into its strengths and secure its future. We have limited the negative impacts on students wherever possible, because maintaining existing enrollment and attracting new students is central to success.

Over the past decade, SUNY Potsdam has continued to maintain staffing levels designed for a student body of approximately 4,000, despite currently enrolling around 2,300 students. During this time, operational budgets were pared down to their bare minimum, leaving few of these areas available for further cuts.

The plan we present to you today is based on the concept of redefining SUNY Potsdam to fit a student body of 2,500. In light of the significant 43% drop in enrollment and trend towards lower enrollment, which is notably severe in the North Country but pervasive nationally, aiming to match previous peak enrollment figures is impractical. To address this, our plan revises the size of our faculty and staff in alignment with our current and projected student population. In addition, our plan introduces a strategy for reorganizing the campus layout, which includes potential demolition of selected buildings, allowing us to better manage our campus infrastructure and its costs.

We stand on the brink of a new era for SUNY Potsdam, one that requires a dynamic and decisive response to the challenges we face. This plan sets a clear, sustainable course for our institution's future, one which I fully support and am ready to execute. It demands hard decisions and commitment, but it also offers the best route to ensure the continued excellence of SUNY Potsdam going forward. Now is the time to address these issues proactively and reinvent our campus in a manner that aligns with today's higher education landscape and prepares us for a successful future. With your support, I am ready to lead this transformation, and begin implementing our plan.

Alignment of Academic Offerings

An essential element of our strategy involves revising our academic offerings, characterized by the discontinuation of 13 programs in addition to the 5 that were discontinued earlier this summer. These discontinuations will result in a reduction of [REDACTED] teaching faculty positions. The requirement to "teach out" currently enrolled students in these programs may necessitate that the implementation of the plan extends through future years, so the annual cost reduction estimates are approximate. [REDACTED]

Our plan also forecasts the elimination of clerical positions in the near future as we transition to a model across Academic Affairs and other divisions that aligns work needs and capacity. This transition will enable us to streamline our workforce while upholding appropriate levels of service.

While The Crane School of Music will continue to receive some financial support from the System, we are also challenging it to enhance fundraising efforts, increase class size where feasible, reduce staff where appropriate, and boost enrollment to achieve long-term financial stability. Detailed plans to meet these objectives are currently being developed.

18 Programs Discontinued or to be Discontinued:

- | | |
|------------------------------------|--------------------------------|
| 1. Art History (BA) | 10. Philosophy (BA) |
| 2. Arts Management (BA) | 11. Physics (BA) |
| 3. Chemistry (BA) | 12. Physics (BS) |
| 4. Chemistry (BS) | 13. Spanish (BA) |
| 5. College Teaching (CAS) | 14. Speech Communications (BA) |
| 6. Computer Science Education (BS) | 15. Theater (BA) |
| 7. Dance (BA) | 16. Music Performance (MM) |
| 8. French (BA) | 17. Public Health (BS) |
| 9. GIS (BS) | 18. Public Health (MS) |

Voluntary Separation Strategy

Our plan takes into account [REDACTED] forthcoming retirements. These are individuals who are in the process of or have already committed to retirement. The implementation of a Foundation-funded voluntary separation plan should result in a significant increase in this number if and when approved. A considerable number of these retirees will not require replacements, adding to our cost-efficiency efforts. The savings associated with these actions are not included because they can't be accurately predicted at this time.

Workforce Reduction through Retrenchment

The proposal further entails a reduction of [REDACTED] faculty and staff members across all the College in order to align academic support with student need. These reductions will involve eliminating positions within departments, independent of any program discontinuations.

Student Affairs & Athletics

[REDACTED]

[REDACTED]

Campus Infrastructure Optimization

While scaling down our campus footprint is a viable method for resource conservation, the associated costs from both utility reduction and staff reductions are reflected only in the final year, because we realize the high initial expense of demolition will potentially outweigh any immediate savings. Inactive buildings offer limited cost savings as we still bear the expense of heating and cooling, and they must remain fire code compliant. Should we be granted permission to demolish buildings, a preliminary assessment of campus structures suggests annual savings [REDACTED] are possible. Moreover, reducing building square footage aligns with our campus's energy master plan. Although not a direct savings to the campus budget, large-scale facilities maintenance can be deferred and invested in other buildings. We will work with the Construction Fund to assess viability of these potential actions.

[REDACTED]

College Advancement Adjustments

[REDACTED]

Additional Reduction Measures

As part of our ongoing efforts to optimize resource allocation, we will make strategic changes in several departments. In Enrollment Management, we will allow a full-time Counselor position to remain vacant and will not fill the currently vacant Vice President for Enrollment Management role. Similarly, in the Department of Diversity, Equity, & Inclusion, we're looking to adjust staffing as well. The current coordinator of the Center for Diversity will transition into a part-time role.

In addition to staffing changes, we're also carefully evaluating our campus activities and programs. [REDACTED]

[REDACTED]

Furthermore, we're reviewing the costs associated with each athletic program we offer. The goal is to ascertain whether the discontinuation of any sports teams would result in savings that outweigh the potential loss in enrollment and housing benefits. Through all of these measures, our goal is to create a sustainable financial path while maintaining our commitment to an enriching and inclusive campus environment.

Prospective Growth and Revenue Enhancement Initiatives

As we chart the course of our institution's future, we have identified several revenue growth strategies. One involves leveraging our existing infrastructure, including event spaces, printing facilities, and catering services, to generate additional revenue. This could involve bringing an event coordinator onboard, whose role would be to facilitate an increase in third-party usage of our facilities. This [REDACTED] role could open create new revenue for us.

Simultaneously, we understand the importance of financial contributions from our alumni community. The Potsdam College Foundation will remain steadfast and dynamic in its mission to seek unrestricted or flexible donations from our dedicated alumni. These contributions are critical as they allow us the flexibility to direct resources where they are needed most. In parallel to these efforts, we plan to actively pursue grant funds. These funds can provide substantial financial support for various campus needs, further alleviating the strain on our resources.

Another part of our growth strategy is academic realignment capitalizing on opportunities to introduce new, growth programs. These programs will not only attract more students but also serve as a platform for our institution to evolve and adapt to the changing dynamics of the educational landscape.

Key Concerns

[REDACTED]

Please note that the calculations informing this plan do not yet incorporate agreed upon and contractually obligated salary increases that amounts to approximately \$1.5 million dollars for back pay for year 2022/2023 and increases for years 2023/24.

Lastly, we face escalating economic pressure due to rising costs of equipment, external contracts, energy, and utilities. This compounds the urgent need to address deferred maintenance across campus. Amidst these financial challenges, our technological needs are growing rapidly. [REDACTED]