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## 6 Redesign our financial and administrative models to reward collaboration, drive efficiencies and strengthen our ability to provide access to an extraordinary education for all Minnesotans.

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In the 18 years since its creation, our system has made great progress in its better stewardship of resources and in more streamlined management. We have implemented shared systems; we have reduced the size of the system office; and we've realized greater efficiencies through initiatives like the Campus Service Cooperative and the Information Technology Service Delivery Strategy. Our colleges and universities have aggressively reduced administrative costs. These efforts have reduced the cost of educating a student by 12.5 percent over the last decade. We now rank 40th of 50 comparable state systems in overall administrative spending per student.

Even so, there is more work to do to align our financial and administrative models with the Strategic Framework and the recommendations in this report. There are more opportunities to contribute to affordability by reducing overhead and expenses. Our current culture is built on local autonomy and decentralization, which creates competition among the colleges and universities. Our success in the future will depend on our ability to realize our collective power, efficiency, and effectiveness through shared leadership, by working closely together, by restructuring where it makes sense, and by adopting shared business practices that add value, reduce costs, and increase affordability.

### Strategies:

- Redesign our financial model to incent and reward collaboration, the commitments in the Strategic Framework, and the recommendations in this report.
- Expand the Campus Service Cooperative and regional collaborations for business and processing operations to promote greater efficiencies and garner cost savings to protect affordability and better focus resources on our academic and technical programs.
- Encourage entrepreneurial opportunities for our colleges and universities to independently and collaboratively develop new revenue streams.
- Support and encourage administrative coordination.

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