

## Fiscal Accountability Draft Action Plan

On August 29, 2005 State University System (SUS) financial officers met with Mr. Peter Rummell, Mr. Joshua Leibowitz (McKinsey & Company), and Board of Governors staff to discuss Accountability Measure Eight:

**Management Efficiency** – Identifying, developing, applying, and tracking measures of efficiency for purposes of ensuring fiscal accountability, reducing barriers to cost-effectiveness, and mandating best practices in management areas beyond the scope of traditional academic accountability.

From that discussion, the following **Draft Action Plan** was developed:

### Reporting

The Issue: Universities vary in the timing and treatment of fiscal accountability reporting to their boards of trustees (BOT). The level of BOT scrutiny of fiscal accountability is unknown to the BOG. Consequently, it is unclear to the BOG how to create a “stair-step” approach to accountability, whereby boards of trustees provide due-diligence at one level and the BOG does so at another.

Action: Each university will provide its most recent version of the fiscal information it presents to its BOT for BOG review, education, and comparison.

Action: The SUS Council for Administrative Affairs (CAFA), in conjunction with the Council of Academic Vice Presidents, will build a set of “dashboard” measures that will inform the BOG as to overall operating performance, fiscal health, and efficiency. As largely process measures, this dashboard will be intended to complement the BOG’s other seven product-related accountability measures.

### Best Practices

The Issue: The BOG does not know about individual best fiscal practices and efficiencies that have already been achieved at any of the eleven institutions.

Action: CAFA will submit a list of its current best practices and greatest efficiencies in order to communicate them to the BOG and other stakeholders, and to explore whether it is appropriate to institutionalize any of them across the SUS.

### Collaboration

The Issue: The SUS has a history of sharing across the System for purposes of cost efficiency. Examples include the Florida Center for Library Automation and the Lambda Rail fiberoptics system. The issue is whether the SUS can increase its sharing and collaboration to gain even greater efficiencies

Action: From individual best practices, CAFA will identify a minimal number of key areas on which to focus as a system for purposes of exploring efficiencies and cost-savings through collaboration.

### Communication

The Issue: There is work to do in order to maximize communication among university boards, the BOG, the Legislature, and other stakeholders regarding fiscal accountability.

Action: CAFA, the BOG, and staff will determine steps to increase communication to various constituents.