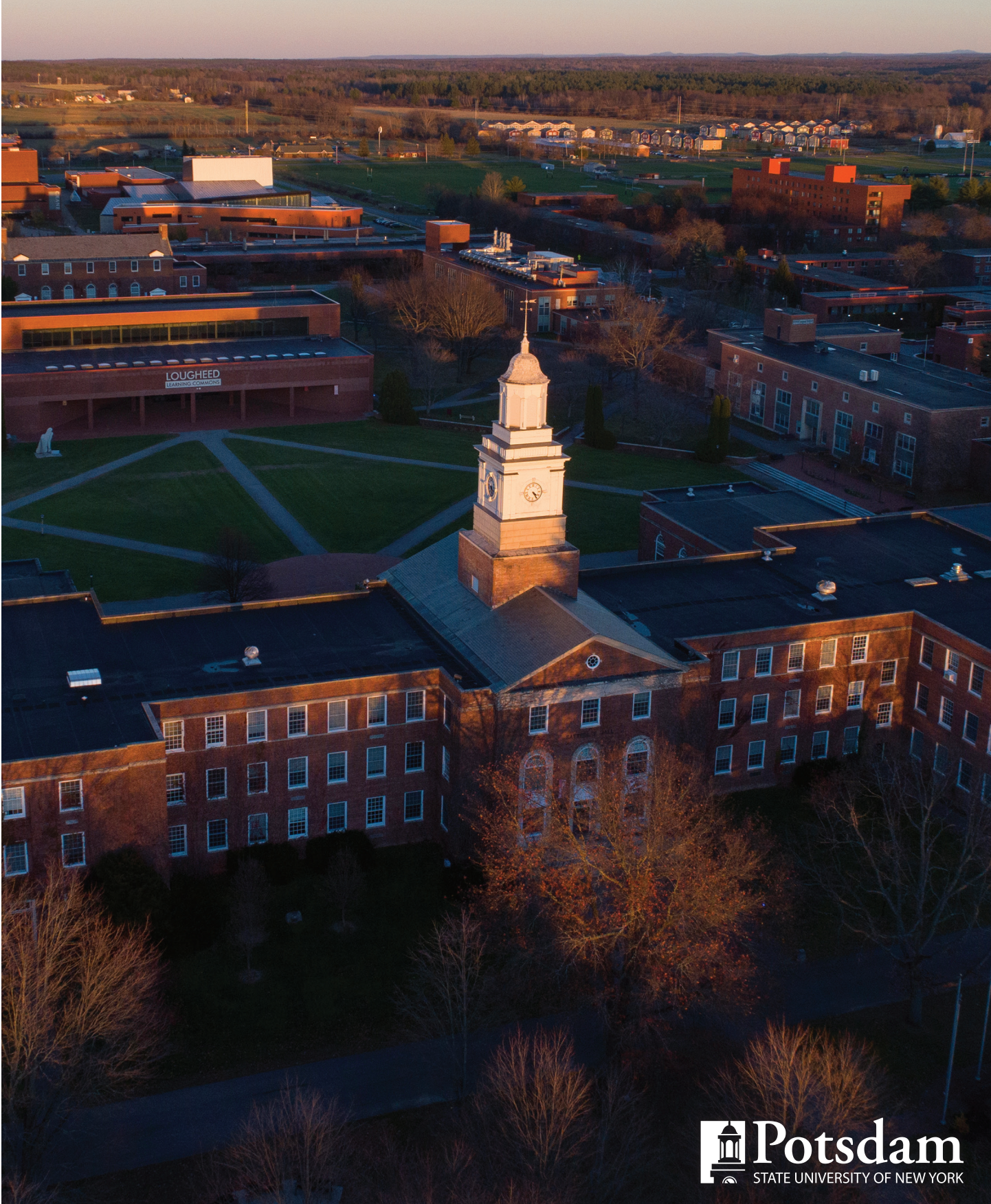



SUNY Potsdam Financial Stability Framework



A FRAMEWORK FOR FISCAL HEALTH



SUNY Potsdam is paving a path to fiscal health. We must adapt and evolve to meet the challenges of today, and prepare our students for tomorrow.

Together, we can ensure a strong and resilient future for SUNY Potsdam.

BACKGROUND



Like many other small higher education institutions across the country, SUNY Potsdam has been challenged by a confluence of factors over the past decade, most notably broader demographic changes in our state and region, increased competition, flat state support prior to the current administration and the impact of the pandemic.

As a result—and despite diligent effort to reverse the trend—SUNY Potsdam’s student body has shrunk by nearly 1,900 students over the past 10 years, putting the institution in a precarious position. Campus enrollment has gone from a high of 4,413 total students in Fall 2012 to 2,515 students today, a 43% decrease.

The College has taken steps to reduce actual costs, both through delayed or reduced expenditures and through attrition. Operational budgets were reduced dramatically in recent years, leaving few other options to make reductions other than through personnel adjustments. Over the past decade, SUNY Potsdam has reduced its budgeted spend by almost \$12 million, almost entirely through attrition. The campus workforce has been reduced by not replacing positions in that time period, going from 791 full-time equivalent employees in 2012-13, to 609 FTE faculty and staff in 2022-23, a 23% decrease. Unfortunately, however, with further enrollment declines, that’s simply not enough.

Despite all of our efforts to control costs and increase revenue through new student recruitment, SUNY Potsdam is still grappling with a structural deficit of \$9 million. This is a challenge we must resolve if our institution is to thrive again.

Over the past several months, the President’s Council has developed this framework, in partnership with experts at SUNY, to guide the campus onto a path toward financial health and success.

A CLEAR CALL TO ACTION



In recognition of the smaller numbers of high school graduates across the Northeast and the intense competition in the marketplace, we cannot build a budget around unrealistic expectations that our enrollment will return to historic highs. SUNY Potsdam hopes to stabilize our campus around a steady enrollment of approximately 2,500 students, as we have today, with hopes to eventually grow to 3,000 again, as we focus on providing the high-quality educational experience we are known for, for years to come.

Until we address our structural deficit, SUNY Potsdam's ability to rebuild will be further hampered, as we are increasingly faced with having to deny or delay hiring or spending requests for areas with growth potential, and the inability to make strategic investments. To close the gap and focus our finite resources toward those programs that are most in demand in today's marketplace, campus leaders have drafted a financial stability framework with the full support of SUNY System Administration.

This iterative plan is based on the hard reality that SUNY Potsdam, like other campuses in crisis across the country, cannot afford—either literally or figuratively—to wait to address our challenges. We cannot sustain this level of spending on programming that is undersubscribed, based on our current enrollment and levels of both state support and philanthropic giving. At the same time, we would further limit our potential to rebuild by simply making cuts through attrition—based on opportunity or timing alone—without a strategic prioritization of resources.

With our reserves depleted, SUNY System cannot underwrite our budget shortfall indefinitely, and we cannot ask our generous donors to make up the difference. SUNY Potsdam needs a clear path to fiscal health. This financial stability plan will allow us to adapt to the changing reality of the higher education marketplace while focusing our efforts on our programs with the most potential, allowing SUNY Potsdam to thrive long into the future.

MEETING THE MOMENT

The financial stability plan includes data-informed recommendations for reaching a more fiscally stable budget. It also establishes an ongoing process for all campus units to set and meet clear goals, directly tying future resource allocation to division/department performance and growth. This framework is designed to shift in response to changing circumstances, allowing the campus to regularly review our operations to ensure that we are meeting our goals.



Ongoing strategies to increase revenue

- Investment in high potential undergraduate and graduate programs to stabilize and ultimately grow enrollment
- Expansion of ancillary revenue through:
 - Increased philanthropic support from the Potsdam College Foundation
 - Hosting revenue-generating programs, such as summer camps and community events
 - Microcredentials to meet regional work force needs
 - Special session growth

Proposed strategies to decrease expenses

- One-time voluntary separation program supported by the Potsdam College Foundation
- Academic program discontinuations over the next three to four academic years, with individualized plans allowing all current active students to complete their program of study at SUNY Potsdam
- Workforce reductions in other areas to align academic support with student and workforce need
- Reorganizations of campus units to create efficiencies
- Campus footprint review

NEW PROPOSED STRATEGY DETAILS


Program discontinuations

SUNY Potsdam currently offers 46 undergraduate degrees, 15 graduate degree programs and 2 advanced certificates, and is home to 2,515 students.

An essential element of our strategy involves recalibrating our academic offerings to match student and workforce demand, including reviewing 14 programs for discontinuation over the course of the next few years.

Under the proposal, we intend to engage with the Faculty Senate and campus governance structure to explore phasing out the following programs over the next three to four academic years:

1. Art History (Bachelor of Arts)
2. Arts Management (Bachelor of Arts)
3. Biochemistry (Bachelor of Science)
4. Chemistry (Bachelor of Arts)
5. Chemistry (Bachelor of Science)
6. Dance (Bachelor of Arts)
7. French (Bachelor of Arts)
8. Music Performance (Master of Music)
9. Philosophy (Bachelor of Arts)
10. Physics (Bachelor of Arts)
11. Public Health (Bachelor of Science)
12. Public Health (Master of Science)
13. Spanish (Bachelor of Arts)
14. Theatre (Bachelor of Arts)



All current active students will be given the opportunity to complete their degrees at SUNY Potsdam.

The identified programs represent 6.3% of SUNY Potsdam's total enrollment. All active students in programs that ultimately would be phased out would be provided with individualized plans for degree completion. Every student currently enrolled in these programs would receive support to complete their degree here, enroll in a different major or transfer elsewhere, based on their personal circumstances and desires. All can graduate with a SUNY Potsdam degree in that field if they wish.

It is also important to note that program discontinuation does not mean that all positions associated with that discipline would be eliminated. The process can take several years, as the remaining students complete their studies, and even after it is complete, we will need to maintain some positions in impacted areas to support our General Education Program and other program requirements.

Ongoing assessment

As part of the framework, SUNY Potsdam will institute regular and ongoing program evaluation, using internal revenue and expense guidelines as one tool to assess program viability, to ensure that we are adjusting our offerings in response to student interest and marketplace demand.



Data-informed recommendations

In making these tough choices, SUNY Potsdam is taking a holistic approach in evaluating program viability, including analysis on the following data points:

- Pre-census enrollment for Fall 2023
- 1- and 5-year enrollment trends
- First-year first-time and transfer yield for Fall 2023
- Department faculty full-time equivalent positions for the 2022-23 academic year
- Department student full-time equivalent enrollment for the 2022-23 academic year
- Undergraduate first-year retention in major cohort from Fall 2021 to Fall 2022
- Department student/faculty ratio for Fall 2021 to Spring 2023
- 5-year percentage change in department student/faculty ratio
- Underrepresented minority student enrollment
- Department WAYS course contribution in the 2021-22 academic year
- Most recent departmental self-study
- Departmental 2021-22 academic realignment report
- Current staffing needs
- Market research and workforce demand

Things to know:

If a program is discontinued...

- All current active students will be given the opportunity to complete their degrees at SUNY Potsdam.
- All degrees that have been or will be awarded in that field will remain valid.
- The process is anticipated to take three to four academic years.
- Staffing needs will be reviewed holistically, to see which positions are still required to support the General Education Program and other coursework in the future.
- Deans overseeing the impacted areas will work to address academic and administrative planning moving forward.

Learn more:

[SUNY Potsdam Policy on Program Deactivation \(Administrator-Initiated\)](#)
[SUNY Policy on Program Deactivation and Discontinuance](#)

Process timeline & shared governance (tentative)

September 18	Meet with department chairs and program coordinators to notify them of the discontinuation proposal(s)
September 20-29	Provost (interim) and deans meet with program coordinators to discuss discontinuation proposals
September 20-28	Provost (interim) and deans meet with chairs to discuss anticipated non-discontinuation-based cuts and non-renewals in departments
September 28	(Proposed) Provost (interim) and deans meet with Faculty Senate Executive Committee
September 27-October 12	Each unit and the Faculty Senate Executive Committee will have 2 weeks to compile and submit feedback
October 13	Provost's Cabinet considers input from academic departments/units and the Faculty Senate Executive Committee, and decides whether to move forward, revise or withdraw each proposal to discontinue
October 18	President's Council reviews recommendations from the Provost's Cabinet for final campus deliberation
October 23	All proposals to deactivate or discontinue programs must be submitted to SUNY System Administration for final approval, per SUNY policy #1701



Restructuring

In addition, to ensure the continued viability of our other programs, faculty and staff positions in other areas will be evaluated over the coming months, as we adjust our workforce to serve our existing enrollment. Workforce reductions will not be limited to departments and disciplines recommended for discontinuance. Further cuts will be evaluated for other campus areas as well, following a lengthy analysis of student demand and workforce need.

At this stage, we cannot project the exact number of positions which will ultimately be impacted overall, as that will heavily depend on uncertainties like retirements and attrition. We are just at the outset of a multi-year process.

It is clear, however, that we must recalibrate our operations to the reality of reduced staffing, looking at best practices and reimagining our organizational model.

Areas across campus are working to restructure and reorganize, finding efficiencies and synergies, to allow us to do more with less. As just a few examples:

- Our plan will evaluate the elimination of some clerical positions, as we transition to a “hub” model across Academic Affairs and other divisions that align work needs and capacity. This transition will enable us to streamline our workforce, while providing the levels of service students deserve and expect.
- We are in the process of uniting all of the functions within the Loughheed Learning Commons under one administrative unit, bringing together College Libraries, Academic Services and the Loughheed Center for Applied Learning.
- Cabinet-level positions within and reporting to the office of the president, including the roles of chief of staff and vice president of enrollment, have been eliminated as part of restructuring.

Numerous offices are making do with less, by forgoing hiring in open positions. Ongoing attrition in administrative, clerical and trades positions has led to many not being filled. Every position opening will continue to be reviewed by the Budget Review Committee.

None of these recommendations should be viewed as a reflection of the value or quality of our programs, or of the faculty and staff delivering them. Rather, all recommendations have been made with the intent of ensuring that we have sufficient resources to maintain the continued excellence of our remaining academic programs and fulfill the needs of our students and the marketplace.

Voluntary separation program

To help with personnel reductions, SUNY Potsdam will offer a voluntary separation program to be implemented as part of our plan, with the support of the Potsdam College Foundation. Retirements and attrition will significantly impact the number of reductions that take place, making this program key to our success.

Learn more:

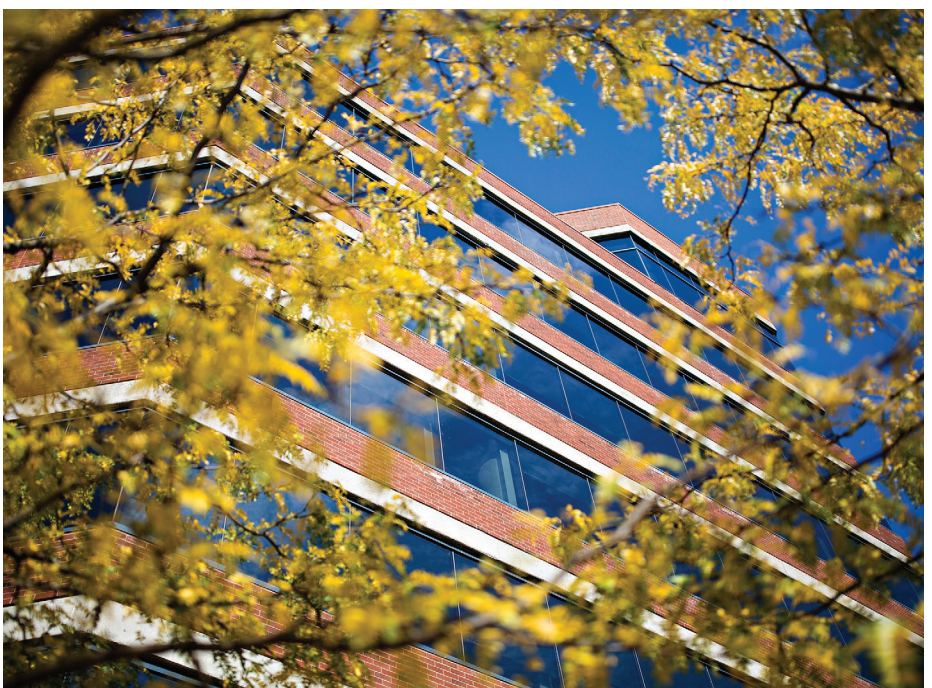
[Office of Human Resources](#)

Reviewing our campus footprint

With changes to our academic offerings, we will also need to adjust planning for facilities usage going forward. This will include examining our campus footprint, in line with our strategic planning process and through a review of our facilities master plan. The President will establish a working group to collect and review data and make recommendations regarding facility usage going forward. The group will be charged with identifying ways to better utilize our infrastructure, minimize costs and increase revenue.

New opportunities will arise to allow other programs to expand into spaces that had been previously dedicated to discontinued programs. The working group will be charged with reviewing these decisions holistically, in collaboration with our Space Committee, the SUNY Construction Fund, and the broader campus community.

In reviewing spaces, however, we must put all options on the table. In some cases, the cost of renovation and maintenance may exceed the possibilities for use in a given space—so reducing our campus footprint may help to save resources, including ongoing energy and maintenance costs. Possible facilities under consideration for closure could include Dunn Hall and Knowles South, East and West. As the working group investigates the cost-benefit analyses of closing these spaces, we would also ensure that programs that currently utilize those spaces find better homes elsewhere on campus.



GROWTH OPPORTUNITIES

Along with reductions, we must also pursue opportunities for growth. SUNY Potsdam hopes to explore innovative solutions to increase revenue by better utilizing our existing infrastructure, including through hosting third-party events, such as summer camps and community conferences, trainings and celebrations.

The Potsdam College Foundation will continue to seek out unrestricted and flexible gifts from our generous alumni, allowing us to build back through their support.

We hope to increase revenue as well through an expansion of our special session offerings and through the development of competitive microcredentials, to serve the needs of today's workforce.

There are signs of promise in terms of recruitment, which we hope to build on in the future. Applications and acceptances for Fall 2023 were at a record high, and this semester, for the first time since 2010, SUNY Potsdam had an increase in our total student enrollment. Thanks to the College's efforts to move graduate programs online, graduate enrollment has more than doubled over the past five years.

Of course, we cannot stop innovating. We will continue to explore academic programs in areas of proven expertise and student demand and will invest in their development. We will continue to develop online offerings in areas focused on our strengths, building on our success in growing our virtual graduate programs.

SUNY Potsdam's strategic planning process is ongoing, under the leadership of President Suzanne Smith, which will allow us to focus our energies and resources on what's most important to student success on our campus: innovation, inspiration and lasting impact. Even as we bring our campus finances back into balance, we must also focus on the future and the incredible promise that this campus holds.

Learn more:

[Innovate. Inspire. Impact. | SUNY Potsdam's Strategic Vision](#)



THE POTSDAM TRADITION

Since our founding as the St. Lawrence Academy in 1816, our campus has weathered many storms through its storied past. In fact, it is this resilience that in many ways defines the institution, as outlined in W. Charles Lahey's history of the College, "The Potsdam Tradition: A History and a Challenge." Dr. Lahey wrote in 1966 of the growing pains that what was then known as Potsdam State had faced as it became part of the new SUNY System, built a new campus and changed its curriculum:

"The challenge of the last twenty years was met by the combined efforts of the administration, faculty and students. These efforts are now part of the Potsdam tradition, because the college is molded by the tests it meets and conquers, and the record of these conquests becomes its living tradition."

Likewise today, we are faced with a challenge unlike any our campus has seen before. We are certain that through combined efforts, we can meet the moment—and ensure that the Potsdam tradition will continue to endure.

