

SRAP Update: February 15, 2018

Dear Colleagues,

I hope your spring semester is off to a great start. I think we can all agree that the additional minutes of daylight are certainly welcomed at this time of year.

The SRAP work continues. Here are some highlights of that work:

Non-Instructional Review Group: Roberta Lemke, chair of the group, reports that they have developed a set of principles that are guiding their discussions:

- Do no harm to the student academic experience, either now or in the future.
- Minimize negative impact on the student non-instructional experience.
- Remember the college legacy, as we work to future proof the college.
- Ensure that offices are operating as efficiently as possible and can demonstrate their cost effectiveness.
- When possible, and when appropriate, cut or contain non-comp expenditures before people.
- When staff cuts are necessary, first turn to retirements/resignations.
- Maintain a level of staffing appropriate for the program levels.
- Maintain a quality of work life when staff is cut.
- Consider the impacts on the environment and community.

The group has completed reading all of the 65+ questionnaires and has assembled their follow-up questions to be asked of budget managers. The budget manager follow-up interviews will begin the week of February 20th.

The group's reallocation and reduction recommendations will be sent to the SRAP Steering Committee by late March/early April. While the SRAP team members have agreed not to discuss the individual SRPA document or the content of their conversations, they are happy to answer general questions surrounding the process and timeline. Feel free to direct your SRAP-NI questions to Roberta (lembke@stolaf.edu) or to the entire SRAP-NI team at (srap-ni@stolaf.edu).

New or Enhanced Revenue Streams: Just because we're in SRAP mode, doesn't mean that we don't continue to make business decisions when it's appropriate, and continue to make quality improvement decisions where it makes sense.

In my last SRAP update, I noted that the Financial Aid Strategies group has made some financial aid policy adjustments that when coupled with our enrollment numbers are expected to generate an additional **\$1M** in first year student net revenue compared to the prior cycle. We will count this toward our SRAP goals.

When we started the SRAP process we also asked our food service partner, Bon Appetit, to participate. Their management staff have come to us and put \$125K on the table. They also offered several options for using the \$125K that we're exploring. As part of that conversation, they also announced that they would be reducing catering prices by 5% starting February 8th. This equates to roughly \$35K per year. Bon Appetit has identified an additional **\$160K** in revenue as part of the SRAP process.

Last week, I announced that the College was transitioning its bookstore operations to Barnes & Noble (*see email dated 2/5/18.*) The *Manitou Messenger* will also be doing an article on this transition in their next issue. The College's net revenue from bookstore operations will more than double adding an additional **\$150K** to our bottom line.

St. Olaf owns the 60 acres of land on which the Northfield Hospital and Clinics is built. The College significantly discounted the rental for this property and currently receives \$6,600 annually for this land lease. The hospital's plan to expand their campus to include a senior housing project triggered an opportunity to renegotiate land lease rates for the 12 acres on which this project will be developed. This renegotiation has resulted in a market value rate that will generate an additional **\$72K** in annual rental payments.

Academic Review Group: Academic SRAP questionnaires are due on Monday, February 19th; over 70 were distributed. The review group asks that respondents submit an electronic copy of the completed questionnaire to srapinstructionalgroup@stolaf.edu. Dan Dressen, chair of this group, reports that they have developed a common reading evaluation tool to be used for jotting notes and questions. He also reports that they have already received six completed questionnaires; this group of six will be used to test the evaluation tool next week. The group's goal is to be able to make some preliminary recommendations to the Steering Committee by mid-April.

Steering Committee Activities: This group's conversations have focused on goals for second semester communications. These include: education regarding the St. Olaf experience and other institutions going through similar processes; controlling rumors; continuing to update on progress and how deliberations are structured; creating opportunities for the community to react to initial thoughts; maintaining and sustaining a sense of community; and ensuring that the process is understood as fair and open. These goals will need different kinds of communication. The group also wants to create mechanisms by which creative thinking and conversations can occur that would enhance strategic positioning. For example, as the questionnaires are evaluated, we're expecting to see potential synergies across programs/departments. The committee is discussing strategies on how to facilitate these inter-departmental conversations.

The Student Government Association (SGA) has asked for a SRAP session focusing on student priorities and questions regarding possible reductions and reallocations. In consultation with Jauza Khaleel, SGA President, and Maren Weaver, student representative on the Steering Committee, we're targeting a mid-March date for this conversation. Future updates will include more information on these communication initiatives.

At the start of this process we said that this year would be filled with dialogue and courageous conversations. The best ideas for innovation and a sustainable future will come from all of you. It is hard work. However, as PDA reminded us earlier, those that came before us had similar conversations resulting in a nationally recognized institution with a 140+ year history, and there will be those that come after us having the same kinds of conversations. This is our time to care for, and ensure, a strong and viable St. Olaf for the future. Thank you for your diligence and dedication as we continue this SRAP journey.

See the [Strategic Resource Allocation Project website](#) for more information about the SRAP project, the college's budget, [suggestion box summary](#), and other supporting materials.

Regards,
Jan

Jan Hanson

Vice President/Chief Financial Officer



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