



## BOARD OF REGENTS

SUMMARY OF ITEM FOR ACTION,  
INFORMATION OR DISCUSSION

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**TOPIC:** Role and Function of the Committee on Effectiveness and Efficiency

**COMMITTEE:** Committee on Effectiveness and Efficiency

**DATE OF COMMITTEE MEETING:** October 17, 2012

**SUMMARY:** The University System of Maryland (USM) launched its Effectiveness and Efficiency Initiative (E&E) in 2003-04 to manage a number of unprecedented challenges prevalent at that time: declining state aid; rising costs in energy and health care; rising demands on higher education in an economy increasingly based on knowledge and information; and surging enrollment from the "baby boom echo."

The USM Board of Regents established the E&E Workgroup to address these issues. The driving force behind the E&E Initiative was the need, in such challenging economic times, to optimize USM resources to yield savings and cost avoidance.

The workgroup, a collaborative effort involving the regents, chancellor and USM vice chancellors, and leaders from all USM institutions, identified several action steps to reduce costs. These steps included centralizing services such as internal audit, construction management, and real property development; strategically leveraging USM buying power, including a pooled purchase of energy by USM schools acting as a shared entity; and implementing cost-effective energy management strategies. The group targeted efficiencies on administrative and academic levels through two action stages, Phase I and Phase II.

Since the launch in 2003-04, the E&E Initiative has realized cumulative savings of \$255 million through calendar year 2011. At their meeting of February 11, 2011 the Board of Regents voted to establish the Effectiveness and Efficiency Work Group as a Standing Committee.

As a new academic year begins and as new Regents join the Board and its Committees, a clearer understanding of the purpose and the work of the Committee on Effectiveness and Efficiency will ensure a positive and productive year.

**ALTERNATIVE(S):** This is a discussion item only.

**FISCAL IMPACT:** This is a discussion item only.

**CHANCELLOR'S RECOMMENDATION:** This is a discussion item only.

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COMMITTEE RECOMMENDATION:

DATE:

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BOARD ACTION:

DATE:

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## **Role and Function of the Committee on Effectiveness and Efficiency**

Bylaws of the Board of Regents of the University System of Maryland

Article IX, Section 9. Committee on Effectiveness and Efficiency.

- A. The Committee on Effectiveness and Efficiency shall consider and report to the board on all matters relating to the review of the academic and business operations of the University System in order to maximize the effectiveness of the System and, where possible, increase its efficiency.
- B. The Committee shall also provide policy guidance and oversight of the effectiveness and efficiency process on a system-wide basis, operate as a clearinghouse for initiatives, monitor activities, and review results based upon pre-established benchmarks.
- C. The Committee may form work groups to focus on certain areas of effectiveness and efficiency as needed.
- D. The Committee shall meet at least twice per year.
- E. The Committee shall also consider other related matters that may be brought before it by the Chancellor or referred to it by the Board.