Office of the Chancellor
Pennsylvania's State System of Higher Education
University Operations Procedure/Standard Number 2020-48

Shared Services

Approved by: _____ **Date:** _____8/28/2020_____

Revised:

History:

Related Policies, Procedures, or Standards: n/a

Key words/Categories: Shared services

I.   Introduction

The Administrative Procedures and Standards serve to set forth the creation of a shared services model for State System universities and the Office of the Chancellor (OOC). The goals of the Shared Service Center (SSC) are to increase the quality, breadth, and efficiencies of services provided to System universities and the OOC.

II.   Definitions

The following section provides additional definitions for use within the procedures.

1. **Shared Service:** A function or operation provided to one, many, or all universities, and/or the OOC, that was previously provided at an individual university or within the OOC and which is designed to improve efficiency and reduce costs across the System.

2. **Shared Service Center:** The organization and individuals providing and/or managing services to universities and the Office of the Chancellor related to Systemwide Business Procedures identified by the Board of Governors, the Chancellor according to Act 188, and/or upon request by universities.

3. **Service Catalog:** The organization of all the services that are available for each function within the Shared Service Center and the associated Service Level Agreements which communicates service delivery, availability, service information, and service roadmaps.

4. **Service Roadmap:** The planning document that shows timelines, supporting tools, and technology for each current shared service as well as the planned enhancements, improvements, and upgrades and the requirements to implement newly-approved services.

5. **Service Level Agreement (SLA):** The document that outlines the commitment, roles and responsibilities, metrics and reporting by the shared service group to provide

specific services to the universities and Office of Chancellor customers. (See appendix for template)

6. **Executive Leadership Group (ELG):** The organization overseeing the strategic direction of services provided by the Shared Service Center.

7. **Service Owner:** The individual leading each service within the Shared Service Center who is responsible for service delivery.

8. **Operating Committees:** The subject matter experts within universities participating in existing groups aligned to the services provided by the Shared Service Center.

9. **Business Case/Return on Investment:** The document that will be created which outlines new service requests, reason for the request, costs and benefits, risks, timeline to implement, and associated savings.

III. Procedure/Standard

A. **Shared Service Center** – The Shared Service Center is the organizational entity within the State System that will provide services within the functional areas listed below. Services provided by the Shared Service Center can be provided by System employees, third party entities or a combination. Service Catalogs and Service Level Agreements will be available for each of the services listed below.
   1. **Advanced Data Analytics**
   2. **Information Technology Shared Services**
   3. **Procurement Shared Services**
   4. **Facilities Shared Services**
   5. **Human Resource Shared Services**
   6. **Labor Relation Shared Services**
   7. **Payroll Shared Services**
   8. **Finance Shared Services**

B. **Shared Service Center Governance** – The Shared Service Center will report to the Executive Leadership Group with an indirect reporting relationship to the Director of Shared Services. This governance process does not supersede the authority of the Chancellor for Systemwide Business Procedures identified by the Board of Governors or the Chancellor according to Act 188.

   1. **ELG Roles and Responsibilities** – The ELG will meet as necessary, but no less than twice per year, to review the strategic direction of shared services. The following are the roles and responsibilities of the ELG.
      i. Review and approval of the annual Service Roadmaps.
      ii. Review and approval of new services and/or changes to the billing model.
      iii. Review and approval of changes to current services or the elimination of current services and changes to the billing model.
      iv. Review and approval of Service Level Agreements.
      v. Review of metrics and mitigation activities for services not performing to the SLAs.

2. **Director of the Shared Service Center Roles and Responsibilities** – The Director of the Shared Service Center will oversee the operations of the Shared Service Center. The following are the roles and responsibilities of the Director of Shared Services:
    i. Development and management of standard tools and templates for consistent use by the services provided within the Shared Service Center.
    ii. Review and refinement of annual Service Roadmaps for cross-service impacts, timeline dependencies and budgetary impacts.
    iii. Review and management of the processes associated with service requests and delivery escalation.
    iv. Development and management of accurate, transparent billing.
    v. Review of SLA metrics and mitigation activities for services not performing to the SLAs with escalation as necessary.
    vi. Development of a culture of continuous improvement for all services to improve customer service and efficiencies.
    vii. Management and coordination of ELG governance materials including monthly reports.

3. **Service Owner Roles and Responsibilities** – The Service Owner will oversee the development of service roadmaps, management of the service catalog including service delivery, risk mitigation, issue resolution activities, communications, performance against service metrics, interactions with operating committees and customers.

4. **Operating Committees Roles and Responsibilities** – The university subject matter experts participating in existing operating committees will have the following roles and responsibilities:
    i. Review and provide input into the service roadmaps for the ELG.
    ii. Review and provide input into requests for services and the ROI analysis for the ELG.
    iii. Review of new service implementation plans.
    iv. Serve as the key advisors to the Service Owner for change management and communications.

C. **Annual Planning and Service Roadmaps** – All services outlined in Section III A will prepare and present Service Roadmaps for service improvement on an annual basis. These roadmaps will include any planned upgrades required for core infrastructure as well as new service implementations.
    1. All service roadmaps will be reviewed by the associated Operating Committee with feedback provided prior to presentation to the ELG for approval.
    2. Upon ELG approval, implementation plans and schedules will be tracked and monitored.

D. **Request and Approval for Services** – Requests for Services can include a new service not being offered, a change to a current service offering, or the elimination of a service. (See appendix for process flows.)
    1. All service requests will be documented and tracked.
    2. All service requests will be initially scoped by the service owner and placed into one of the following categories for review by the ELG.
        i. Service can be provided within current budget model.
        ii. Service can be provided with initial upfront investment with no change to

current budget model.
- iii. Service will require upfront and a change to the ongoing budget model.
- iv. Service cannot be provided.
3. The Service Owner will create a business case/ROI that will be presented to the operating committee and, if there is a financial impact, the Vice Presidents for Administration and Finance.
4. Based on feedback, business cases will be presented to the ELG for approval.
5. SLAs and Service Roadmaps will be amended as necessary to address the approved requests.

E. Service Level Agreement Creation and Review –
1. SLAs will be created through a collaborative process with the Service Owner and the appropriate operating committee.
2. Service level agreements will be approved by the ELG and signed by the appropriate entities providing and utilizing the service (see Appendix A for template).
3. SLAs will be updated and revised based on changes to the service provisions (new service approval, change of service, elimination of services).
   - i. The services outlined in each service level agreement will be reviewed annually by the applicable operating committee and the Executive Leadership Group.
   - ii. Each SLA will be reviewed to determine if the service provider is meeting its commitments to its customers.
   - iii. For those services not meeting required SLAs, mitigation actions will be presented and approved. Service owners will report out progress against mitigation plans.

Service Billing – SLAs will contain billing methodology. Each year, no later than December, any revisions to the billing methodology will be presented to the Vice Presidents for Administration and Finance for review and feedback. Final billing methodology will be updated by April as part the ELG review process for the next fiscal year.

IV. Implementation

A. Any changes to procedures, standards, and guidelines shall be promulgated by the chancellor after consultation with the ELG.

Effective Date—August 28, 2020

Appendix A

Service Level Agreement Template

Appendix B

Service Request Process Flows

Appendix A
Service Level Agreement Template

XYZ Shared Services
Service Level Agreements & Metrics

Purpose of this Document

This Service Level Agreement (SLA) details the *XXX* service that the Shared Services Center (SSC) will provide to the State System Universities and the Office of the Chancellor (OOC).

This document describes scope of services, the responsibilities of the SSC and the universities involved in *XXX* service delivery, the operational hours, the performance levels, escalation processes and billing model. Each of the entities contained on the signatory line agrees to operate within the specifications of the SLA.

Request to change or modify this SLA must be received by the Director of the SSC. Any change requests to the SLA made during the year will be presented to the service area functional operating committee and the Executive Leadership Group (ELG) for review and approval prior to implementation.

Service Overview

This Agreement shall commence on *XX, 2020* and shall continue through *XX, 2021*. Thereafter, this agreement shall automatically renew for additional one-year terms unless modified as outlined.

Service Name	
Category	
Shared Services Lead	
Service Type	Mandatory/Opt In
Effective Date	

Summary of Service

[Brief description of the service to be provided. Include the service categories defined as part of the defined service catalog.]

Scope of Services

[Detailed Scope of Services.]

Roles and Responsibilities

[List roles of the service provider and roles and responsibilities of the univ/OOC.]

Process to Request Service & Delivery Mode

[List those eligible to request services, i.e. CAO's CFO's, faculty, staff, etc., and the process for eligible customers to request service. Describe availability, any planned downtime or maintenance windows, and response time for request. Describe how service requests will be prioritized. How does error process work?]

Legal Requirements

[List the legal and compliance regulations the services must comply with.]

Escalation Procedure

[Escalation procedure and important contacts.]

The escalation process for this service is……

Level 1		
Role	Name	Email, Phone (Office & Mobile)
Level 2		
Role	Name	Email, Phone (Office & Mobile)

Key Service Metrics and Reporting

[Summarization of metrics relevant to meet those objectives SLA's and reporting cadence.]

Service Name					
Category	**Metric**	**Actual**	**Target**	**Trend**	**Status**

Service Billing & Cost of Services

[Billable rate, method of costs to be paid, services charges, etc.]

Signature

_____   _____
Vice Chancellor   *Chancellor*

_____
University President(s)

Version

Version	Date	Author	Description of Change

Appendix B
Service Level Request Process Flows

New Service Request Process Flow

University or System Customers

Start → Request for Service – New Service

Shared Service Center

Service Owner Receives Request → Service Owner Creates Business Case/Return on Investment

Can the service be added within the current billing model?
- Yes
- No

Final Business Case and implementation plan → Begin Implementation

Operational Cmte

Review Business Case with Subject Mater Experts → Should the Request move forward?
- No → End

Admin and Finance VP

Review Business Case and cost model with A&F VPs → Should the Request move forward?
- Yes
- No → End

ELG

Approve new service offering?
- Yes
- No → End

Service Change Request Process Flow

University or System Customers

Start → Request for Service Change

Shared Service Center

Service Owners Receives Request → Service Owners Creates Business Case/Impact Analysis

Can the service be changed within the current billing model?
- Yes
- No

Final Business Case and implementation plan → Begin Implementation

Operational Cmte

Review Business Case with Subject Mater Experts → Should the Request move forward?
- No → End

Admin and Finance VP

Review Business Case - SLA and cost model with A&F VPs → Should the Request move forward?
- Yes
- No → End

ELG

Approve change to service offering?
- Yes
- No → End

Service Elimination Request Process Flow

University or System Customers

Start → Request for Service Elimination

Shared Service Center

Service Owner Receives Request → Service Owner Analyzes Impact to Current Customers → Yes → Update Impact Analysis & Billing Model → Final Impact Analysis → Begin removal and transition

Operational Cmte

Review Impact Analysis with Subject Mater Experts → Should the Request move forward? → No → End

Admin and Finance VP

Review Impact Analysis -SLA and cost model with A&F VPs → Should the Request move forward? → No → End

Yes

ELG

Approve elimination of service offering? → No → End

Yes

Service Level Agreement Process Flow

Shared Service Center

Service Owner Drafts Service Level Agreement → Incorporate Feedback into SLA → Incorporate Feedback

Operational Cmte

Review Service Level Agreement

Admin and Finance VP

Review Billing Methodology and SLA

ELG

Approve SLA → No → End