

Technology Recharge Fee Overview IT Service Management Board

Bill Ferris

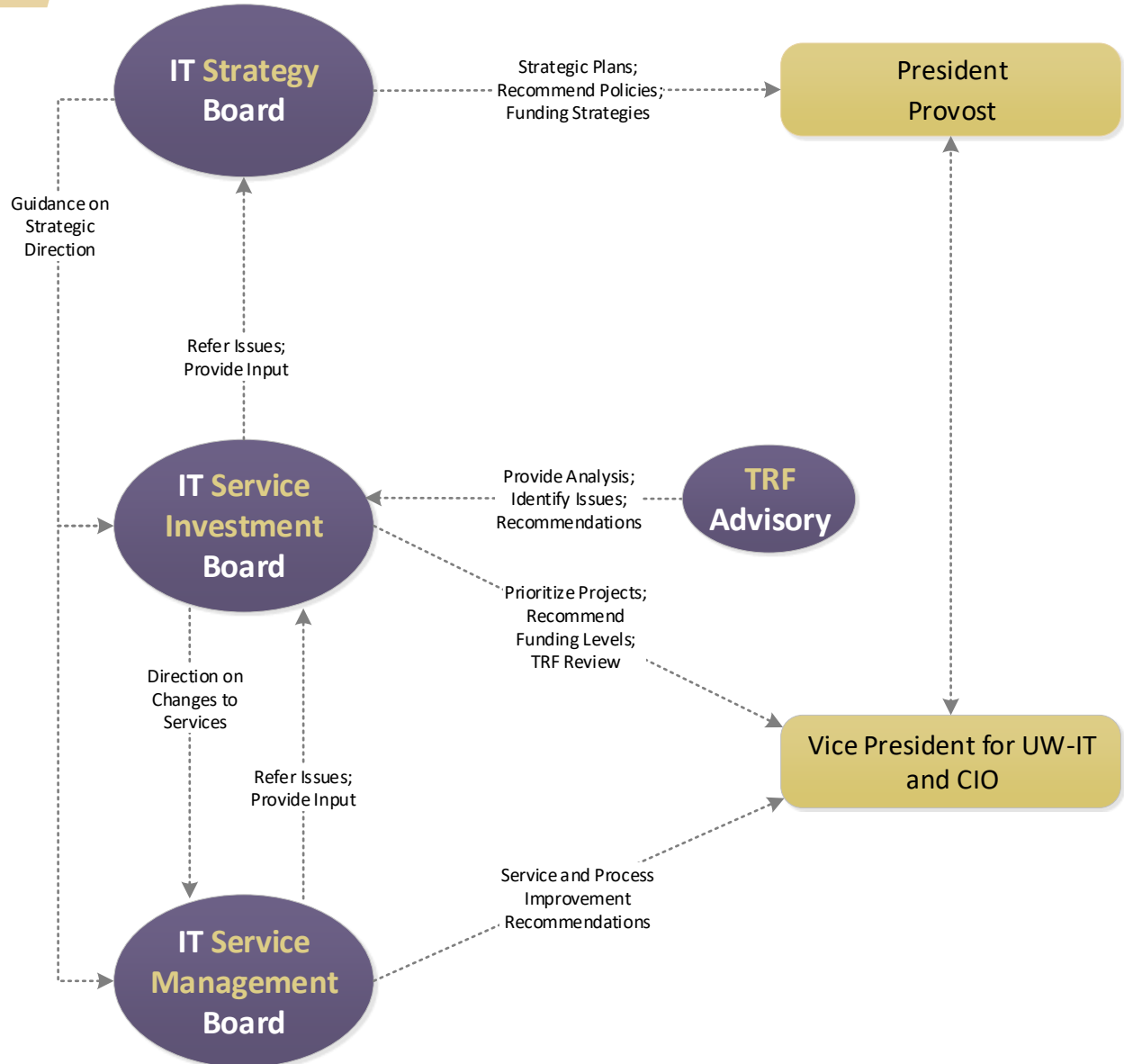
Chief Financial Officer, UW-IT

Adam Davis

Director of Finance, UW-IT



INFORMATION TECHNOLOGY GOVERNANCE



TRF ADVISORY COMMITTEE MEMBERS

- > Bill Ferris, UW Information Technology, Co-Chair
- > Linda Rose Nelson, College of Arts & Sciences, Co-Chair
- > Maureen (Mo) Broom, UW Medicine
- > Jason Campbell, Planning & Budgeting
- > Kelly Campbell, School of Pharmacy
- > Gary Farris, School of Dentistry
- > David C. Green, School of Medicine
- > Amy Stutesman, UW Bothell
- > Barbara Wingerson, UW Facilities
- > Ex Officio (non-voting):
Betsy Bradsby, Research Accounting & Analysis

WHY A TRF?

An obsolete cost model that had phone lines subsidizing cost of networking and Wi-Fi

Cost of IT escalated 90's > 00's
Network, e-mail, Wi-Fi, etc.



Revenue from phone rate Increased from \$12 to \$26 thru 2006. Inability to increase further as customers start disconnecting phones

TRF BACKGROUND

2008-2009

- > Working Groups I and II oversaw IT cost study by consultant
- > Endorsed new funding model with cost recovery allocated on an employee per capita basis

2011

- > Technology Recharge Implementation Committee (TRIM)
- > Developed current TRF model – which services to include and per capita allocation methodology
- > TRF implemented – July 1, 2011
 - \$52.68 month – UW Academic & Administrative Units
 - \$53.43 month – UW Medical Centers
 - Phone Service reduced from \$26 to \$4

WHAT IS THE TECHNOLOGY RECHARGE FEE?

- > The Technology Recharge Fee (TRF) is a per capita fee paid by all UW academic & administrative units, campuses and Medical Centers
- > This fee supplements central funding to provide basic technology services for all campuses and the Medical Centers
- > Annual review by the Service Investment Board
- > Review and recommendation by the TRF Advisory Committee
- > Represents ~20% of UW-IT Operating Budget

TRF GUIDING PRINCIPLES

- > Costs will be fully recovered
- > Head count will be a proxy for use
- > Results will be actionable
- > Process will be transparent
- > Simplicity should be maintained
- > Administration should be easy

TRF PROCESS

- > Classify services as Basic Bundle, University Supported, or Self-Sustaining
- > Identify cost of services
- > Allocate Basic Bundle to per capita groups: Campus Employee, Medical Center Employee, or Student
- > Allocate GOF/DOF to per capita groups (Medical Centers not eligible)
- > Determine employee and student headcounts
 - Salaried/Monthly (FT & PT), four quarter average

COMPLEX COST ALLOCATION

UW-IT FY16 TRF Allocations
V1 - IM as a University Supported Expense

8/18/2014

LOB	LOB Name	FY15 Budget	TRF %	US %	SSN	TRF\$	US\$	SS\$	Total \$	Med %	Stu %	Camp %	Med\$	Student \$	Campus \$	Total TRF \$	
202	Access Management	860,705	100%	0%	0%	860,705	-	-	860,705	13%	59%	27%	115,399	511,663	233,643	860,705	
203	Access Technology Center (ATC)	472,833	100%	0%	0%	472,833	-	-	472,833	13%	59%	27%	63,395	281,084	128,353	472,833	
204	Accounts and Passwords	1,279,802	90%	0%	10%	1,151,821	-	127,980	1,279,802	13%	59%	27%	154,431	684,722	312,668	1,151,821	
315	Alumni and Advancement	778,731	0%	100%	0%	-	778,731	-	778,731	33%	0%	67%	-	-	-	-	
206	Cable TV	487,971	0%	0%	100%	-	-	487,971	487,971	0%	0%	0%	-	-	-	-	
208	Call Center Solutions	14,675	0%	0%	100%	-	-	14,675	14,675	0%	0%	0%	-	-	-	-	
807	Campus Site Licenses	3,572,562	100%	0%	0%	3,572,562	-	-	3,572,562	33%	0%	67%	1,181,150	-	2,391,412	3,572,562	
234	Campus Technology Research	196,550	100%	0%	0%	196,550	-	-	196,550	13%	59%	27%	26,353	116,843	53,355	196,550	
210	Catalyst Web Tools	346,848	100%	0%	0%	346,848	-	-	346,848	13%	59%	27%	46,504	206,190	94,154	346,848	
303	Chief Information Security Office	4,381,060	100%	0%	0%	4,381,060	-	-	4,381,060	13%	59%	27%	587,393	2,604,404	1,189,263	4,381,060	
328	Cloud Services	1,772,101	100%	0%	0%	1,772,101	-	-	1,772,101	13%	59%	27%	237,595	1,053,459	481,047	1,772,101	
209	Communication Infrastructure	603,497	100%	0%	0%	603,497	-	-	603,497	13%	59%	27%	80,914	358,760	163,823	603,497	
334	Consulting - Academic Services	33,122	0%	0%	100%	-	-	33,122	33,122	0%	0%	0%	-	-	-	-	
335	Consulting - Computing Infrastructure	80,444	0%	0%	100%	-	-	80,444	80,444	0%	0%	0%	-	-	-	-	
312	Consulting - IM	199,939	0%	0%	100%	-	-	199,939	199,939	0%	0%	0%	-	-	-	-	
311	Consulting - NDT	23,422	0%	0%	100%	-	-	23,422	23,422	0%	0%	0%	-	-	-	-	
302	Crisis Communications	75,000	100%	0%	0%	75,000	-	-	75,000	13%	59%	27%	10,056	44,585	20,359	75,000	
214	CSC Software	32,034	0%	0%	100%	-	-	32,034	32,034	33%	0%	67%	-	-	-	-	
251	Data Center	3,891,051	50%	0%	50%	1,945,525	-	1,945,525	3,891,051	13%	59%	27%	260,847	1,156,554	528,124	1,945,525	
215	Data Moves Installs Changes	651,257	0%	0%	100%	-	-	651,257	651,257	0%	0%	0%	-	-	-	-	
217	Database Services	925,999	100%	0%	0%	925,999	-	-	925,999	23%	21%	56%	213,906	191,682	520,412	925,999	
218	Developer Tools	226,900	100%	0%	0%	226,900	-	-	226,900	33%	0%	67%	75,017	-	151,883	226,900	
323	Document Imaging	2,023,574	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
220	DO-IT	156,360	100%	0%	0%	156,360	-	-	156,360	13%	59%	27%	20,335	90,816	45,209	156,360	
221	EMC Storage Services	1,030,723	100%	0%	0%	1,030,723	-	-	1,030,723	13%	59%	27%	134,600	596,438	299,685	1,030,723	
321	Enterprise Information Services	4,643,377	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
222	Enterprise Portals	914,446	100%	0%	0%	914,446	-	-	914,446	13%	59%	27%	119,606	505,928	284,912	914,446	
223	Enterprise Tape Libraries	10,651	100%	0%	0%	10,651	-	-	10,651	13%	59%	27%	1,387	6,286	2,978	10,651	
324	FS Load Balancer	254,450	100%	0%	0%	254,450	-	-	254,450	13%	59%	27%	33,077	145,816	71,357	254,450	
317	Facilities Services	350,873	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
318	Financial Program	3,811,944	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
319	HR/Payroll Program	4,651,941	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
325	Hyak High Performance Computing	980,266	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
224	Internet Commodity	1,325,000	100%	0%	0%	1,325,000	-	-	1,325,000	13%	59%	27%	172,250	771,750	380,000	1,325,000	
225	Internet2 Contract	214,081	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
226	BCSI Storage Services	95,562	0%	0%	0%	-	-	-	-	-	-	-	-	-	-	-	
Total		102,690,193							102,690,193	51,467,735	27,041,516	24,180,942	102,690,193	6,655,585	22,787,116	22,025,034	51,467,735

UW-IT Technology Recharge Fee Calculation

v1. IM as University Supported.

TRF Subsidy Funds	Amount
GOV/DOF Funding	50,882,539
Use of Carry Over - Unrestricted	2,529,333
Projected Salary Savings	2,500,000
Use of Carry Over - Restricted	3,045,767
Total Funds Available	58,957,639
Less University Supported	(27,041,516)
Funds Available for TRF Subsidy	31,916,123

TRF Recharge Calculation	TRF Expense	Subsidy	Recharge
Med. Employee Expense*	6,655,585	(650,372)	6,005,214
Reg. Employee Expense	22,025,034	(8,478,635)	13,546,399
Student Expense	22,787,116	(22,787,116)	-
Total TRF Expense	51,467,735	(31,916,123)	19,551,613

TRF Rate Calculation	Count	Annual	Monthly
Med. Employee	9,829,000	\$ 630.97	\$ 50.91
Reg. Employee	20,335,000	\$ 666.16	\$ 55.51
Students	N/A	-	-

TRF Monthly Rate Comparison	FY15	FY16	Change	Change
Med. Employee	\$ 50.00	\$ 50.91	\$ 0.91	1.8%
Reg. Employee	\$ 54.50	\$ 55.51	\$ 1.01	1.9%

TRF SUPPORT FOR BASIC SERVICES

- > Email, Calendaring, & Productivity Tools
- > Accessible Technologies
- > Accounts & Passwords
- > Admin Systems Infrastructure
- > Backup & Storage
- > Software Licensing
- > CISO – Information Security
- > Data Center
- > Data Networks*
- > Emergency Preparedness & Business Continuity
- > Instructional Apps*
- > Enterprise Portal
- > Telecom Infrastructure*
- > Web Publishing

*Services excluded from Medical Center's rate.

TRF RATE HISTORY

	FY11*	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Medical Center**	\$53.43	\$53.43	\$53.43	\$50.00	\$50.00	\$50.91	\$51.34	\$51.34	\$52.20	\$51.75
Campus*	\$52.68	\$52.68	\$52.68	\$54.50	\$54.50	\$55.51	\$56.13	\$56.13	\$57.28	\$57.53

Rebalancing of Rate

Incr. to Campus: 1 % .6% 0% 2%

* Supplements existing GOF/DOF resources to provide Basic Services

** Excluded from GOF/DOF Subsidy: Network & Telecom billed separately to Medical Centers resulting in an effective rate: ~\$85

The initial TRF coincided with a \$20/month reduction of the Dial Tone rate, a \$6M annual savings to campus

Questions

Add'l Information, including FAQs

<https://www.washington.edu/uwit/services-2/recharge/>

