Technology Recharge Fee
Frequently Asked Questions (FAQs)

Rates

How much is the proposed technology recharge fee?
How much is a dial tone?

- The proposed technology recharge fee for fiscal year (FY) 2011 is:
    - $52.68 per month per capita for all academic and administrative units
    - $53.43 per month per capita for the Medical Centers (in addition to a separate service-level agreement for network and telecommunications services)

- At the same time the dial tone rate will decrease to $6.18 per month (down from $25.80 per month).

What is the invoicing schedule? How will I be invoiced?

- **Beginning in June:**
  UW Information Technology will send administrators a template, which may be used to allocate charges to the appropriate budget numbers.

- **Beginning in July:**
  UW Information Technology will charge budgets for the technology recharge fee via an Internal Sales Document (Technology Services and Equipment Billing). The charge will appear as a service order, charging object code 03-09-00.
    - While the Technology Recharge Fee is a recurring charge (monthly or quarterly), our billing system currently cannot handle 'fractional' charges such as the TRF. For the next few months, billing will show up as a non-recurring charge (service order 321325), until our system is capable of processing this as a recurring charge.
    - The description field in ROME Technology Services & Equipment Bill Viewer will show the quantity of headcount @ rate (monthly billing $52.68, quarterly $158.04).

- **Monthly or quarterly invoice frequency:**
  An organization may choose either monthly or quarterly billing (but not a mix). If you choose quarterly billing, the charge will occur during the first month of each quarter—July, October, January, and April.

How frequently will UW Information Technology revise rates?
How much warning will we have when rates change?

- Rates will be reviewed annually, published in January, and effective the following July.

I purchase other services from UW Information Technology (e.g., computer repair, Nebula, etc). Will there be changes in those rates?

- UW Information Technology provides dozens of services on a fee-per-usage basis. Examples include Nebula managed desktops, pagers, long distance, database consulting, and videoconferencing. These service areas are self-sustaining and need to recover all costs associated with providing the service to the UW community. Rates for each of the self-sustaining services are under review by UW Information Technology and Management Accounting & Analysis, and rates are expected to change.

Finances

What happened to the UW Information Technology deficit?
Are we paying for it in the per-capita fee?

- The new rates reflect the current costs of delivering technology to the University and do not attempt to recover previous operating deficits in UW Information Technology. For this year and last, UW Information Technology (UW-IT) has essentially balanced its budget under new executive and fiscal management.

- The deficit for UW-IT accumulated over multiple years, and it reflects UW-IT's failure to recover the full cost of services, poor financial oversight, lack of consistent rate increases, and attempting to fund the data network from telephone charges. Many other universities experienced significant operating deficits as they faced these problems. UW-IT Technology is working with the Central Administration to develop a long-term plan to address the accumulated deficit.

How did UW Information Technology bring current operations to a "break-even" level?

- In order to bring current operations to a break-even level, UW Information Technology reduced operating expenses over a two-year period, from a high of $87M per year to a current level of $45.4M per year. Specifically, UW Information Technology:

    - Eliminated 107 positions, which reduced staffing by 25%

    - Cut professional staff salaries by 4% for FY2009 (through mandatory two-week furloughs)

    - Froze equipment replacements and non-essential operating expenses

    - Renegotiated vendor contracts to lower rates

- Reduced some self-sustaining operations

- Transitioned out of non-essential services

If UW Information Technology is breaking even, why do rates need to increase?

- Core IT services used by the University are at risk without a more sustainable level of funding. For example, the freeze on equipment replacements and other deferred infrastructure maintenance puts the University at risk for mission critical network and computing outages. In addition, deep cuts to engineering staff during previous layoffs have put network, security, and other services in jeopardy. UW Information Technology also faces mandatory benefits increases that are not recovered through the current rate.

- In order to position itself for the future and to help ensure continued competitiveness, the University also needs to make at least modest investments in technology infrastructure. Investments included in the proposed rates are:

  - Providing backup service outside Seattle for disaster recovery in order to ensure business continuity

  - Extending Wi-Fi and mobile capabilities

  - Opening and operating the UW Tower Data Center

  - Enhancing security and privacy functions across the University

How does UW Information Technology use its centrally allocated General and Designated Operating Funds?

- The General and Designated Operating funds go directly to providing services. They are applied first to the cost of supporting basic services for students, then to the cost of support non-auxiliary unit services, reducing the per-capita fee charged to academic and administrative units.

Per Capita

Who is included in the per-capita count?

- The per-capita count includes all salaried employees whether full- or part-time and regardless of job responsibilities or location. Excluded are Graduate Students, hourly, and student hourly employees.

Why does the per-capita fee apply to my staff using little or no technology?

- Although some employees appear to use little or no technology, they have access to all of the services and benefits of the per-capita bundle, including payroll, other administrative systems, UW NetIDs for access to resources such as Employee Self-Service (ESS), email or email forwarding, and UW Directory information. In addition, mobile devices and other forms of technology are becoming more prevalent and used by increasing numbers of employees in the field. Furthermore, everyone benefits from security efforts to protect our personally-identifiable information, and from emergency notification systems.

- The services in the bundle were included because they are available to everyone employed by the UW; they are used by all, or almost all.

- When a two-tier rate structure was investigated, and we looked at the experiences of other universities, most who started with a more complex rate structure abandoned it once it became clear that the cost of maintaining it did not warrant the increased delineation. The difficulties around defining and identifying individuals who use less technology, as well as the complexity of implementing such a system, add significant overhead and cost.

Why does the per-capita fee apply to faculty and staff who are located off campus?

- Faculty and staff located off campus benefit from technology services in the per-capita rate, including, for example, UW NetIDs, email and email forwarding, antivirus software, security, payroll, and other administrative systems. In addition, off-campus facilities often require significant effort to establish and support the communications infrastructure.

- Even if a case could be made that faculty and staff off campus use a different level of basic services (and in some cases, that level of service may be higher), university systems have no way to track location to identify these off-campus faculty and staff. As with the idea of a differential rate for individuals who use less technology, the number of exceptions from every college, school, and administrative unit would add complexity and cost to the system. In the end, the Working Group recommended the use of all salaried employees for the per-capita rate as the best proxy for the amount of basic technology used by each unit.

Why aren't students included in the per-capita count?

- Students are not included in the per-capita counts since the University is unable to assess new fees to students at this time. Nor does the University currently have a good

way to associate students with colleges and schools in order to charge departments. As a result, the existing state funding, which UW Information Technology receives, is being applied to student costs associated with per-capita charges.

Will my per-capita count change each quarter?

- No. The per-capita count is a static count. It is based on a 4 quarter average of the previous calendar year. The per-capita count for the FY 2011 rate was taken on February 15, May 15, August 15, and November 15, 2009. The per-capita count for the FY 2012 rate will be taken on a quarterly basis in the calendar year 2010.

Services

How will you ensure UW Information Technology is providing the services the University wants, and doing so in the most efficient way possible?

- A University oversight group will be formed to work with UW Information Technology to oversee services charged at the per-capita rate. Its purview will include services provided, priorities, delivery models, service limitations, costs, and efficiency of services.

How will the phone rates change with the implementation of the per-capita rate?

- The fixed cost components of the telephone infrastructure that support the entire University are included in the basic bundle of services. This includes the labor and investments needed to support the infrastructure that provides service on each of the campuses, including all emergency phones. The variable cost component of providing a phone to any specific location will be provided on a self-sustaining basis. These are the direct costs of actually placing a phone on a desk. The charge for each specific phone/dial tone will be between $6.18 per month, plus the cost of the phone equipment (which varies depending on phone set type). Thus, the net impact to a current phone user will be to reduce the current phone rate from $25.80 to $6.18.

Is Voice Mail included in the per-capita rate?

- Yes, voice mail is included in the current phone rate for dial tone and will continue to be covered in the new lower rate.

- You will continue to pay separately for phone set equipment—with a variable rate depending on the specific phone set you use.

Are there any limitations to any of the UW Information Technology services?

- Yes, there are some limitations on service levels. For example, the basic bundle covers the existing infrastructure for the wired and Wi-Fi network connectivity and is limited to an average of two network ports per capita; it does not include moves, additions, or changes. Basic email includes one email account per capita, and each person is also limited to one personal UW NetID. Details on service limits are available in "FY 2011—Basic Services" at www.washington.edu/uwit/reports/FY2011BasicServices.pdf

Can I expect to have access to Wi-Fi as a basic service?

- Access is limited to the current Wi-Fi infrastructure and coverage. The per-capita rate includes funding that will enable UW Information Technology to expand coverage over time.

Is the purchase of a new financial system covered by the per-capita fee?

- No, the cost of a new financial system is not part of the basic service bundle covered by the technology recharge fee.

Is Exchange email included in the bundle of services funded by the technology recharge fee?

- Currently the UW Exchange email service is a for-fee service and not part of the basic service bundle, so departments that have elected to use UW Exchange are recharged separately.

- UW Information Technology is working diligently with Microsoft to provide more cost-effective solutions for UW's Microsoft users. For faculty and staff interested in basic Exchange-based email and calendaring, the MS Live@edu service will soon be available as part of the basic service bundle. For those needing more complete Exchange and SharePoint services, we expect lower-priced options to be available later this year. Once details are known, UW Information Technology will work with the oversight group to determine whether a portion of the technology recharge fee should be reallocated to subsidize the more advanced Microsoft offerings, or whether those should continue to be funded on a recharge basis.

Is there a strategic plan for technology at the UW, and, if so, are those costs included in the technology recharge fee?

- Although the UW has never developed a single long-term technology plan, UW Information Technology does have several strategic initiatives underway (e.g., Mobility, moving student email to cloud providers, and offering cloud-sourced email to faculty and staff). However, given the budget restraints, the technology recharge fee for FY 2011 includes only basic, core services, and the few modest investments in technology infrastructure described above; no costs are allocated in FY 2011 for developing and implementing a comprehensive long-term strategic plan.

- Strategic planning should be a continuous process, and many UW units providing IT services to the University (including UW Information Technology) have mechanisms in place to understand how University IT needs are evolving—assessing trends in the IT marketplace and identifying important directions and strategic initiatives. Such strategic plans do not necessarily carry a big price tag with them, as recent strategic partnership efforts with cell phone carriers and cloud service providers illustrate.

- Going forward, UW Information Technology will continue to work with the University on strategy improvement, and it's reasonable to expect that once a new Vice President and Vice Provost is hired, these efforts will be further strengthened.

I use a cell phone… What benefits do I receive from the per-capita rate?

- Although it may seem as if cell phone users don't benefit from the telephone infrastructure and cellular/wireless services in the per-capita rate, they do receive benefits in a number of ways.
    - They likely benefit from work UW Information Technology completed with vendors to dramatically improve cellular coverage on the Seattle campus and from negotiated lower cell phone rates for faculty, staff, and students who use AT&T and T-Mobile.
    - Some individuals also use the wireless network or check their email with their phones, both of which are services supported by the per-capita rate.
    - If cell phone users place a call to a University phone number (or if they ever need to use emergency, elevator, or courtesy phones while on campus), they are using the telephone infrastructure supported by the rates.

- It is important to remember that the per-capita rate is for a bundle of basic services that is available to all individuals on campus. In addition to benefiting from the University's telephone, cellular, and wireless infrastructure, cell phone users also have access to, and

benefit from, the rest of the service bundle, including email, administrative systems, accessibility services, the data network, directory services, and antivirus software.

Grants and Contracts

Can the per-capita fee be charged directly to grants and contracts?

- The per-capita fee cannot be charged directly to federal (or federal flow-through) grants or contracts, but it can be charged to non-federal grants or contracts if the sponsor does not specifically disapprove the cost in the award or in other notices it gives to the University.

Can UW-IT services paid on a fee-per-usage basis (e.g., database consulting, videoconferencing) be charged directly to a sponsored project?

- Yes, if they directly benefit the sponsored project.

Recharge Centers

Can the per-capita fee be charged to UW recharge and cost centers?

- Yes, the per-capita fee can be charged to approved UW recharge and cost centers. The charge should be proportionate to salary, i.e., if 50% of a faculty or staff member's salary is charged to a recharge or cost center, 50% of their per-capita technology fee can be charged to the recharge or cost center.