Overview

- UW Telecom Upgrade Project
- Purpose/Benefits of Project
- Rate Change Recommendation
UW Telecom Upgrade Project

- In 2010, UW was operating an aging telecomm infrastructure
  - 30,000 phone lines, 22,000 voicemail boxes

- Multi-year Project launched to upgrade/replace legacy system
  - ✓ Phase 1 (Stabilization): Stabilized critical customers; conducted pilot
  - ✓ Phase 2 (Deploy New Core): Installed new Telecomm core infrastructure
  - ✓ Phase 3 (Core System Migration): Retire legacy system; migrate users

- Governance
  - ✓ Approved by UW Service Investment Board
  - ✓ Coordinated with IT Service Management Board

✓ = Complete    ✓ = In Progress
Purpose/Benefits of the Project

- **Purpose**
  - Reduce risk by retiring unsupportable legacy infrastructure
  - Transition to state-of-the-art technology

- **Benefits**
  1. New system is vendor supportable
  2. Uses UW’s robust data network infrastructure
  3. Reduces overall costs and technical administration
  4. Improves service levels by improving survivability
  5. Integrates delivery of voice, data, video for collaboration
  6. Make calls using handset or software phone on a PC
New System Features

CUSTOMER DEVICES & SERVICES

- Avaya VoIP Phone
- Avaya Software phone
- Voicemail Integration
- Outdoor Emergency Phones
- Indoor Emergency Phones
- Fax Server
- Video Conferencing Integration

UW Telephone Core Infrastructure

UW Data Center
Rate Change Recommendation

- Simplify rate structure to create new single rate
  - Combine multiple Telephone options
  - Provide a separate lower rate for the new Fax Service

- Results
  - Single rate would reduce overhead & include:
    - Basic phone service
    - Voicemail
    - Domestic Long Distance
    - Telephone Handset
    - Software Phone for PCs (Softphone)
    - 53 cent increase for handset users
  - Lower Fax Service to incentivize migration from fax machines
Telephone Rate Recommendation

Rate Description:
- Single phone service rate of $8.70
- Includes basic phone service, handset, software phone, Voicemail, Domestic Long Distance
- Fax Service rate of $4.90

Assumptions:
- UW Medicine is creating separate system
- Projected $502K revenue loss
- 4000 Analog users migrate
  - 2000 move to new VoIP phone service
  - 2000 move to Fax Service
- 500 new Fax Service customers

<table>
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<tr>
<th>Telecom Revenues</th>
<th>Current Rate</th>
<th>Current Qty</th>
<th>Current Rev $</th>
<th>8. No Med Single Rate + Fax Srvr Rate Rate</th>
<th>8. No Med Single Rate + Fax Srvr Rate Qty</th>
<th>8. No Med Single Rate + Fax Srvr Rate Rev $</th>
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<tbody>
<tr>
<td>Dialtone</td>
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<td>18,647</td>
<td>906,244</td>
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<td>4.90</td>
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Expense Adjustments
- Medicine Expenses (83,000)
- Phoneset Expenses -

Total Exp Adjustments (83,000)

Expenses
- Long Distance $220,000 120,000
- Total Expenses $220,000 120,000

Net Change in Revenue (17)

Dialtone + Handset Fee 8.17 8.70
Conclusion

- UW Telecom Upgrade project retires aging infrastructure
- Project benefits include vendor support & better survivability
- UW-IT recommends shifting to a single combined rate