



# IT Service Investment Board

October 27, 2014

# Agenda

- Welcome and Introductions
- IT Service Investment Board 2014-15  
Agenda
- Technology Recharge Fee Annual Review
- FY16 Provost Reinvestment Fund Request
- Administrative Systems Modernization  
Strategy Update
- Wrap Up

# IT Service Investment Board

## 2014-15 Agenda

### ■ **Fall 2014**

- Annual Technology Recharge Fee review
  - Based on recommendations from the Technology Recharge Fee Advisory Committee
- FY16 Provost Reinvestment Fund request
- Review of major projects (HR/Payroll Modernization, HR/P Intersections, Finance Systems Strategy and Readiness)

### ■ **Winter/Spring 2015**

- FY 2016 UW-IT portfolio review and prioritization
- Review of major IT projects
- UW-IT UW Connect implementation update (IT service management tool)
- IT Service Management Board update and review of recommendations

# Technology Recharge Fee Annual Review

# TRF Advisory Committee Charge

- Support IT Service Investment Board TRF annual review and assessment
- Provide analysis, identify issues, and make recommendations
  - Services covered
  - Costs to provide those services
  - Allocation methodology

# TRF Advisory Committee Membership

- Bill Ferris, UW Information Technology, Co-Chair
- Tom Sparks, College of Engineering, Co-Chair
- Amy L. Floit, Office of Planning & Budgeting
- Jonathan A. Franklin, School of Law
- David C. Green, School of Medicine
- Paul S. Ishizuka, UW Medicine Health System
- Linda Rose Nelson, College of Arts & Sciences
- Barbara Wingerson, Finance & Facilities

Ex Officio (non-voting)

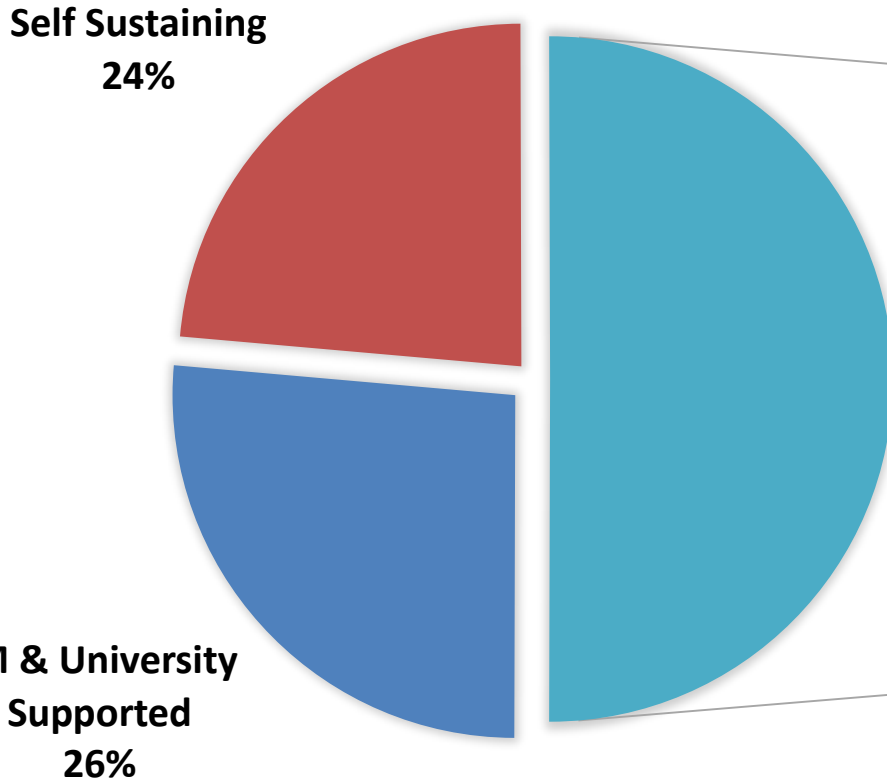
- Betsy Bradsby, Research Accounting & Analysis

# TRF is a Per Capita Rate applied to all UW Supports a Basic Bundle of Services

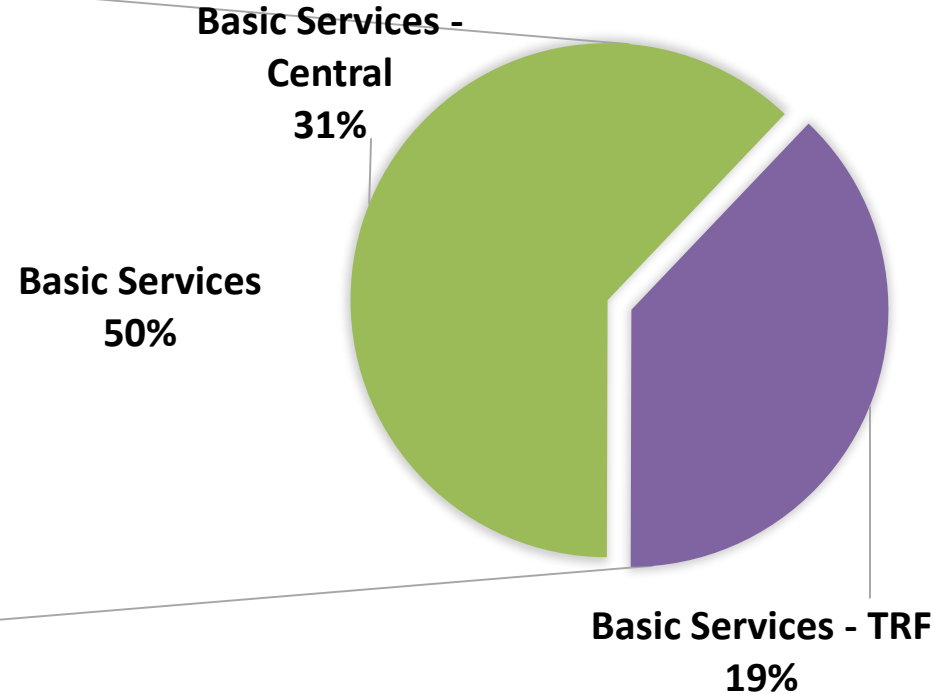
- Accessible Technologies
- Accounts & Passwords
- Admin Systems Infrastructure
- Backup & Storage
- Campus Software Licensing
- CISO – Information Security &
- Privacy
- Data Center
- Data Networks
- Email, Calendaring, & Productivity Tools
- Emergency Preparedness & Business Continuity
- Enterprise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

# TRF Support for UW-IT – FY15

**\$102M**  
**UW-IT Operating Budget**



**\$51M**  
**Basic Services**





# Rate History of TRF

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14*</b>	<b>FY15</b>
Campus**	52.68	52.68	52.68	54.50	54.50
Medical Center***	53.43	53.43	53.43	50.00	50.00

Dial tone Rate reduced from \$27.40 to \$4.05

\* Rate change for FY14 reflects adjustment in methodology (shift in allocation of University Support & SDB)

\*\* Supplements existing GOF/DOF resources to provide Basic Services

\*\*\* Excluded from GOF/DOF Subsidy, Network, & Telecom billed separately

# Impact for Fiscal Year 2015

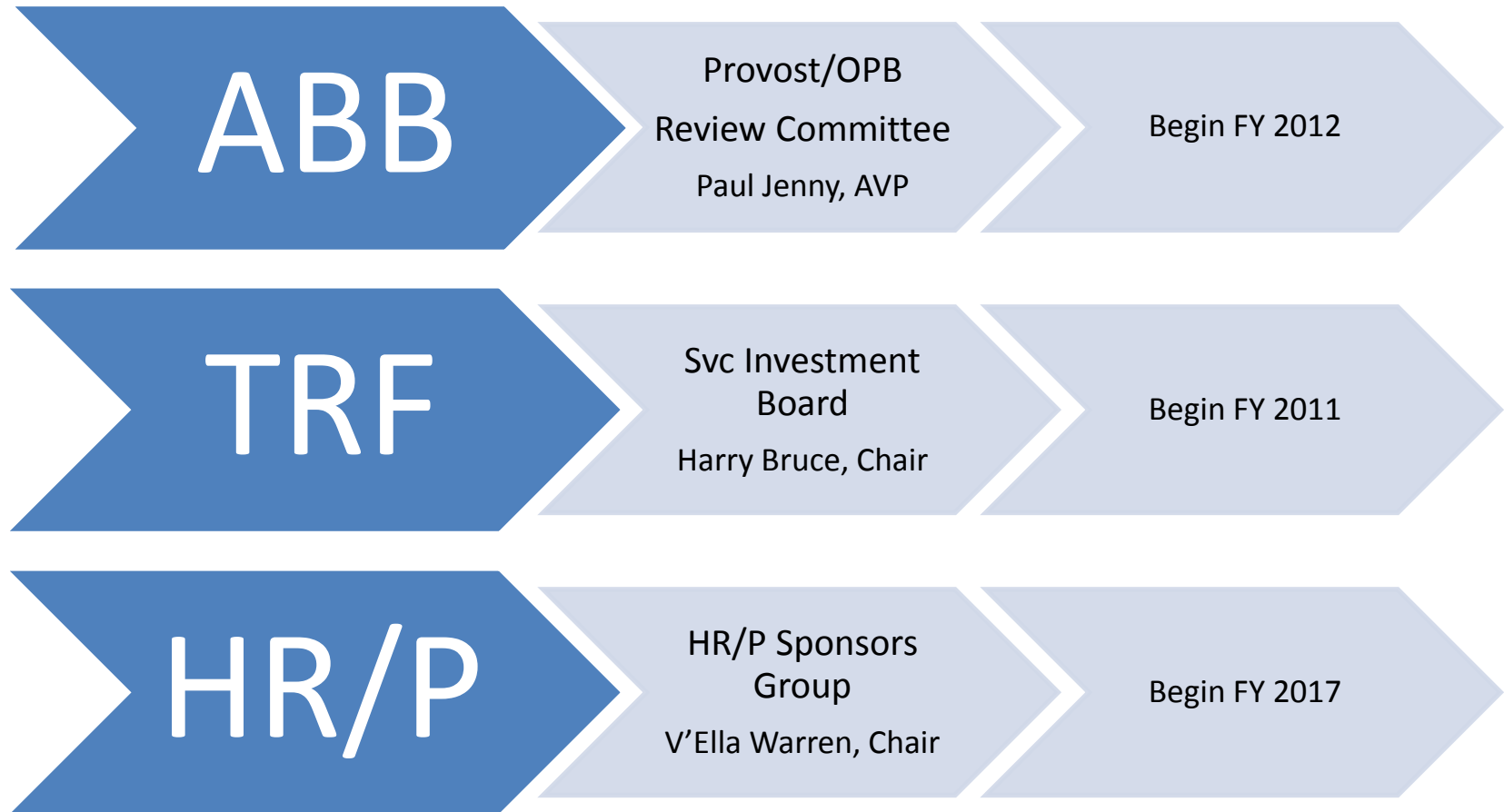
Selected Units	Employee Headcount	Current Amount
College of Arts & Sciences	1,934	\$1,265,164
College of Engineering	746	\$487,885
College of the Environment	74	\$480,527
Finance & Facilities	1,345	\$879,959
Medical Centers	9,828	\$5,897,250
School of Law	201	\$131,781
School of Medicine	7,532	\$4,925,930
UW Tacoma	536	\$350,552

Department Type	TRF Amount
ACADEMIC	\$4,929,375
ADMIN	\$3,433,832
MEDICINE	\$10,823,180
<b>Total*</b>	<b>\$19,186,387</b>

\*Total TRF cost to units offset by over \$7M/year savings in telecom charges

# Technology Recharge Fee for FY 2016

# Parallel Processes



# IT Governance (Spring 2014)

## Outcomes on TRF Methodology

- No change in basic methodology that would result in significant cost shift to/from Academic Units and Medical Centers
  - Maintain current treatment of IT costs for students
  - Exclude Information Management
- Focus on opportunities to reduce complexity and improve transparency
  - Align TRF with current UW-IT organization and services

# TRF Advisory Committee

## Recommendation for FY 2016 rate

- Maintain fundamental cost allocation methodology used for prior TRF
  - Minor allocation changes to reduce complexity
- UW-IT FY 2015 budget as base
- Use of UW-IT Fund Balance of \$2.5 Million to address one time needs/projects
- Request under 2% increase in TRF - \$355K, to help offset increase cost of operations

# Increased Cost of Operations

- Merit Increase FY14 & FY15 - \$800K
  - Net from funding from GOF/DOF and Self-Sustain
- Microsoft Campus License Agreement - \$1.3M
- Network Security - (Intrusion Protection System) - \$1M
- Geographic Redundancy - \$600K
- Facilities Upgrades - \$2.6M
  - ex. UPS & Electrical Upgrades

# TRF Recommendation for FY 2016

	FY15	FY16	Change
Campus Rate*	\$54.50	\$55.51	1.9%
Medical Center Rate**	\$50.00	\$50.91	1.8%

\* Supplements existing GOF/DOF resources to provide Basic Services

\*\* Excluded from GOF/DOF Subsidy, Network & Telecom billed separately.



# Discussion & Questions

# FY16 Provost Reinvestment Fund Request

# FY 2016 Request

## Provost Reinvestment Funds

- My Husky Experience \$ TBD
  - Implement recommendations from My Husky Experience task force (created by President Young and Senior Vice Provost Jerry Baldasty)
  - Develop services that promote student engagement in co-curricular learning experiences on campus and in the community
  - Involves data management as well as enhancements to MyPlan, MyUW, and other UW-IT-supported communication services

# FY 2016 Request

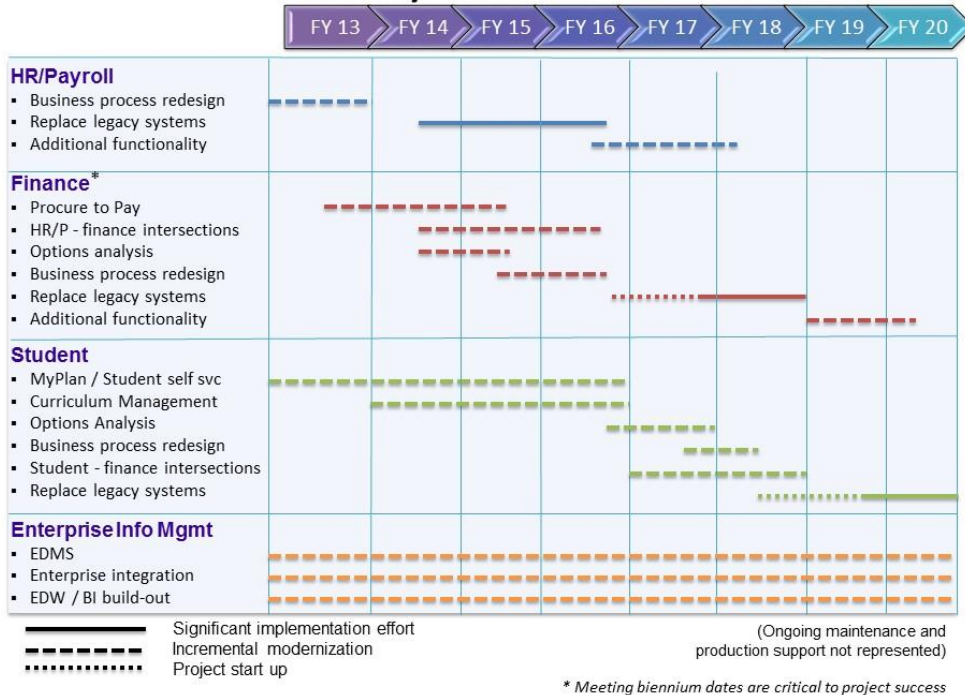
## Provost Reinvestment Funds

- Optical Network Refresh \$650,000
  - Refresh the aging Cisco Optical System that delivers UW network services throughout the Puget Sound region with a next-generation optical networking platform
  - Will have a higher capacity, be more manageable and more cost effective
  - Will also support the need for higher bandwidths such as 40 and 100 Gigabit Ethernet

# Administrative Systems Modernization Strategy Update

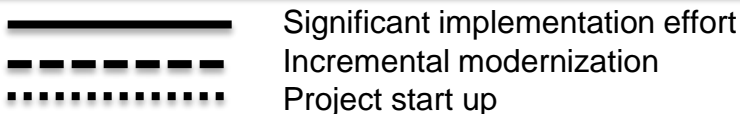
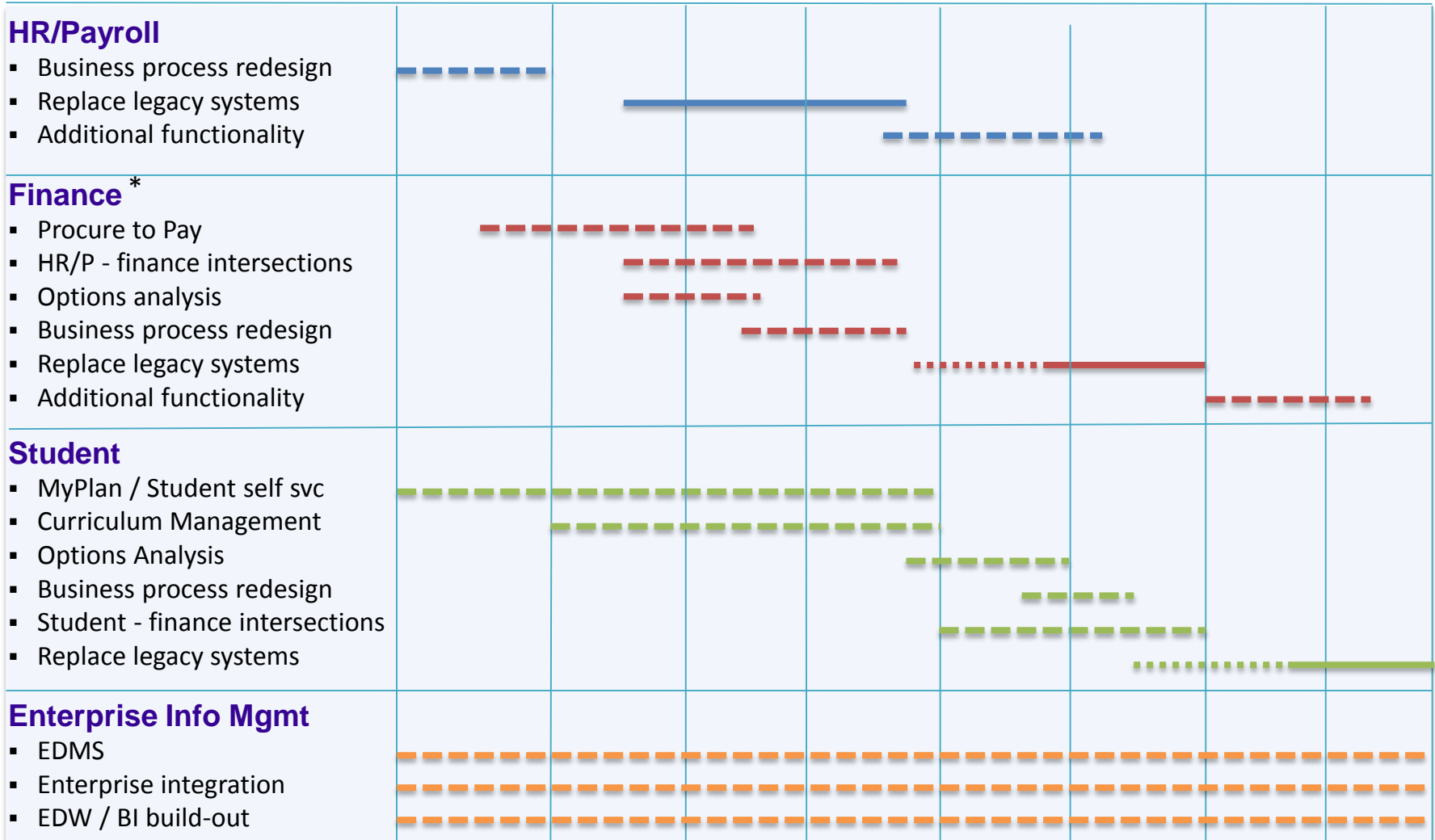
# Administrative Systems Modernization Strategy Key Assumptions

## Administrative Systems Modernization



- Undertake only one major system replacement at a time
- Focus on incremental innovation for areas such as student systems
- Invest in business process redesign to reduce the need for shadow systems
- Leverage momentum and expertise from initial system replacement to accelerate replacement progress
- Provide better information for decision making as rapidly as possible

# Administrative Systems Modernization



(Ongoing maintenance and production support not represented)

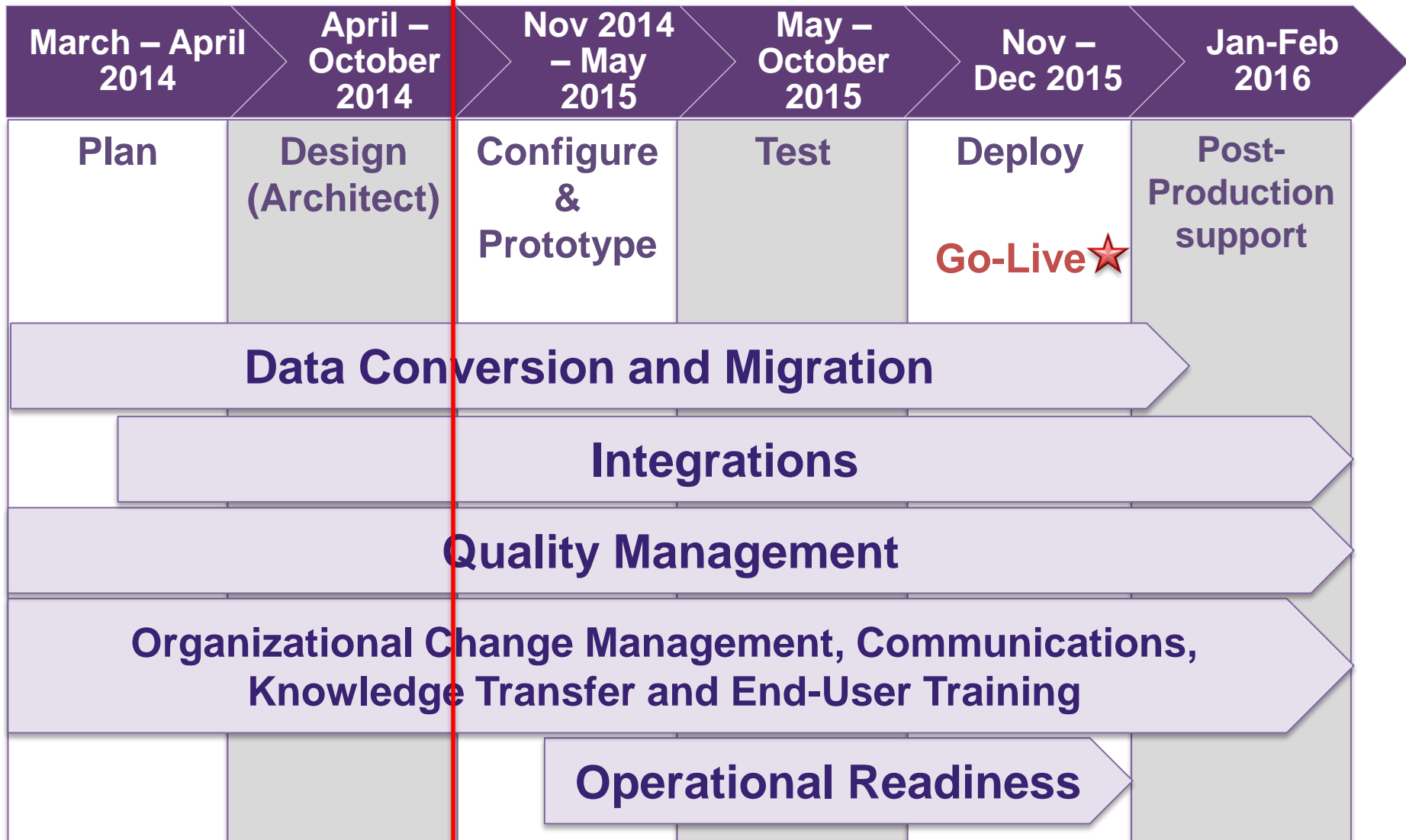


# HR/Payroll Modernization Update

IT Service Investment Board  
October 27, 2014



# HR/P Implementation Timeline



We are Here

KELLI

**HR/Payroll**

MODERNIZATION

# Progress in the Design Phase



Completed initial and detailed design sessions with 200+ subject matter experts



Loaded core employee data into Prototype 0 (P0)



Identified 97 campus system integrations to Workday



Partnering with UW-IT on the HRP-Intersections project

# Key Design Decisions

- Move to a biweekly payroll schedule (26 annual pay periods)
- Implement actual time reporting instead of exception time reporting
- Align leave accrual elements to the new biweekly pay schedule
- Become the "system of origin" for benefits information
  - Create and maintain benefits eligibility records electronically
  - Provide online benefits enrollment
  - Send electronic updates to the state's PAY1 system
- Move to a single workweek across UW that will run Sunday through Saturday
- Use a position management staffing model

# Configuration Phase Preview

- Runs November 1 through May 15
- Focused on building the system that we designed during the design phase
- Unit engagement will increase
  - Conduct unit-specific impact assessment
  - Develop readiness teams
  - Increase communications



# Questions?

<http://f2.washington.edu/teams/hrp>

**HR/Payroll**

MODERNIZATION

UNIVERSITY *of* WASHINGTON

# HR/P Intersections

## UW-IT Scope, Approach & Timeline

# UW-IT: HR/Payroll Intersections

## ■ Purpose

—The purpose of UW-IT's Intersections project is to ensure that Workday integrates smoothly into the UW enterprise

## ■ Guiding Principles

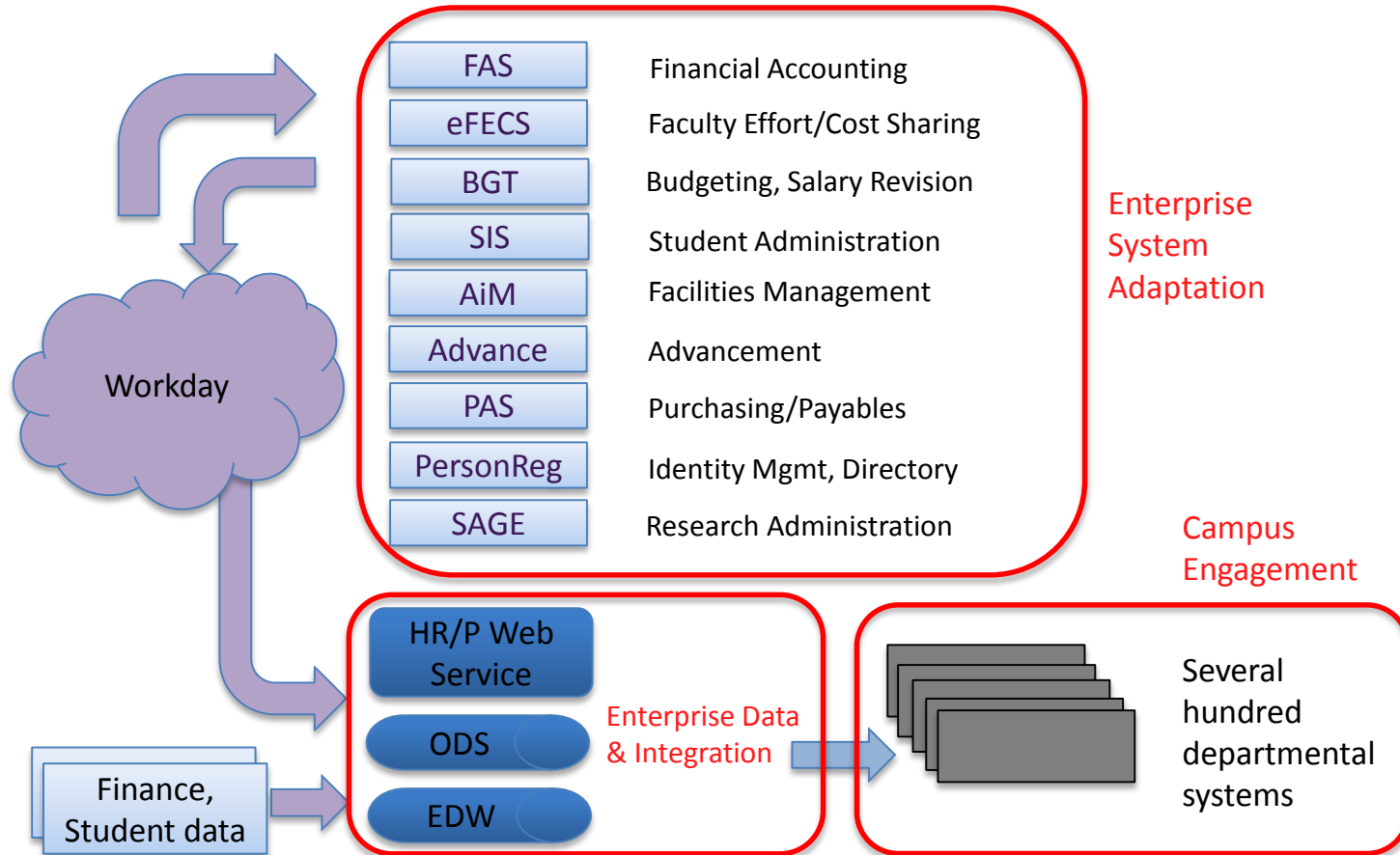
—Workday will be the system of record for HR/Payroll data

—Workday data should not be altered (i.e., cleansed/edited/fixed) by downstream/shadow systems

—Concerted effort to eliminate downstream/shadow systems

—Workday will not include historical HEPPS data

# Workday in the Enterprise





# UW-IT: Major Activities

## ■ Enterprise System Adaptation

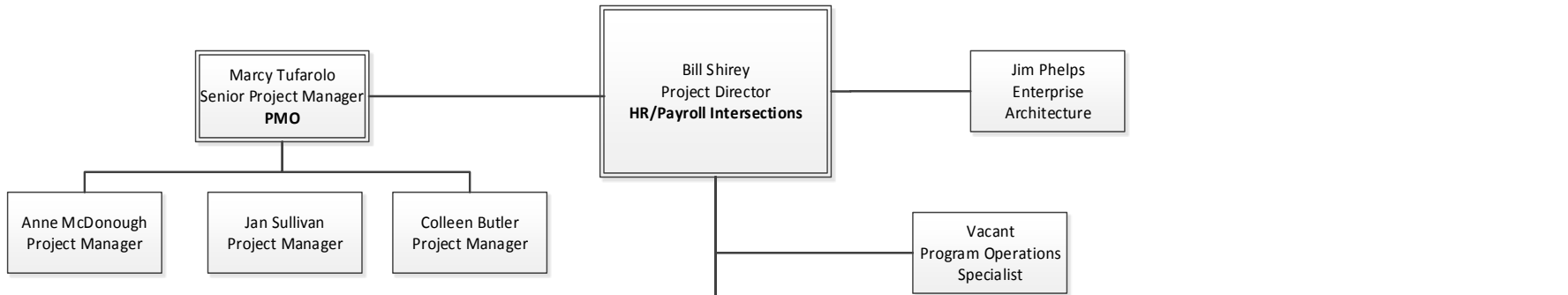
- Make revisions to UW-IT-operated administrative systems to interact with Workday
- Build new applications to preserve access to pre-Workday employee historical data (W2, leave, etc.)
- Assist with security and access controls

## ■ Enterprise Data and Integration

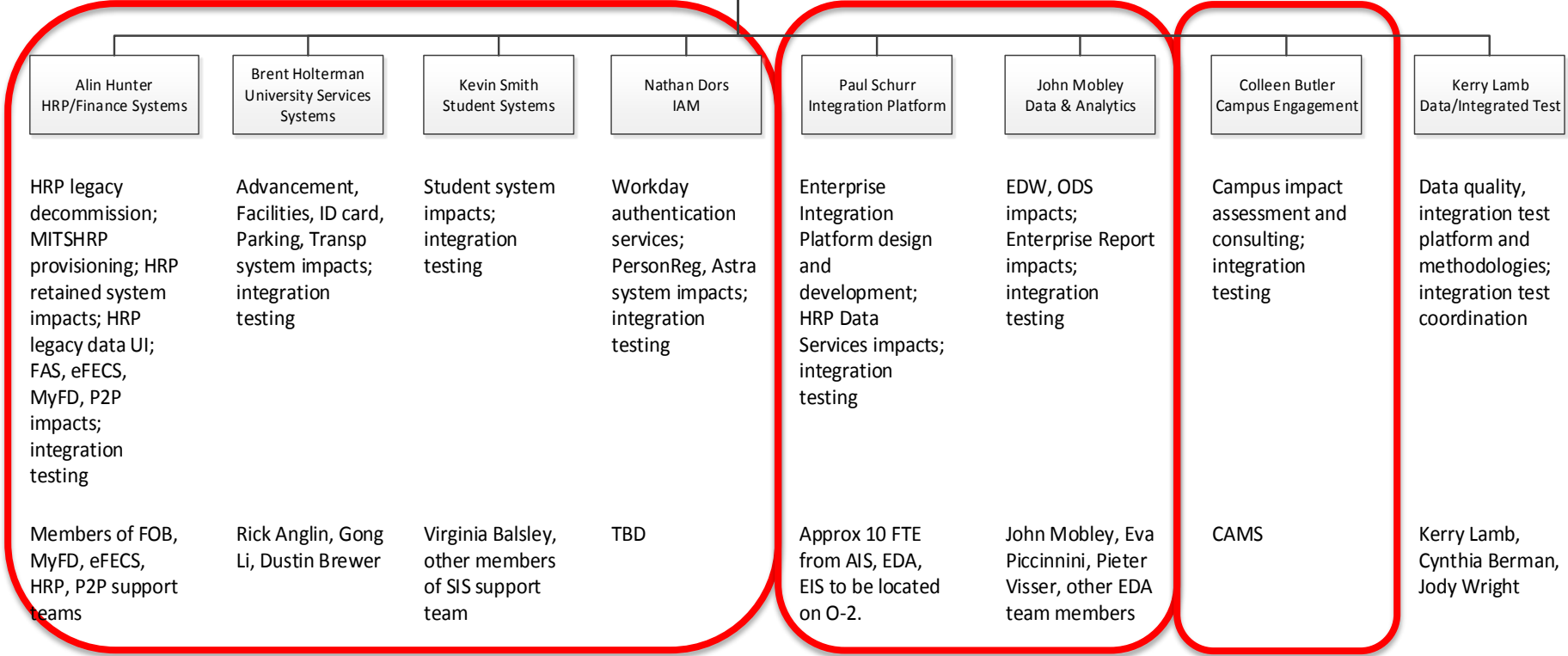
- Build integrations for data from Workday to UW-IT administrative systems
- Make revisions to enterprise data stores (EDW, ODS) to capture key Workday data
- Revise reports as needed

## ■ Campus Engagement - Downstream systems

- Provide assistance to campus units to understand impact of changes to their systems



Work Stream Coordinators/PMs:

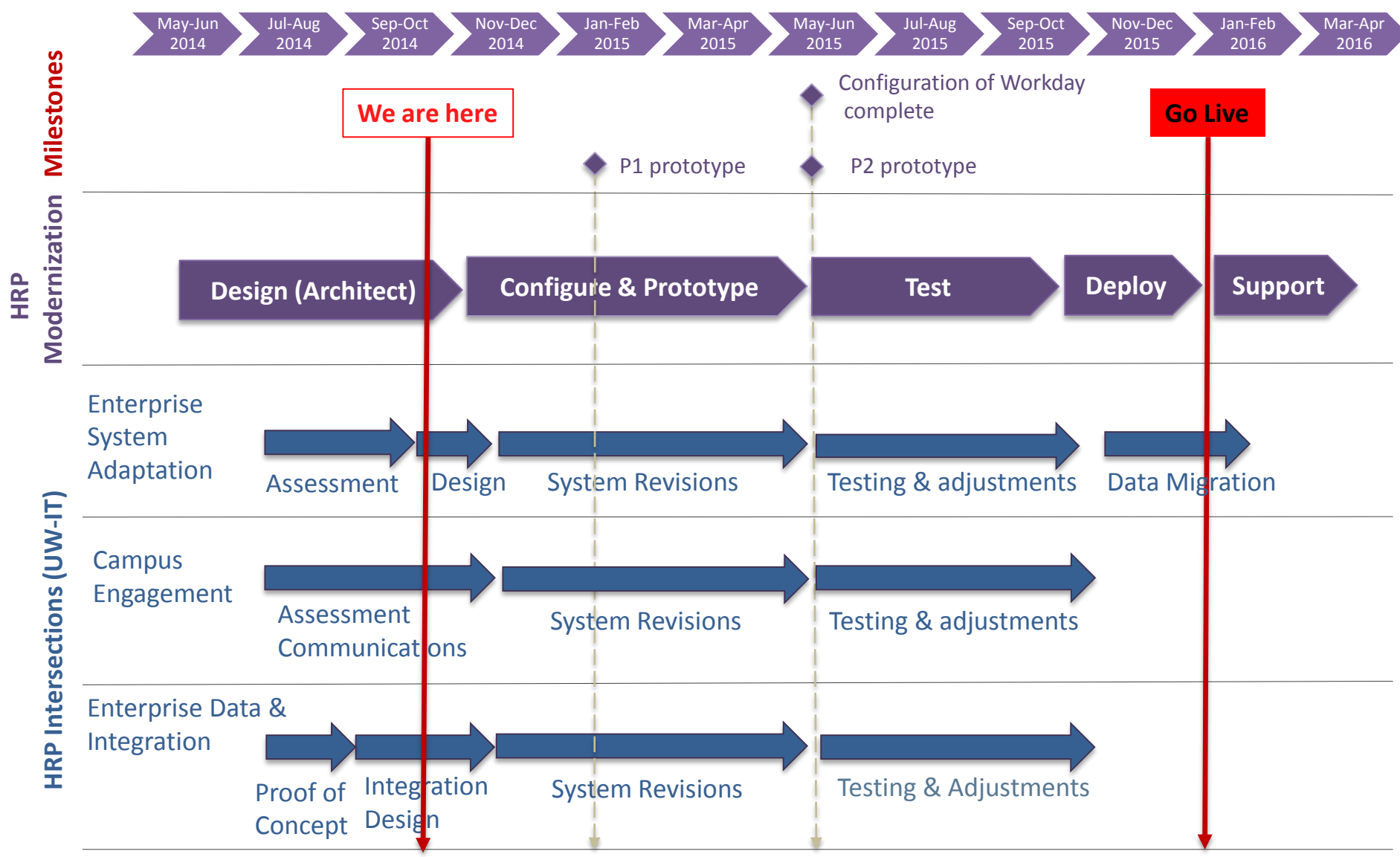


Enterprise System Adaptation

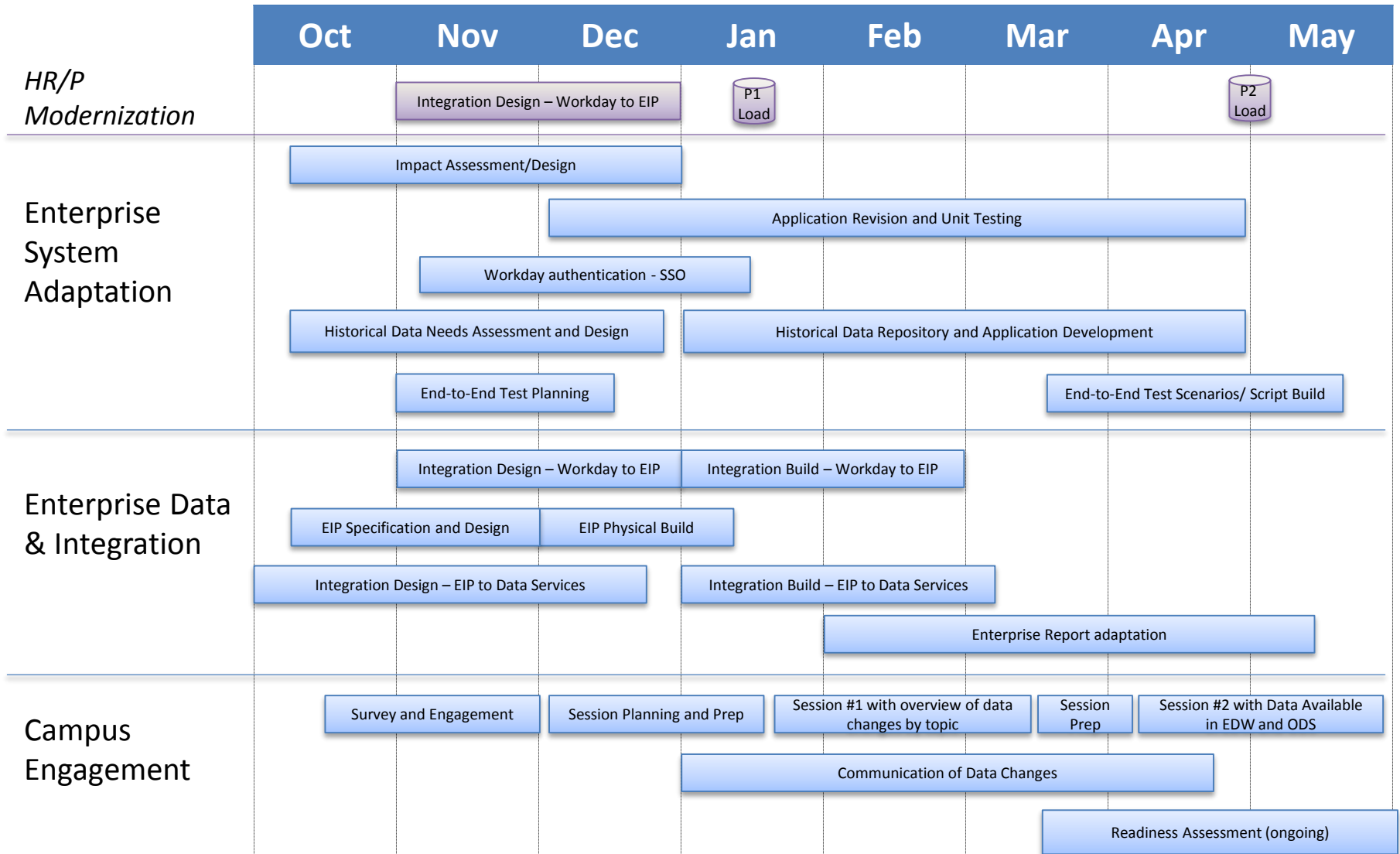
Enterprise Data and Integration

Campus Engagement

# HR/P Time Line



# Timeline



# Finance Systems Strategy and Readiness

# Finance Systems Strategy and Readiness

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## Goals and Objectives

Engage Gartner Inc. as objective, vendor-neutral 3<sup>rd</sup> party

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Preliminary, high level assessment of institutional readiness for the Finance Modernization effort

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Inform how and when to proceed with the Modernization effort.

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Assess technologies UW has chosen for Student and HR/P administrative systems: Quali and Workday

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Leverage FSNA work, minimize campus impact

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Develop business case that reflects fit/gap, total cost of ownership, and roadmaps for each option

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# Gartner Deliverables

**1) Validated Strategic Drivers, Assumptions, Risks**

**2) ERP Financials Readiness Assessment**

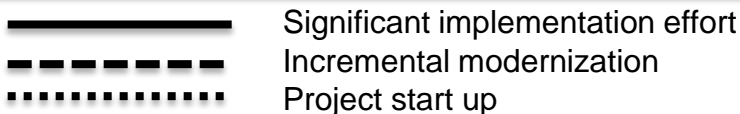
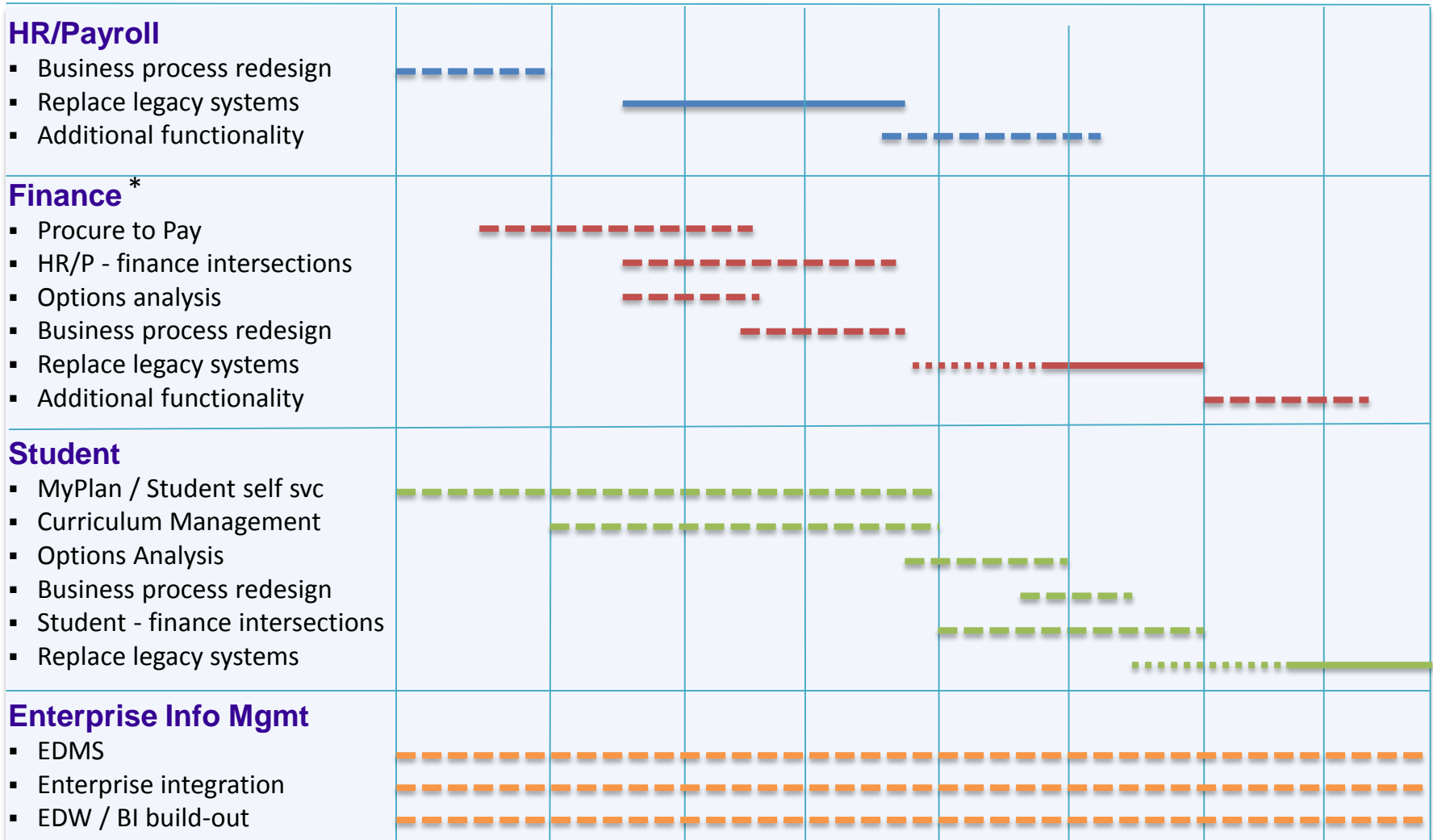
**3) ERP Fit/Gap for both Options**

**4) Options Analysis Framework**

**5) ERP Financials Business Case and Total Cost of Ownership**

**6) ERP Financials System Roadmaps**

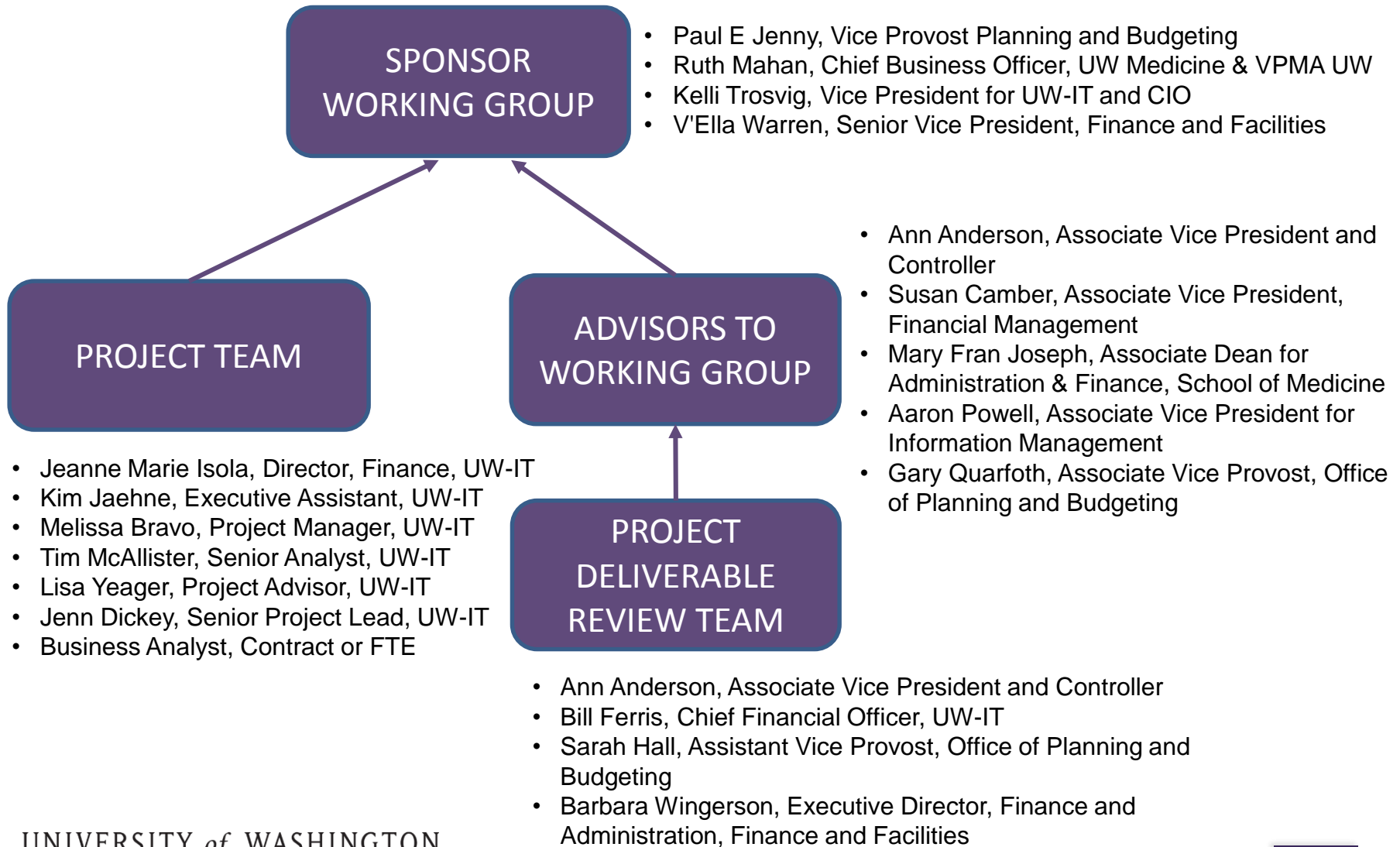
# Administrative Systems Modernization



(Ongoing maintenance and production support not represented)



# Governance Structure



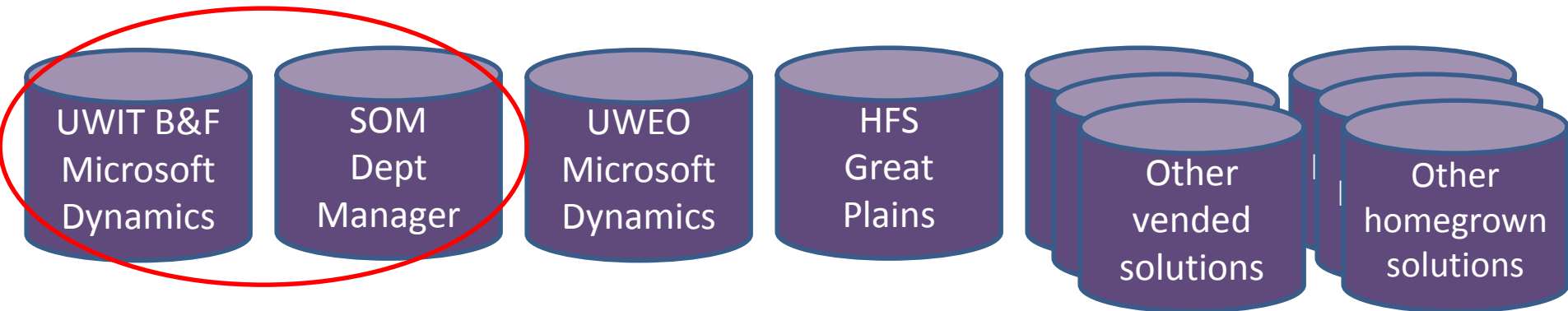
# Non-Centralized Financial Systems

Significant gaps in centralized functionality



Proliferation of one-off "shadow" systems

Options:  
Replace or  
Integrate with  
new system



We will model 2 ("shadow") financial systems to validate system requirements and estimate costs.

# Gartner Processes included in scope

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## **Record-to-Report Processes**

General Accounting/General Ledger

Treasury & Cash Management

Budgeting & Financial Planning

Asset Management

Project Accounting

Grants Management

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## **Order-to-Cash Processes**

Internal Billing

Receivables & Cashiering

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## **Procure-to-Pay Processes**

Purchasing & Payables

Expenses

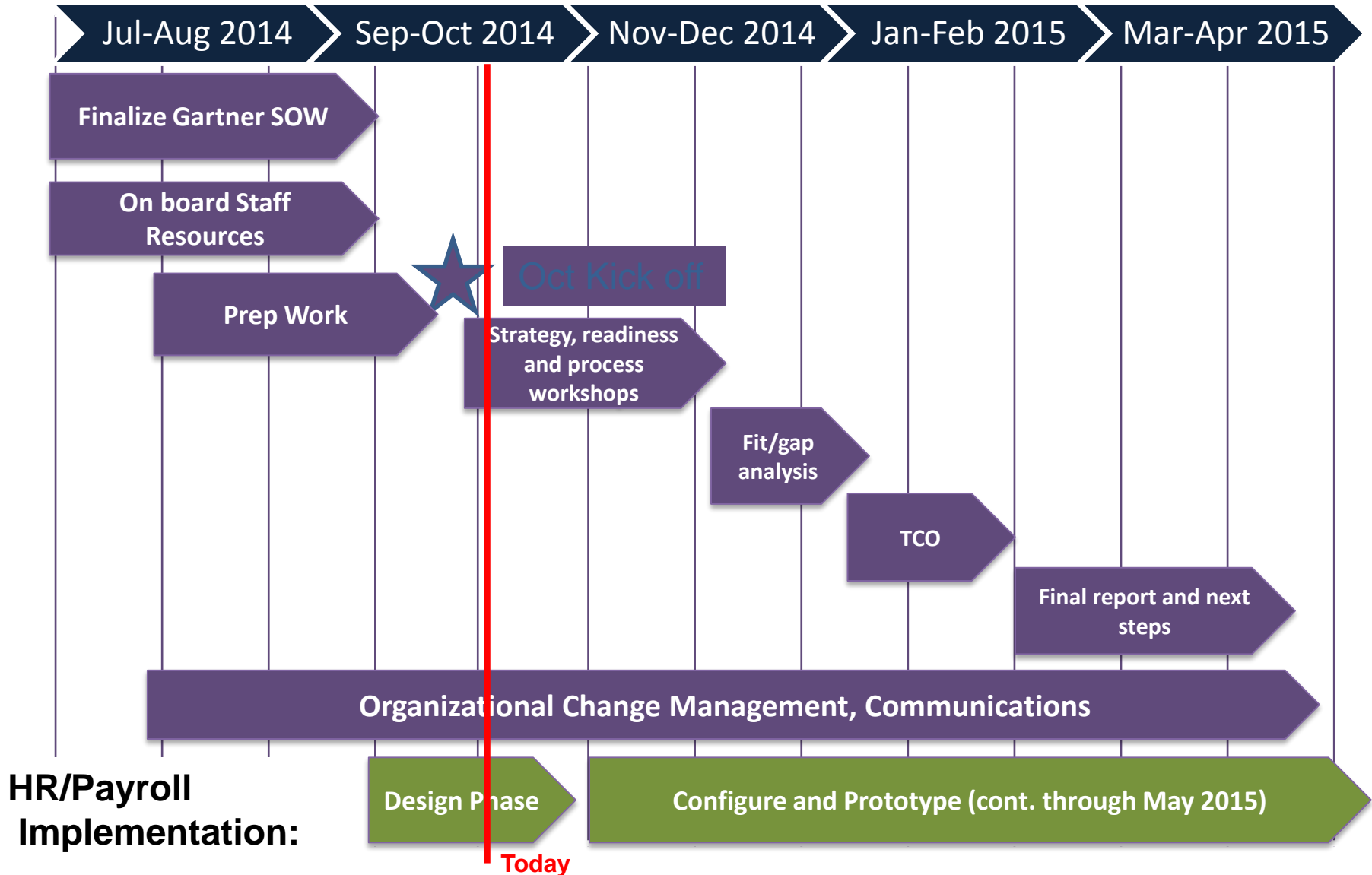
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## **Technology**

Solution Applications & Technology Architecture

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# Finance System Strategy and Readiness Timeline



# Questions & Discussion