Board to Proceed with Initial Implementation

Approves Wave 1 of Sourcing and Procurement Business Case

At its meeting on August 6, the Board of Regents authorized Deloitte to provide implementation services for the first component (Wave 1) of the Sourcing and Procurement business case. The implementation work led by Deloitte will introduce new tools and techniques and also build on the successful methods and approaches already applied by university procurement staff. For example, during the development of the business case, Deloitte staff observed that in some cases procurement departments are already collaborating to achieve savings across universities. Deloitte will work to enhance this collaboration and take the universities’ procurement savings to the next level.

The Sourcing and Procurement business case is the first administrative business case to be completed for the TIER project. This business case identified significant opportunities for savings estimated between $16 million and $40 million annually for the completion of all three waves of implementation. The proposed implementation period for the three waves is 18 to 24 months. The implementation timing for the first wave is approximately six months.

Since to date the Board has contracted with Deloitte for Phase 2 services only, the Board authorized the Executive Director to negotiate a contract with Deloitte for implementation of Wave 1 for Sourcing and Procurement. The negotiated agreement will be submitted to the Board for final approval.

As Deloitte completes its review of the additional Phase 2 administrative business cases, the Board expects to hear additional presentations at its meetings through the remainder of the year. “We look forward to hearing from Deloitte on additional efficiency cases which are deemed ready for implementation. Our efforts are all about identifying savings to reduce costs for the benefit of our students,” said Regent Larry McKibben.

Looking forward, Deloitte is continuing its preparations to conduct working sessions on the Academic program opportunities in the fall semester, beginning the first week of September. The Deloitte team is currently working with the Provosts and other Academic leaders from all three universities to identify participants for the working groups and to prepare for these sessions. The Academic working groups will begin in September when faculty are available.

The Board and the Deloitte team thank all stakeholders who are providing additional input for the TIER review during the follow-up visits to the campuses. Also, they encourage continued public input on the TIER study at the following web sites:

- Iowa State University – [www.iastate.edu/efficiency](http://www.iastate.edu/efficiency)
- University of Iowa – [http://efficiency.uiowa.edu/](http://efficiency.uiowa.edu/)
- University of Northern Iowa – [http://www.uni.edu/web/efficiency](http://www.uni.edu/web/efficiency)