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TIER UPDATE

ADMINISTRATIVE & ACADEMIC BUSINESS CASE UPDATES

Action Requested: Receive a progress report on the TIER business cases.

Executive Summary: In January 2014, the Board approved 12 Administrative business cases for TIER. A progress report and savings/productivity summary are on the following page.

In October 2015, the Board approved 4 Academic Business cases. Representatives from the universities will provide an oral update.

Background:

Procurement Update:

> Huron, in conjunction with the universities, has completed Wave 1 (Office Supplies, Computers, Computer Peripherals, and Food). The first year projected savings range from $3.4 million to $4.4 million with an annualized savings of $3 million to $4 million.

Institutional savings break out to date:

- SUI $2.5 million - 2.8 million

- ISU $930K - $1.2 million

- UNI $344K - $416K

The total estimated saving range for Wave 1 and Wave 2 is $4.8 million - $10.1 million.

Administrative Business Case	SUI	ISU	UNI
Sourcing and Procurement			
SP-01 Strategically source targeted spend categories	◐	◐	◐
Information Technology			
IT-01 Streamline the distributed IT model for common technology services	◔	◔	◔
IT-02 Transform the central ITS service delivery model	◔	◕	◕
IT-03 Simplify system applications across the three universities	◔	◔	◕
IT-04 Modernize IT infrastructure to reduce costs	◔	◔	◕
Finance			
FN-01 Consider Finance Shared Services	◐	◔	◔
Human Resources			
HR-01 Revise HR operating model and streamline distributed services	◐	◔	●
Facilities			
FAC-03 Reduce utilities and operational costs by limiting use of buildings during evenings and summer at UNI		◐	●
FAC-04 Reduce energy consumption by investing in energy mgmt. initiatives at UNI and ISU		◐	◐

FY 16 & FY 17 Estimated Savings and Productivity

Sourcing: . . . . **$5.38-6.41 Million***
Information Technology: . . . . **$1.7 Million**
Finance: . . . . **$162 Thousand**
Human Resources: . . . . **$3.5 Million**
Facilities: . . . . **$475 Thousand**

Gross Total, To date: . . . . . . **$11.2 – 12.2 Million**
*$350K one-time payment

○ Implementation plan not developed
◔ ◐ ◕ Implementation plan underway
● Implementation complete

Completed Efforts
Human Resources
HR-10 Establish clear policy for Professional and Scientific staff search committees
Student Services
SS-05 Create a common application portal
SS-08 Standardize "manual" calculation of the Regent Admission index.