FY 2018-19 Efficiencies

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Introduction

In 2018, the university's Board of Regents adopted metrics to measure progress toward its goals. Operating efficiencies are one metric reported annually to support the university's Fiscal Sustainability. Current efforts include:

- Student savings through the CU Bookstore's Inclusive Access service, and the Colorado Spring's Office of Veteran and Military Affairs "Books for Battle Buddies" program.

- Facilities savings through the Anschutz Medical Campus creation of a new office HUB concept for "hoteling" clinical faculty rather than building individual offices, and LED lighting initiatives as multiple campuses.

- Technology savings through consolidating all UCCS campus Adobe agreements into one master agreement with the Boulder campus.

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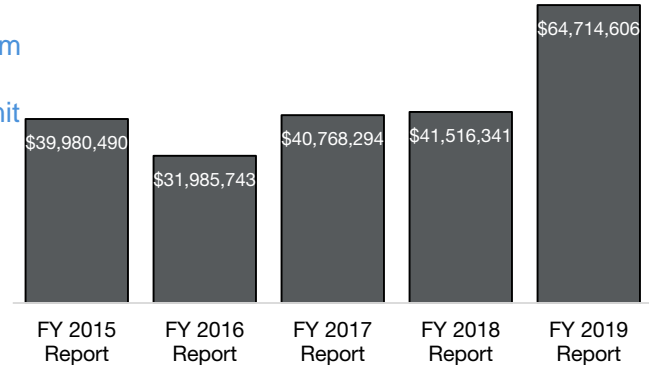
Operating Efficiencies

- The university reports annually on its ongoing efforts to increase efficiency and deliver greater value. These efforts result in savings to students, departments, campuses and employees.
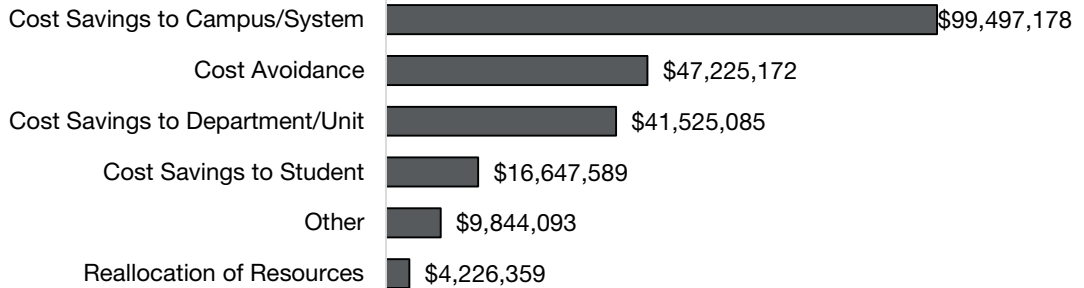
$219 million
FY 2015 to FY 2019

Source: CU System Budget & Finance, Operating Efficiencies Report

Click for CU Data Online

- Cost Savings to Campus/System
- Cost Savings to Department/Unit
- Cost Avoidance
- Cost Savings to Student
- Other

FY 2015 Report	FY 2016 Report	FY 2017 Report	FY 2018 Report	FY 2019 Report
$39,980,490	$31,985,743	$40,768,294	$41,516,341	$64,714,606

FY15-FY19

Cost Savings to Campus/System	$99,497,178
Cost Avoidance	$47,225,172
Cost Savings to Department/Unit	$41,525,085
Cost Savings to Student	$16,647,589
Other	$9,844,093
Reallocation of Resources	$4,226,359

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CU Efficiencies Overview

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	55	$20,860,773
Cost Savings to Campus/ System	88	$26,262,491
Cost Savings to Department/ Unit	175	$12,337,260
Cost Savings to Student	6	$3,206,500
Reallocation of Resources	5	$1,667,556
Other	21	$380,026
TOTAL	350	$64,714,606
Redirect Savings to Area of Need outside Department/Unit	27	$19,225,578
Redirect Savings to Area of Need within Department/Unit	62	$11,139,916
Reduce Ongoing Costs of Operation	222	$30,149,886
Other	39	$4,199,226
TOTAL	350	$64,714,606

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Boulder Efficiencies

Cost Savings to Students – $2,316,000

Some examples include:
- The CU Bookstore continues to expand their Inclusive Access service which allows students to rent usage of course material as opposed to buying the material. Estimated annual savings: $1.5 million.

- The CU Bookstore implemented digital shelf tags which has allowed for a cost saving in printing and labor costs associated with paper shelf tags. It has also allowed for more timely pricing of course materials resulting in cost savings to students. This project continues to expand each fiscal year, adding value and cost savings through additional features and usage in more internal departments. Estimated incremental annual savings: $40,000.

- Housing & Dining Facilities Services (HFS) reviewed its functional maintenance and grounds operations under new leadership and identified opportunities to improve processes and reduce waste. In making necessary changes to the organizational structure to support each work zone more efficiently with both staff and equipment resources, HFS realized an estimated savings of $776,000.

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Boulder Efficiencies

Space and Infrastructure– $134,404

Some examples include:

- The compost expansion project is repurposing existing bins in restrooms rather than buying new green ones, saving $33,300 a year. Buildings will be phased in to the expanded compost program over three years. This also saves natural resources as these containers are petroleum based.

- Parking Services has purchased an roadway crack sealing machine which enables the department to perform crack sealing on parking lots throughout campus instead of hiring outside vendor. The estimated savings is $30,000 a year.

- Infrastructure and Sustainability completed exterior lighting upgrades to LED, variable frequency drive (VFD) and motor replacements, HVAC equipment upgrades, and LED lighting upgrades in various campus buildings and utility tunnels. The estimated savings was $48,004.

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Boulder Efficiencies

Operational Efficiencies– $1,969,462

Some examples include:

- Strategic Relations and Communications marketing and creative services team possess the requisite skills and expertise to design and produce a significant portion of the overall marketing and advertising design work for the campus. The cost efficiencies included in this report pertain to the design work our team creates in-house versus paying the advertising agency to do the design work. Estimated annual savings of $1,345,500.

- The BioFrontiers Institute has leveraged students workers to help with day to day operational needs. Student workers also gain valuable work experience in their field of interest. The estimated salary and benefit savings is $84,232.

- The Distribution Center has taken over all on-campus deliveries for Staples and UPS, improving safety on campus by reducing vehicle traffic as well as reducing our carbon footprint. Improved utilization and efficiency of existing resources has resulted in annual savings of $58,784.

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Boulder Efficiencies

Leveraging Technology– $189,631

Some examples include:

- Human Resources implemented the Taleo Applicant Tracking System. The new system creates a custom gateway for new students, temporary staff, and temporary faculty to enter their personal information and have it seamlessly automatically feed into HCM. The process was previously was done through DocuSign Power forms, which required manual entry by employee and the HR Service Center. This has reduced manual entry and increased automation, saving $30,000 a year.

- BuffTechs, which offers IT support to students, faculty, staff and retirees, developed a new check-in tool integrated with the Office of Information Technology's service management platform to replace an outdated, unstable system. This significantly improved accessibility and provides notification to users by text message about appointments and when their service is complete. This was created by student staff during off-times in the walk-in center, so there was no additional programming labor to implement this new system. Development effort was approximately 250 hours, which would have cost approximately $25,000 if outsourced to a web programmer.

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Boulder Efficiencies

<u>Financial Futures Initiative</u>

The Boulder campus is currently in the implementation stage of the first three waves of the Financial Futures initiative which began in fall 2018. There have been over 500 ideas submitted, and 140 projects developed from those ideas have been approved and are in implementation.

This mix of projects is focused on revenue generation, cost savings and cost avoidance. The implementation process began in spring 2019, and the campus expects to realize and report on the early impact of cost savings and cost avoidance in the FY2020 efficiencies report.

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Boulder Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	11	$1,484,912
Cost Savings to Campus/ System	8	$113,332
Cost Savings to Department/ Unit	40	$545,227
Cost Savings to Student	3	$2,316,000
Other	15	$150,026
TOTAL	77	$4,609,497
Redirect Savings to Area of Need outside Department/Unit	2	$5,500
Redirect Savings to Area of Need within Department/Unit	26	$1,062,045
Reduce Ongoing Costs of Operation	27	$453,814
Other	22	$3,088,138
TOTAL	77	$4,609,497

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Denver | Anschutz Efficiencies

Space and Infrastructure – $13,711,083

Examples Include:

- The creation of a new office HUB concept for 245 clinical faculty to have hoteling office space only when they need it versus building the traditionally assigned 120 square foot hard walled offices which was the campus standard for space. The HUB avoided building 35,883 gross square feet at an average renovation cost of $302/gsf ($10.8 million in cost avoidance).

- $2.5 million of Energy Efficiency measures through continued energy savings projects, including Xcel Energy rebates from installing LED lighting and savings from purchasing natural gas directly from suppliers

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Denver | Anschutz Efficiencies

<u>Operational Efficiencies – $6,880,225</u>

Examples Include:
- School of Medicine created Shared Services functions within the areas of HR, IT, sponsored research pre-award and web design, reducing decentralized costs to SOM departments by $2.2 million

- Colorado School of Public Health, School of Education & Human Development and School of Public Affairs produced $1.5 million in personnel savings by restructuring and reorganizing administrative areas and eliminating positions through attrition

- Facilities utilized in-house trades staff and resources instead of 3rd party vendors for construction services work, resulting in an annual cost avoidance of $404,000

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Denver | Anschutz Efficiencies

<u>Leveraging Technology – $264,603</u>

Examples Include:

- Neurology implemented databases for travel compliance, employee lifecycle and clinical research tracking, saving staff time and reducing retroactive corrections ($80,000 cost avoidance)

- College of Architecture and Planning installed software in student labs to implement an online self-service payment for printing and other fee services

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Denver | Anschutz Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	10	$12,597,230
Cost Savings to Campus/ System	7	$1,686,638
Cost Savings to Department/ Unit	33	$4,252,536
Reallocation of Resources	1	$617,556
Other	0	$0
TOTAL	51	$19,153,960
Redirect Savings to Area of Need outside Department/Unit	1	$53,773
Redirect Savings to Area of Need within Department/Unit	10	$2,637,994
Reduce Ongoing Costs of Operation	33	$15,441,105
Other	7	$1,021,088
TOTAL	51	$19,153,960

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Colorado Springs Efficiencies

Cost Savings to Students

- The Kramer Family Library continues to develop a collection of textbooks on reserve that allows students in selected classes to avoid purchasing materials.

- The Office of Veteran and Military Affairs offers a "Books for Battle Buddies" textbook loan program for military-connected students.

Space and Infrastructure

- University Center/Gallogly Events Center, Recreation Center lighting conversion to LED.

- Vacated a machine room to save energy/cooling and gave facility over to nursing department for offices.

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Colorado Springs Efficiencies

Operational Efficiencies

- University Center & Event Services - Moved all Student Employee files and Event Services event documentation to digital formats and processing

- Digital counseling wait list using Electronic Health Record replaced paper wait list and online forms were implemented for medical appointments

- Switched from PC's to Chromebooks for student orientation

Leveraging Technology

- Consolidated all UCCS campus Adobe agreements into one master agreement with Boulder

- Utilized EBS contract to purchase iPad, phones, hotspots for library, STEM programs, Orientation, facilities, OIT, Admissions

- Campus wide rollout of Microsoft Teams as a unified communication platform

- The Family Development Center implemented a new childcare administration system

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Colorado Springs Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	9	$2,000
Cost Savings to Campus/ System	15	$295,892
Cost Savings to Department/ Unit	34	$318,376
Cost Savings to Student	3	$890,500
Reallocation of Resources	0	$0
Other	2	$30,000
TOTAL	63	$1,536,768
Redirect Savings to Area of Need outside Department/Unit	2	$100,000
Redirect Savings to Area of Need within Department/Unit	16	$311,301
Reduce Ongoing Costs of Operation	36	$1,035,467
Other	9	$90,000
TOTAL	63	$1,536,768

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System Administration Efficiencies

Operational Efficiencies

- The Treasurer's Office assisted the Denver Campus with refunding of Campus Village Apartment 2018A bonds, saving $2.5 million dollars annually.

- The Treasurer's Office also completed the first full construction/financing cycle of Commercial Paper funding for two Boulder campus projects reducing the cost of permanent borrowing by $8.6 million.

- University Information Systems leveraged CU's collective resources to negotiate a new network-wide agreement with Oracle, resulting in an estimated university-wide savings of $1.0 million annually.

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System Administration Efficiencies

Operational Efficiencies

- The Purchasing Service Center negotiated a price freeze/cap reduction for scientific supplies for FY 2019 in addition to a seven year agreement on freight and new lab products, saving departments over $500,000.

- The University Controller's Office sponsors the CU Innovation & Efficiency Awards Program highlighting new system-wide efficiency efforts including:
    - An in-house Research Support Center at the Denver | Anschutz Campus,
    - A Program for Managing Biohazardous Waste using campus autoclaves at the Anschutz Medical Campus,
    - A technology solution for reimbursing non-employees through the Procurement Services Center, and
    - Developing a student orientation mobile application for the UCCS campus

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System Administration Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	25	$6,776,631
Cost Savings to Campus/ System	58	$24,166,629
Cost Savings to Department/ Unit	68	$7,221,121
Reallocation of Resources	4	$1,050,000
Other	4	$200,000
TOTAL	159	$39,414,381
Redirect Savings to Area of Need outside Department/Unit	22	$19,066,305
Redirect Savings to Area of Need within Department/Unit	10	$7,128,576
Reduce Ongoing Costs of Operation	126	$13,219,500
Other	1	$0
TOTAL	159	$39,414,381

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