

# FY 2019-20 Efficiencies

April 1, 2021

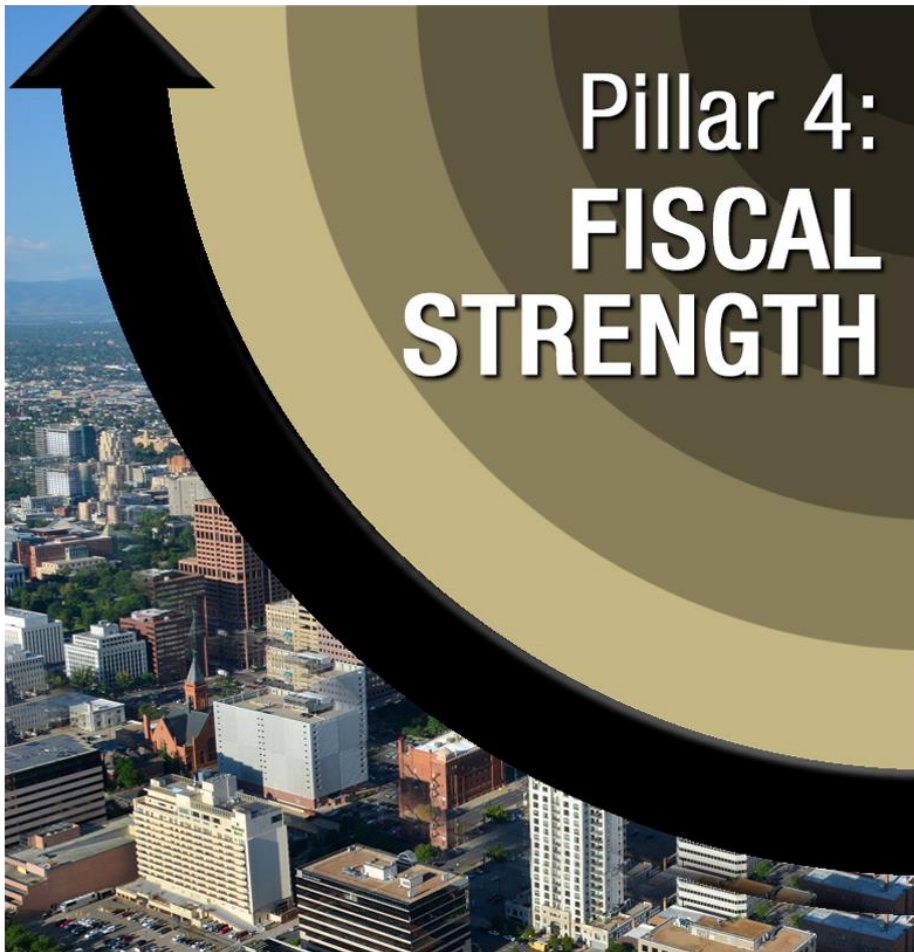
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# Introduction



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.

- FY 2019-20 impacted CU's mission in profound ways, and the disruptions led to unplanned expenses and revenue losses.
- New operating environments will lead to increased efficiencies in the years ahead.



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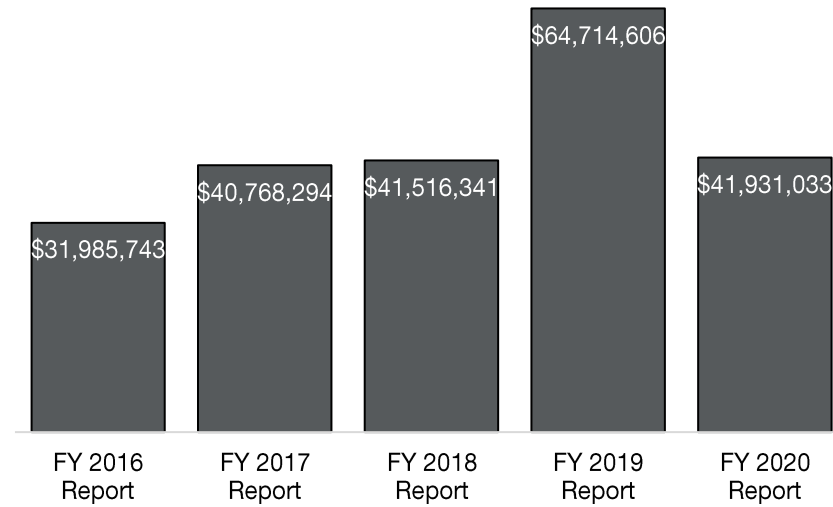
# Efficiency Efforts

- Student savings achieved by eliminating cable access in dorms and allowing students to stream content through the internet at the Boulder campus, and by increasing digital course materials at Colorado Springs.
- Facilities savings achieved through continued implementation of energy efficiency measures at Denver|Anschutz and Colorado Springs, including updating building temperature setpoints based on occupancy at both campuses, and direct-sourcing of natural gas at Denver|Anschutz. Space efficiencies will be achieved at System Administration as new occupancy standards are normalized.
- Technology savings achieved by developing remote tools for Boulder researchers to access Finance, IT, and HR administrative tools remotely. Lab scheduling software allowed lab workers to work at a safe distance and maintain workplace safety. Additional technology investments will lead to savings in future years.

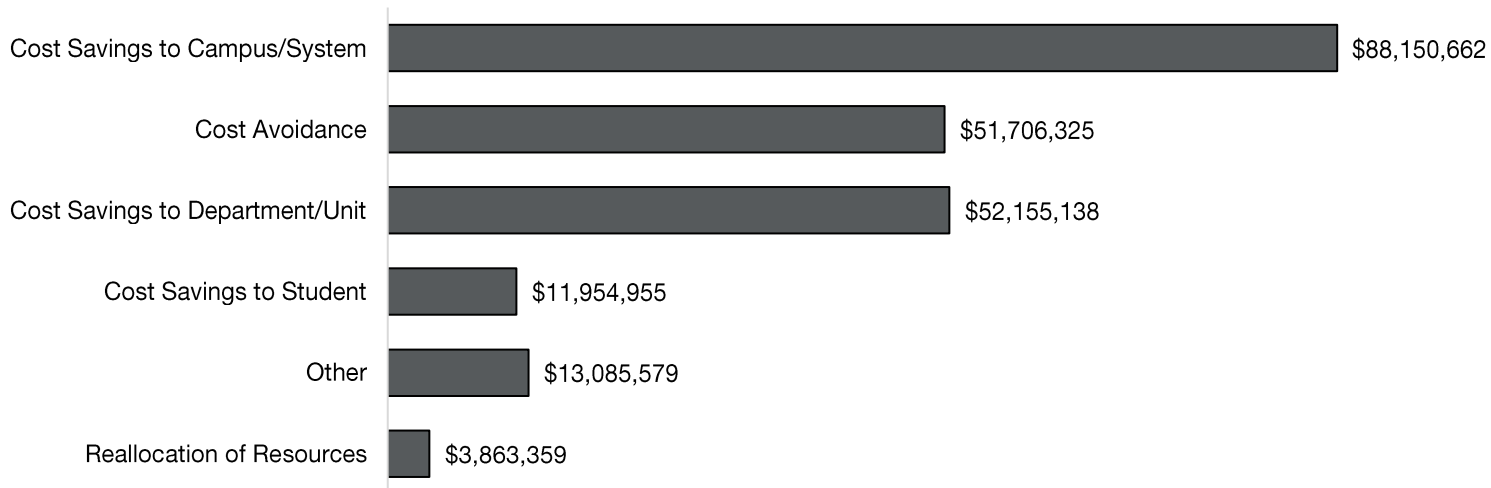


- The university reports annually on its ongoing efforts to increase efficiency and deliver greater value. These efforts result in savings to students, departments, campuses and employees.

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



FY16-FY20



**\$221 million**  
FY 2016 to FY 2020

Source: CU System Budget & Finance, Operating Efficiencies Report



# CU Efficiencies Overview

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	27	\$7,362,356
Cost Savings to Campus/ System	97	\$11,459,541
Cost Savings to Department/ Unit	151	\$12,039,268
Cost Savings to Student	8	\$2,318,382
Reallocation of Resources	0	\$0
Other	12	\$8,751,486
<b>TOTAL</b>	<b>295</b>	<b>\$41,931,033</b>
Redirect Savings to Area of Need outside Department/Unit	37	\$2,381,394
Redirect Savings to Area of Need within Department/Unit	166	\$8,958,856
Reduce Ongoing Costs of Operation	63	\$22,623,656
Other	29	\$7,967,126
<b>TOTAL</b>	<b>295</b>	<b>\$41,931,033</b>





# CU Boulder

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# Boulder Efficiencies – Financial Futures Update

The Boulder campus introduced the Financial Futures initiative in fall 2018.

- There have been over 600 ideas submitted, engaging more than 340 project owners, and 195 approved projects in various implementation phases.
- In FY 2019-20, Boulder realized \$4.8 million in efficiencies from Financial Futures projects
  - Part of approximately \$30.0 million in net return on all revenue generation, cost savings, and cost avoidance projects
  - The additional revenues and savings will be realized across all fund types, and at various campus levels
- The impact of Financial Futures is projected to sustain and grow into FY 2020-21 and beyond.



# Boulder Efficiencies - Students

- Negotiated an Enterprise Agreement with Adobe to make Adobe products available to the entire CU System at a discount. The estimated savings for Boulder was \$910,710.\*
  - The Adobe products are available to the entire CU Boulder community at a significant (~70%) discount versus the educational list.
  - The Adobe Agreement encompasses two separate products: Adobe Creative Cloud (CC) and Adobe Acrobat Pro.
    - Adobe Acrobat Pro is available at no cost to all Faculty and Staff. Previously everyone had to buy their own licenses at a higher price.
    - Adobe Creative Cloud is available and centrally distributed to all Staff, Faculty, and Students for a steeply discounted fee.
- More examples of Cost Savings to Students in Appendix

\* Financial Future Project





# Boulder Efficiencies – Space and Infrastructure

- The Cooperative Institute for Research and Environmental Sciences (CIRES) developed an online tool that provides a place for administrators to oversee all assets, and the researcher to view their specific assets. The estimated ongoing savings is \$129,312.
- The Leeds School of Business led an initiative to inventory all furniture within the school and in storage. Leeds was able to re-use that inventory when appropriate and avoid purchasing new furniture. The estimated savings is \$45,000.
- The Leeds School of Business utilized volunteers to help with patching and painting during a room re-numbering project. The estimated savings is \$20,000.



# Boulder Efficiencies - Operational

- The Telecommunications and Cybersecurity Program (TCP) was consolidated into the Computer Sciences (CS) department in the College of Engineering and Applied Science to achieve greater efficiencies and enhance the student experience. The estimated savings was \$1.4 million.\*
  - The program's consolidation utilized the existing administrative capacity of the CS department and faculty to deliver the program's educational mission.
  - This consolidation eliminated seven staff positions, several adjuncts, and temporary faculty.
  - Key TCP instructors were retained and augmented with existing CS department faculty.
  - Current students have been cared for with staff and faculty mentors and advisors.
- More examples of Operating Cost Savings are in the Appendix

\* Financial Future Project



# Boulder Efficiencies – Leveraging Technology

- The Office and Information and Technology has insourced the AV design, installation, programming, and commissioning for campus projects, including capital and departmental projects. Resulting in a reduction of costs, ensures standards are met, and improves outcomes in terms of user experience. FY2019-20 generated about \$500,000 in savings and will save an estimated \$2.0 million over the project's life.\*
- The Bursar's office has utilized OnBase software to automate some of their manual cash management processes with less error and reduced processing times. The estimated savings is \$10,000.
- Infrastructure and Sustainability (I&S) has utilized Security Camera services offered by Facilities Management and switched from an individually-funded server model to a centrally-funded model. This has reduced the number of servers needed by 75% resulting in significant cost savings in server hardware and labor costs for maintenance. Annual savings are estimated at \$21,086.

\* Financial Future Project



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# Boulder Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	4	\$32,996
Cost Savings to Campus/ System	6	\$709,886
Cost Savings to Department/ Unit	43	\$4,013,603
Cost Savings to Student	3	\$1,179,382
Other	4	\$212,563
<b>TOTAL</b>	<b>60</b>	<b>\$6,148,430</b>
Redirect Savings to Area of Need outside Department/Unit	3	\$51,800
Redirect Savings to Area of Need within Department/Unit	27	\$429,968
Reduce Ongoing Costs of Operation	19	\$4,512,380
Other	11	\$1,154,282
<b>TOTAL</b>	<b>60</b>	<b>\$6,148,430</b>





# CU Denver | Anschutz

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# Denver|Anschutz Efficiencies – Space and Infrastructure

- Continued energy efficiency measures with a savings of \$2.5 million.
  - Including Xcel Energy rebates for energy savings initiatives
  - Replacing inefficient lighting with LED lighting
  - Savings from purchasing natural gas directly from suppliers
  - Energy savings from increasing building temperatures two degrees in the summer and decreasing them one degree in the winter
- Cost avoidance by utilizing in-house trades staff and resources instead of outside third-party vendors for Autoclave and construction services resulting in a savings of \$1.0 million.



# Denver|Anschutz Efficiencies - Operational

- Personnel savings as a result of restructuring and reorganizing administrative areas and eliminating positions through attrition resulting in a \$1.0 million savings.
- Reduction of general operational expenses including reduced printing and elimination of copier contracts, elimination of phone lines, and reduced operations of campus shuttle services – \$85,000 annual cost savings.



# Denver|Anschutz Efficiencies – Leveraging Technology

- Utilizing electronic security access controls, alarms, and CCTV for existing and new buildings, avoiding external contractors' costs, and achieving a \$1.1 million cost savings.
- Implementing paperless initiatives, including electronic signature routing for RTP documents and faculty hire packets and shifting to electronic timecards and employee evaluations resulting in a cost savings of \$150,000.
- Purchase of an e-mist machine for use after programs and research activities in the Anschutz Health and Wellness Center, reducing the downtime of space availability and avoiding the nightly cost of external misting service – \$30,000 annual cost savings.





# Denver|Anschutz Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	7	\$2,020,034
Cost Savings to Campus/ System	10	\$4,553,390
Cost Savings to Department/ Unit	41	\$1,220,051
Other	4	\$621,412
<b>TOTAL</b>	<b>62</b>	<b>\$8,414,888</b>
Redirect Savings to Area of Need within Department/Unit	46	\$894,957
Reduce Ongoing Costs of Operation	8	\$7,405,666
Other	8	\$114,265
<b>TOTAL</b>	<b>62</b>	<b>\$8,414,888</b>



# Colorado Springs

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# Colorado Springs Efficiencies

## Cost Savings to Students:

- Continued to increase the number of Day One (Inclusive Access) course material offered by The Bookstore. The Bookstore also provided return shipping labels to students that left campus due to COVID for rental book return. Both resulted in an \$875,000 savings.
- Health and Wellness initiatives to install Water Bottle Filler Stations with a cost savings of \$264,000.
- Kraemer Family Library continues to develop textbook reserves for students, and The Office of Veteran Affairs continues Books for Battle Buddies saving \$17,500.

## Space and Infrastructure:

- In FY 2019-20 the UCCS Copy Center and Bookstore were integrated and the continue to show a saving of \$50,993.
- The facilities team saved in energy and operations from March through August by adjusting setpoints through Campus buildings with a \$254,072 savings.



# Colorado Springs Efficiencies

## Operational Efficiencies:

- The Office of Sponsored Programs and Research Integrity (OSPRI) implemented a new Targeted Review Process that cuts the pre-award process review in half.
- Athletics owns and negotiates a Nike/BSN equipment contract for athletic equipment, uniforms, supplies for athletics and campus recreation, reducing uniform and equipment costs up to 50%.
- Auxiliary Services implemented a strategic management process resulting in \$192,344.

## Leveraging Technology:

- The Office of Sponsored Programs and Research Integrity (OSPRI) implemented electronic proposal file creation.
- The Bookstore automated Special Accounts verification process and integrating with Student Financial Aid electronically with FA~Link.
- Removal of unnecessary land lines by exploring different technologies for virtual meetings.





# Colorado Springs Efficiencies

<b>Efficiency Type</b>	<b>Actions</b>	<b>Estimated Savings</b>
Cost Avoidance	2	\$757
Cost Savings to Campus/ System	5	\$354,335
Cost Savings to Department/ Unit	43	\$560,487
Cost Savings to Student	5	\$1,139,000
<b>TOTAL</b>	<b>55</b>	<b>\$2,054,579</b>
Redirect Savings to Area of Need outside Department/Unit	1	\$254,072
Redirect Savings to Area of Need within Department/Unit	20	\$158,839
Reduce Ongoing Costs of Operation	28	\$1,375,068
Other	6	\$266,600
<b>TOTAL</b>	<b>55</b>	<b>\$2,054,579</b>



# System Administration

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# System Administration Efficiencies - Operational

- PSC Increased the number of purchase orders processed using catalog suppliers and invoices received electronically to 58% to help the university avoid the additional cost of \$4.8 million.\*
- PSC received a discount when negotiating several contracts resulting in cost savings to the department of \$5.0 million.\*
- Treasury efficiencies include:
  - Implementing the Goldman Cash Portal which allows later-in-the-day settling of cash positions and more daily funds to be invested. Generated \$584,000.
  - Implementation of enhanced cash management. Generated \$1.4 million.
  - The segment two portfolios and segment three portfolios were rebalanced, amounting to \$4.4 million of revenue generation.
  - A reduction in investment managers' fees of \$1.5 million.

\* Continued effort of efficiencies.



# System Administration Efficiencies – Operational (cont'd)

- Risk Management recovered savings for the Total Property/Casualty/Workers' Compensation Self-Insurance Program – \$4.5 million.\*
    - Savings by reducing expenses
    - Medical bill review savings through fee-for-service contracts or network discounts
    - Academic camp negotiated savings, primarily medical insurance coverage, for student camp programs across campuses
    - Recoveries of any costs that we pursue against our excess insurer layers when we believe that we are eligible
  - UIS renegotiated the enterprise storage contract, saving \$273,050 a year for the next five years.
  - UIS provided savings to the campuses with the Student Aid Internet Gateway (SAIG) File Automation and CU-Student Integrated System -Student Records Transcript Text Note for all Spring 2020 CU Students (COVID-19). It resulted in a savings of \$256,977 for the campuses.
- \* Continued effort of efficiencies.



# System Administration Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	14	\$5,308,569
Cost Savings to Campus/ System	76	\$5,841,930
Cost Savings to Department/ Unit	24	\$6,245,127
Other	4	\$7,917,511
<b>TOTAL</b>	<b>118</b>	<b>\$25,313,137</b>
Redirect Savings to Area of Need outside Department/Unit	33	\$2,075,522
Redirect Savings to Area of Need within Department/Unit	73	\$7,475,092
Reduce Ongoing Costs of Operation	8	\$9,330,543
Other	4	\$6,431,979
<b>TOTAL</b>	<b>118</b>	<b>\$25,313,137</b>





# Appendix



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# Boulder Efficiencies – Students

- The Office of Information and Technology collaborated with Student Affairs to eliminate cable TV service and reduce Student Affairs' costs. Housing and Dining realized an estimated savings of \$262,000.\*
  - Students have transitioned to consuming television content via streaming making cable TV a redundant service.
- Campus Dining Services (CDS) recognized savings through strategic purchasing decisions, including leveraging a Group Purchasing Organization (GPO) as well as cost-saving operational changes. The estimated savings was \$6,672.\*
  - The majority of savings will be realized in FY 2020-21

\* Financial Future Project



# Boulder Efficiencies - Operational

- The Renewable And Sustainable Energy Institute (RASEI) recently signed a Fellow Agreement with the National Renewable Energy Laboratory (NREL) which allocated 5% of their time to RASEI initiatives at CU. The estimated ongoing savings is \$205,500.
  - Having roughly 20 fellows from NREL provides RASEI and CU with an abundance of expertise and resources for faculty, researchers, and students in energy research and education.
- The Campus Controller's Office (CCO) performed a reorganization to use resources more effectively, resulting in cost savings by not filling vacant positions. The estimated savings was \$87,610, and additional savings will increase in FY 2020-21.\*
  - This reorganization also created more partnerships with campus departments for property (capital asset) tracking.

\* Financial Future Project



# Boulder Efficiencies – Leveraging Technology

- The Office and Information and Technology led an effort that encouraged departments to stop using desktop printers and help the departments find alternative options or move to multi-function devices for document management and central printing options. The estimated savings was \$137,000, and the effort will continue to deliver savings into FY 2020-21.\*

\* Financial Future Project

