Operating Efficiencies

April 2013
• Operations are continually reviewed for new efficiencies at all levels.

• Each campus has a culture of promoting ideas for change that result in more efficient operations.

• Periodically, ongoing and new efficiencies are implemented and reported to the Board of Regents.
Colorado Springs Efficiencies

- Pursued firm natural gas rates for 14 buildings; savings $36,000+ first three months.
- Toilet retrofit project in all general fund buildings; saved ~45% in water usage.
- Implemented a schedule adjustment approach for the Physical Plant to reduce all non-paid compensation time and minimize paid overtime.
- Replacing police vehicles with either hybrid vehicles or motorcycles; fuel cost savings ~$6,000 per year.
- Sharing administrative services between the University Center, Housing, Recreation Center, Public Safety and the Bookstore.
- Created new and efficient online workflows to streamline processes in Admissions and Records.
- Colleges pursuing entrepreneurial activities (non-credit executive programs, online programs, extended studies, grants and contracts, etc.), to meet budget cuts and still provide a high level of service.
Denver Campus Efficiencies

- Negotiated with AHEC on allocation of facilities costs, saving $410,000 annually.

- Worked with AHEC to adjust time slots to improve offerings on the Denver Campus for working adults.

- Increase faculty teaching loads for instructors in Architecture, Arts & Media, Education, and Liberal Arts & Sciences.

- Cost share with Metro State and AHEC for telecom usage; $523,000 savings.

- Expanded use of Thin Client technology; $214,000 savings for both campuses.

- Changing the approach for Network switch deployment saved $174,000 annually for both campuses.

- Created an online only rate for out of state students to expand enrollment of these students and to increase course enrollment efficiency.

- Created sponsor-level billing to improve timeliness of tuition and fee payments for international students and to lift enrollment barriers for current students.
Significant utility cost savings have occurred from water reduction and total energy reduction, 12% and 16% respectively, over 3 years.

Natural gas purchasing directly from suppliers; gross commodity cost savings of $1.4 million over 3 years.

Research Building 1 energy efficiency projects resulting in energy cost savings of $700,000 per year.

Purchase of Central Utility Plant saved $1 million in boiler costs and $2.6 million in debt financing over 13 years.

Xcel Energy rebates of $454,000 for energy efficiency projects; energy cost savings of $846,000 over last 3 years.

Re-evaluation of cleaning requirements and re-bidding of custodial contract cost savings of $406,000 annually on both Denver and Anschutz Medical Campus.
• Consolidated multiple research computing locations to increase security, reduce technical support needs, and expand capacity.

• Housing and Dining Services monitored utility bills (~$250,000); negotiated freeze in price for furniture and appliances for residence halls with multi-year contract and also saved 5% of total price for five years (~ $200,000).

• Consolidated the Colorado Diversity Initiative; savings of $145,000 annually.

• Eliminated approximately 70 A&S core curriculum courses; continually reviewing courses for further reductions.

• Introduced revenue-sharing incentive program with academic departments to develop professional Master’s programs intended to serve workforce and market demand.

• Centralized software licenses to simplify purchasing and decrease costs.

• Police patrol division implemented platoon staffing model; improved police coverage and reduced overtime need.

• Transition to online transaction processing for Parking Services.
System Administration Efficiencies

• Saved a total of $13.4 million on refinancing bonds in calendar year 2012. Similar savings were achieved in 2011, while also reducing the fixed cost of issuance.

• Creation of University of Colorado Health and Welfare Trust (PBS) lowered year-over-year cost increase from fully- to self-insured at inception and at the end of the first year’s operation, 15% to 12%, then 5.7% respectively.

• Property/Casualty self-insurance program results in an estimated annual savings of $4,298,401 (22%) for FY 2013 when compared to a commercially-insured program.

• Strategic Sourcing: Key products added include computers ($1.8 million first-year savings) and “green” chemicals & paper ($214,000 first-year savings). New contracts include Colorado Correctional Industries (estimated $460,000 savings) and temporary labor agreements ($360,000).

• Co-location of service centers: Procurement Service Center, Payroll and Benefits, and University Information Systems.
  • Combined footprint of service centers reduced by 9,000 sq. ft.
  • Rental rate was reduced by an average $5/sq. ft.
  • Shared services are possible with all offices in one facility.