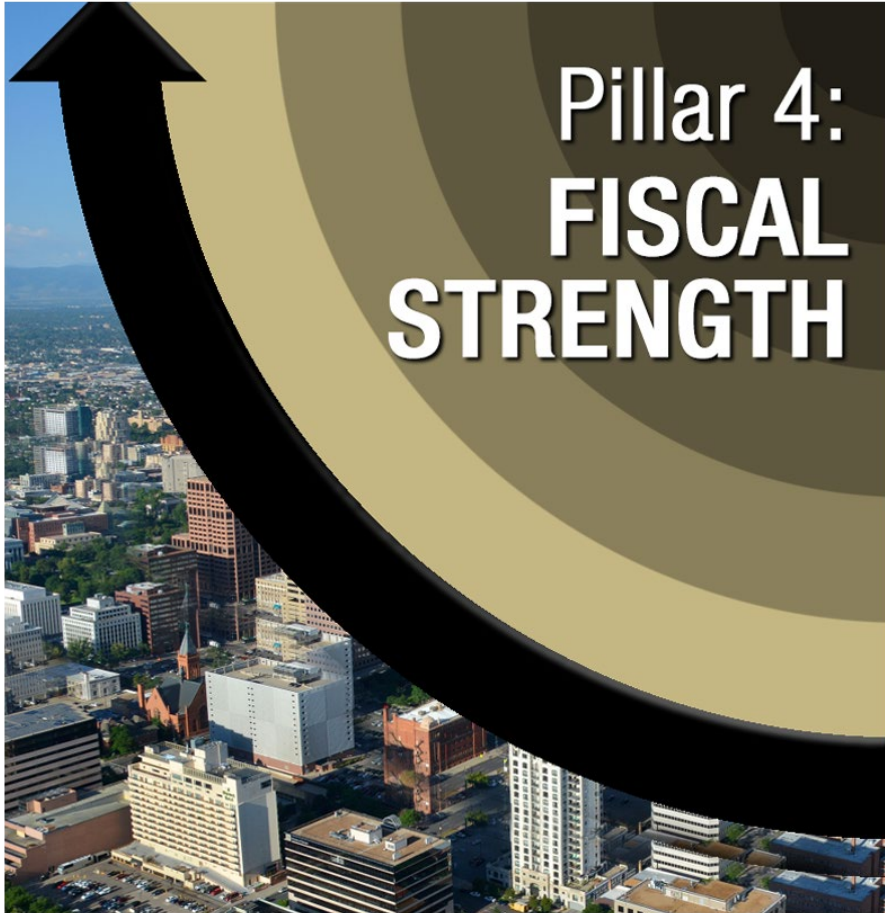


# FY 2021-22 Efficiencies

March 31, 2023

Regent Finance Committee

# Introduction



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

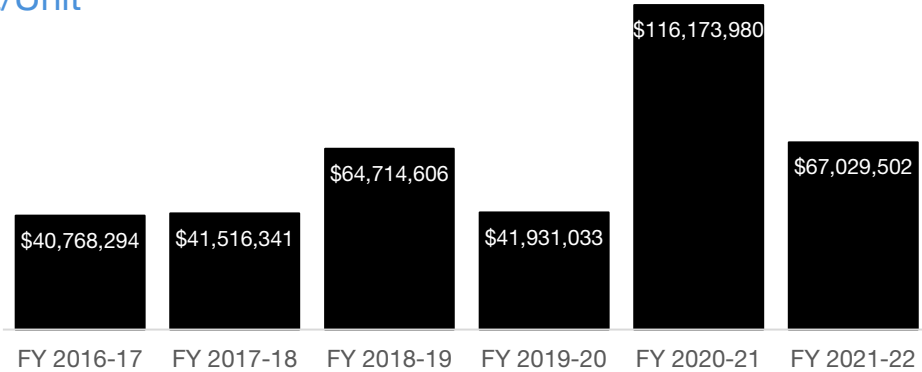
# Efficiency Efforts

- Pursue low-cost sourcing and efficiencies to reduce spending on books and pass savings to students
- Consolidate office spaces for hybrid staff and implementation of HUB landing spaces for faculty
- Reduce software expenses through partnership building with software partners to receive free educational licenses for students and utilizing enterprise agreements for software
- Realize personnel savings as a result of restructuring, reorganizing administrative areas, and implementing new systems
- Review technology equipment refresh cycle, ability to digitize processes, and implementation of more efficient standardized operating procedures

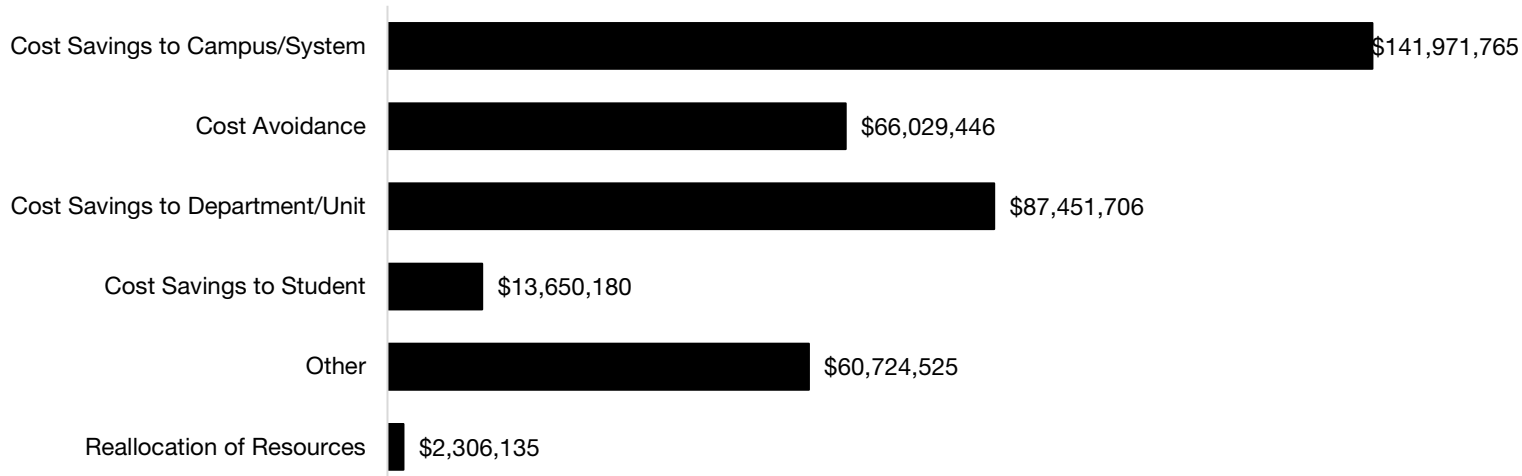
- The university reports annually on its ongoing efforts to increase efficiency and deliver greater value. These efforts result in savings to students, departments, campuses, and employees.

**\$372 million**  
FY 2017 to FY 2022

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



FY 2017 - FY 2022



Source: CU System Budget & Finance, Operating Efficiencies Report

# FY 2021-22 CU Efficiencies Overview

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	46	\$8,392,851
Cost Savings to Campus/ System	101	\$36,439,494
Cost Savings to Department/ Unit	157	\$18,876,526
Cost Savings to Student	8	\$2,200,112
Reallocation of Resources	5	\$124,050
Other	18	\$996,468
<b>TOTAL</b>	<b>335</b>	<b>\$67,029,502</b>

Redirect Savings to Area of Need outside Department/Unit	44	\$24,853,774
Redirect Savings to Area of Need within Department/Unit	111	\$17,863,987
Reduce Ongoing Costs of Operation	152	\$16,337,747
Accumulate Savings for Investment	7	\$418,283
Other	21	\$7,555,710
<b>TOTAL</b>	<b>335</b>	<b>\$67,029,502</b>

A scenic mountain valley with a dirt road, evergreen forests, and a bright sun in the sky. The sun is low in the sky, creating a lens flare effect. The valley is filled with dense evergreen trees, and the mountainsides are rocky and sparsely vegetated. The sky is blue with scattered white clouds. The overall atmosphere is bright and sunny.

# CU Boulder

# FY 2021-22 CU Boulder Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	15	\$510,982
Cost Savings to Campus/ System	8	\$5,302,558
Cost Savings to Department/ Unit	60	\$2,088,240
Cost Savings to Student	6	\$1,998,112
Other	14	\$862,368
<b>TOTAL</b>	<b>103</b>	<b>\$10,762,260</b>

Redirect Savings to Area of Need outside Department/Unit	7	\$229,058
Redirect Savings to Area of Need within Department/Unit	64	\$2,139,070
Reduce Ongoing Costs of Operation	17	\$910,282
Other	15	\$7,483,850
<b>TOTAL</b>	<b>103</b>	<b>\$10,762,260</b>

# CU Boulder Efficiencies

## Students

- CU Bookstore (CUBS) pursued low-cost sourcing and efficiencies to reduce the spending on books and pass savings to the students
  - Students can rent textbooks (instead of purchasing them)
  - \$1.5 million estimated annual savings

## Space and Infrastructure

- When remodeling the Engineering North Tower, the college utilized the following construction efficiencies:
  - Triple pane exterior windows, all LED lighting, higher R-value insulation, motion-activated sink faucets, low-flow restroom fixtures, variable air volume HVAC, and low energy fume hoods
  - \$100,000 estimated annual savings



# CU Boulder Efficiencies

## Operational

- Imaging Services (IS) and (CUBS) partnered with Central Distribution to pick up and deliver IS orders on campus and to the Denver/Boulder metro area and bring CUBS deliveries to store
  - Reduce carbon footprint by having fewer vehicles moving through campus
  - 1.5 FTE savings: 0.5 FTE IS and 1.0 FTE CUBS
  - \$124,200 estimated annual savings

## Leveraging Technology

- Atlas Institute extended its normal laptop replacement cycle from every four to every five years due to lack of use during the pandemic-
- Based on student needs, only 10 (vs. 40) new laptops were ordered
  - \$77,866 estimated one-time savings

# CU Boulder Efficiencies

## Research

- Campus invested an initial \$3.0 million and a subsequent \$1.0 million annually to replace an end-of-life supercomputing system (Summit) with a new Alpine system
  - Assuming the new system can provide an incremental one percent growth in federal awards, it will generate about \$5.0 million annually

A scenic mountain valley with a dirt road, evergreen forests, and a bright sun in the sky. The sun is positioned in the upper left, creating a lens flare effect. The valley is filled with dense evergreen trees, and the mountainsides are rocky and sparsely vegetated. The sky is blue with scattered white clouds. The overall atmosphere is bright and clear.

CU Denver | Anschutz

# FY 2021-22 CU Denver | Anschutz Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	15	\$5,078,301
Cost Savings to Campus/ System	18	\$1,854,622
Cost Savings to Department/ Unit	50	\$1,241,610
Cost Savings to Student	2	\$202,000
Reallocation of Resources	2	\$84,050
Other	2	\$89,100
<b>TOTAL</b>	<b>89</b>	<b>\$8,549,683</b>

Redirect Savings to Area of Need outside Department/Unit	1	\$44,000
Redirect Savings to Area of Need within Department/Unit	17	\$401,279
Reduce Ongoing Costs of Operation	62	\$7,780,865
Accumulate Savings for Investment	3	\$251,679
Other	6	\$71,860
<b>TOTAL</b>	<b>89</b>	<b>\$8,549,683</b>

# CU Denver | Anschutz Efficiencies

## Space and Infrastructure

- Continued energy efficiency measures
  - Xcel Energy rebates for energy savings initiatives and savings from purchasing natural gas directly from suppliers
  - Replacement of inefficient lighting with LED lighting
  - Recommissioned additional building HVAC systems to optimize performance and energy efficiency
  - Energy savings from decreasing average building temperatures in the winter and increasing average temperatures in the summer
  - \$2.6 million estimated savings
- Consolidated office spaces for hybrid staff and implemented HUB landing spaces for faculty
  - \$1.8 million estimated savings

# CU Denver | Anschutz Efficiencies

## Operational

- Personnel savings as a result of restructuring and reorganizing administrative areas
  - Eliminated positions through attrition
  - \$1.7 million estimated savings
- Reduction of general operating expenses as a result of reduced printing, eliminating copier contracts, and implementation of more efficient standardized operating procedures
  - \$1.7 million estimated savings
- Reduction of software expenses through partnership building with software partners to receive free educational licenses for students and utilizing enterprise agreements for software
  - \$221,000 estimated savings

# CU Denver | Anschutz Efficiencies

## Leverage Technology

- Implemented paperless initiatives and process improvements
  - Utilization of technology and software to replace manual and paper processes in the areas of Promotion and Tenure Review, Human Resources, Budget, and Bursar's office operations
  - \$335,000 estimated savings
- Rollout of the new data center with a higher level of redundancy to reduce single points of failure
  - Fewer incidents requiring staff time to restore data
  - \$100,000 estimated savings
- Utilized thin client hardware in Shared/HUB spaces in place of dedicated, private technology
  - \$621,000 estimated savings



UCCS



# FY 2021-22 UCCS Efficiencies

Efficiency Type	Actions	Estimated Savings
Cost Avoidance	7	\$120,800
Cost Savings to Campus/ System	4	\$155,000
Cost Savings to Department/ Unit	8	\$89,738
Reallocation of Resources	3	\$40,000
<b>TOTAL</b>	22	\$405,538

Redirect Savings to Area of Need outside Department/Unit	2	\$125,000
Redirect Savings to Area of Need within Department/Unit	5	\$25,678
Reduce Ongoing Costs of Operation	13	\$159,860
Accumulate Savings for Investment	2	\$95,000
<b>TOTAL</b>	22	\$405,538

# UCCS Efficiencies

## Students

- UCCS Bookstore implemented Equitable Access
  - All course materials are provided in one package and charged per credit hour, providing an overall reduction in the course material costs
  - Cost added to student accounts, so can be covered by Financial Aid
  - Further adjustments to how student course materials are provided, which is anticipated to result in future cost savings to students

## Operational

- The UCCS Bookstore increased staff savings with the implementation of Equitable Access
  - \$100,000 estimated savings

# UCCS Efficiencies

## Leveraging Technology

- Office of Sponsored Programs and Research Integrity digitized paper files to eliminate printing and storage expenses while improving access to files and helping streamline resources
- Telecom Technology upgrade from Cisco to Microsoft Teams
  - \$83,000 estimated savings
- Realigned telecom budgets and streamlined the process to create campus budgetary and time savings
  - \$125,000 estimated savings



# System Administration

# FY 2021-22 System Administration Efficiencies

<b>Efficiency Type</b>	<b>Actions</b>	<b>Estimated Savings</b>
Cost Avoidance	9	\$2,682,768
Cost Savings to Campus/ System	71	\$29,127,315
Cost Savings to Department/ Unit	39	\$15,456,938
Other	2	\$45,000
<b>TOTAL</b>	<b>121</b>	<b>\$47,312,020</b>

Redirect Savings to Area of Need outside Department/Unit	34	\$24,455,717
Redirect Savings to Area of Need within Department/Unit	25	\$15,297,960
Reduce Ongoing Costs of Operation	60	\$7,486,740
Accumulate Savings for Investment	2	\$71,604
<b>TOTAL</b>	<b>121</b>	<b>\$47,312,020</b>

# System Administration Efficiencies

- PSC – Negotiated baggage fee waiver with United Airlines (9,046 bags)
  - \$452,300 estimated savings
- Risk Management - Total Property/Casualty/Workers' Compensation Self-Insurance Program Recovery Savings
  - \$4.4 million estimated savings
- Treasury – Refinanced existing bonds, refunded bonds and commercial paper, and other debt savings
  - \$23.8 million estimated savings
- UIS - Automation of Quarterly Oracle Critical Patch Updates to CU-Wide Systems of Records
  - \$520,000 estimated savings



# APPENDIX

# CU Boulder Efficiencies - Students

- The CU Bookstore implemented digital shelf tags, which has saved printing and labor costs associated with paper shelf tags
  - Allowing for more timely pricing of course material pricing
  - This project will add value and cost savings through additional features and usage in more internal departments
  - \$40,000 estimated annual savings
- The Pharmacy analyzed supplier drug costs and insurance payback to choose the most beneficial return on drug ordering while maintaining the same level of service

Increased utilization of the secondary supplier when ordering prices were lower and narrowed the on-hand inventory to decrease loss from the expired product

  - \$244,000 estimated annual savings



# CU Boulder Efficiencies

## Space and Infrastructure

- Real Estate Services assisted Advancement with terminating a lease by using the collocation clause and relocating staff to an on-campus location
  - \$50,854 estimated savings

## Operational

- Research Financial Services (RFS) updated tools for documenting cost transfers as well as improved processes that educated campus partners on areas of risk associated with cost transfers
  - Saves around 100 departmental staff about 2 hours of re-work
  - \$12,404 estimated savings
- Environmental Health and Safety (EH&S) partnered with Green Labs and Sustainable CU to start a solvent distillation and ethanol reuse program
  - Distillation and reuse of certain solvents avoid research purchasing costs and EH&S disposal costs
  - \$3,012 estimated annual savings

# CU Boulder Efficiencies

## Leveraging Technology

- Flight operations within Integrity, Safety and Compliance (ISC) started an Unmanned Aircraft Systems (UAS) library program
  - Researchers of smaller grants who may benefit from or require drones, but cannot purchase one, can check out an ISC drone for their project
  - \$50,000 estimated annual savings
- Leeds School of Business purchased a piece of studio equipment called a tri-caster, which brought automation to the video production process for online courses
  - Tasks done manually in the past flow through the tri-caster, making the postproduction process less tedious
  - \$5,000 estimated annual savings

# CU Boulder Efficiencies

## Research

- The Conflict of Interest and Commitment office (COIC) incorporated the Office of Contracts and Grants (OCG) International Interests & Activities form into the 2022 Disclosure of External Professional Activities (DEPA) form, eliminating the need to use two different forms to report foreign activities
  - This saved disclosers time, led to increased disclosure and enabled better coordination between the COIC office, OCG, and the Office of Export Controls (OEC), which helps with compliance risk mitigation where needed
  - \$150,000 estimated annual savings