IDAHO STATE BOARD OF EDUCATION

ADMINISTRATIVE REVIEW & CONSOLIDATION ASSESSMENT

FINAL REPORT

Idaho State Board of Education

December 2018

SECTIONS

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2 Roadmap Summary

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1

OBJECTIVES AND CONTEXT

OBJECTIVES

ENGAGEMENT AND DELIVERABLE GOALS

Engagement Objectives:

1. Assess current state of administrative operations for the four in-scope institutions: Boise State University, Idaho State University, Lewis-Clark State College, and the University of Idaho.
2. Identify opportunities for increased efficiency and effectiveness and estimate attendant cost savings.
3. Provide recommendation to the Board as to whether the state should pursue consolidation of administrative operations including guidance regarding scope and sequence of implementation.

Report Contents:

1

Context

This report includes context regarding the four institutions, stated goals, and the operational landscape that has helped to shape our approach

2

Roadmap

Our report includes a starting-point roadmap for ISBOE that includes near-term considerations, enabling steps, and long-term opportunities

3

Analysis

We provide analysis supporting the roadmap and recommendations capturing both efficiency opportunities and related savings estimates

Notes on Analysis

- Savings estimates do not account for required financial or capacity investments
- Metric-grounded opportunities do not account for variability in current service levels

HURON'S APPROACH

TARGETED PURSUIT

Huron's outlined approach included assessing each institution for opportunities to collaborate or consolidate across three areas: workforce, purchasing, and enterprise systems.

Labor Duplication / Fragmentation

Where is there duplication or fragmentation of staff that can be addressed through reorganization, outsourcing, consolidation, or a shift to a shared operating model?

Analyses

- Internal benchmarking
- External benchmarking
- Spans and layers
- Outsourcing inventory

Purchasing Power

Where are there opportunities to negotiate group purchasing contracts and limit off-catalogue spend?

Analyses

- Spend analysis
- Procure-to-pay operations high-level assessment

Technological Adoption / Rationalization

Where is there duplication of functionality across systems that can alleviate direct and indirect cost through consolidation or ERP upgrades in the long-term?

Analyses

- Systems inventory
- Technology environmental scan

For each of these areas, Huron outlined near-term, intermediate-term, and long-term opportunities. Huron also analyzed opportunities surfaced during stakeholder interviews.

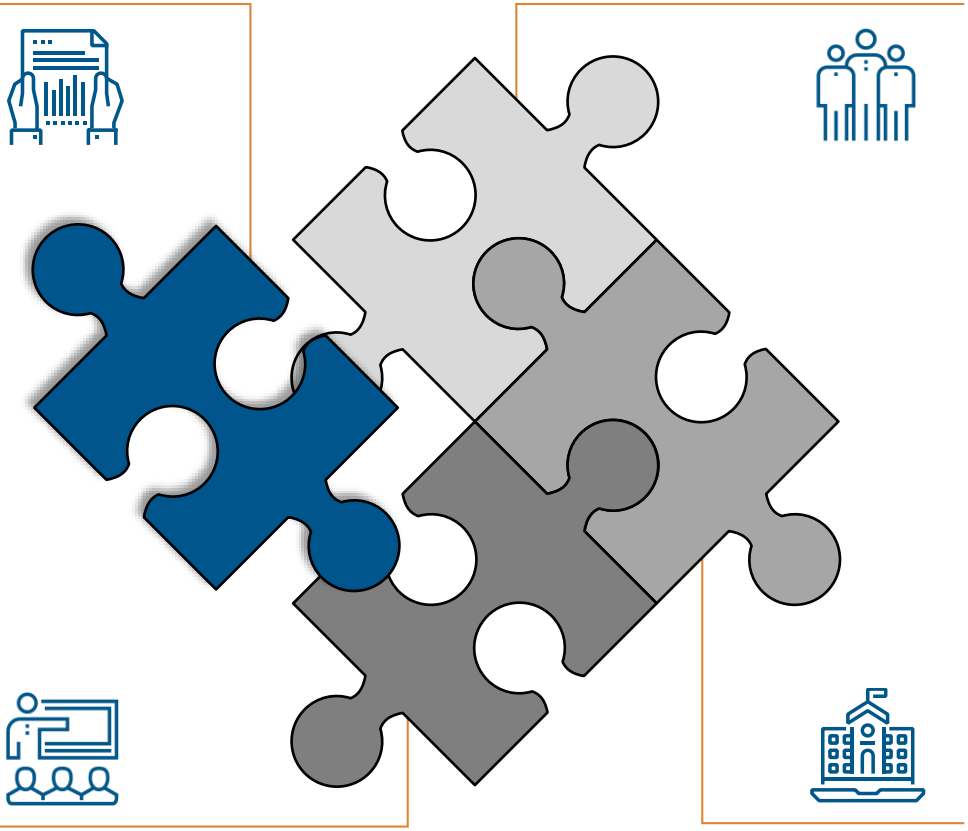
HIGHER EDUCATION "SYSTEMNESS"

ADMINISTRATIVE OPERATIONS AS A PIECE OF A LARGER PUZZLE

Huron's charge to assess opportunities for administrative ("back office") consolidation keeps in mind the broader considerations of moving to system-like operations.

Institutional Administrative Operations
How are administrative operations organized for optimal efficiency, effectiveness, and service faculty, students, and staff?

Community Colleges
How are community colleges integrated to maximize access, improve time to graduation, and limit student debt?



Scope of ISBOE
What is the role of the Board? How are the institutions governed to optimize "systemness"?

Academics
How are institutions aligned to optimize student outcomes, research productivity, and innovation?

ALIGNING TACTICS AND GOALS

STRATEGIES FOR ACHIEVING ECONOMIES OF SCALE

The Board's charge is to focus on inter-University *partnerships* and consolidation, but these opportunities should be evaluated as part of a full spectrum of strategies for efficiency gains.

Strategies for Scale

(A) Self-Assessment	(B) Partnership	(C) Integration
What are the opportunities for efficiencies <u>within each institution</u>? ▪ Program / portfolio mgmt. ▪ Workforce mgmt. (structure and comp.) ▪ Procurement / sourcing ▪ Resource allocation (budgeting / costing) ▪ Revenue mgmt. / pricing ▪ Asset mgmt.	**What are the opportunities to achieve <u>additional scale through partnership</u>?** ▪ Shared policies and governance ▪ Shared purchasing efforts and contracts ▪ Shared labor support for commodity transaction activities ▪ Co-location – shared physical assets	**How is scale optimized through <u>merged entities</u>?** ▪ Single management structure ▪ Maximum deduplication of support structures ▪ Integrated portfolio rationalization ▪ Integrated growth strategies

2

ROADMAP SUMMARY

ROADMAP OVERVIEW (1/4)

KEY FINDINGS GUIDING ROADMAP DEVELOPMENT

Stakeholder interviews and data analysis revealed several key findings that have shaped our approach to developing a roadmap for the Board and the four institutions.

1. Individual efforts to consolidate staff have taken place but narrow spans still exist at some layers across all institutions – more than **940 supervisors have three or fewer direct reports.**
2. Despite expanded delegated purchasing authority, **shared vendor contracts and strategic approaches to sourcing across institutions remain uncommon.**
3. Three of the four institutions use on-premise ERPs that will **require an upgrade to a cloud-based platform** in the next 5-10 years.*
4. The four institutions have adopted a collaborative approach to problem-solving and information sharing but **lack formal structure that can enable increases in efficiency and reduce cost.**

*Note: BSU is currently using Oracle Cloud for financials, transitioning to a cloud-based ERP for HR, and using an on-premise SIS.

ROADMAP OVERVIEW (2/4)

OPPORTUNITY CATEGORIES AND DEFINITIONS

Several efforts should be pursued regardless of several outlined foundational decisions. Pending priority decisions, sequenced projects serve as enablers for downstream efforts.

Priority Steps / Opportunities

Foundational Decisions

- Strategic decisions related to a transition to a single ERP, the long-term delivery mechanism for shared / centralized services, and potential integrations that shape the roadmap

Priority Pursuits

- Opportunities to address “within the walls” of each institution;
- Broad cross-institutional support exists;
- Forward-looking planning

Contingent Opportunities

Analysis Driven

- Projects to be pursued if supported by both **foundational decisions** and **business case assessments**

ERP Optimized

- Best supported by transition to a single ERP in order to maximize efficiencies

ROADMAP OVERVIEW (3/4)

OPPORTUNITIES, SEQUENCING, AND ESTIMATED SAVINGS

Idaho State Board of Education

(A) Self-Assessment

(B) Partnership

Foundational Decisions

Integration / Mergers?

- Make decisions regarding:
  - ERP convergence
  - Delivery mechanism for services / governance for collaboration

Reevaluate Path Forward

Priority Pursuits

- Intra-institution workforce optimization
  - Mid-management (spans and layers)
  - Functional support
- ERP planning and assessment

Est. Savings: up to $19M*

Near-Term (0-2 Years)

Analysis Driven

- Strategic sourcing / contracts and e-procurement system
- ERP implementation
- Self insurance
- Workforce resource sharing (e.g., legal support)

Est. Savings: up to $9M

Intermediate-Term (2-6 Years)

ERP Optimized

- System-wide centralization of staff
- Additional technology integration and rationalization

Est. Savings: up to $10M*

*Workforce savings not mutually exclusive

Long-Term (6-10 Years)

HURON

ROADMAP OVERVIEW (4/4)

OPPORTUNITIES / BENEFITS REQUIRING FURTHER ANALYSIS

Quantified opportunities (up to $38M) in the roadmap do not include (1) opportunities requiring further analysis, (2) non-financial benefits, and (3) opportunities not yet analyzed.

1 Opportunities in Roadmap with Unquantified Savings

1. Leverage resource capabilities to fill gaps (e.g., General Counsel, Internal Audit)
2. Centralize technology infrastructure (non-labor)
3. Rationalize enterprise applications
4. Reduction in effort from limiting number of P-Cards in circulation

2 Non-Financial Benefits of Opportunities in Roadmap

1. **Risk mitigation** through centralized IT security, improved data governance, and limited p-card use
2. **Service delivery** to faculty and staff through standardized processes and roles
3. **Improved decision support** from improved data management and reporting

3 Opportunities Surfaced During Stakeholder Interviews Not Yet Analyzed

1. Outsource bookstore (expand existing Follett contract)
2. Outsource fleet management
3. Shared library contracts and consortia memberships
4. Consolidate instructional design for online programs
5. Shared tech transfer

Additional overview of these opportunities can be found in section 3E.

NEAR-TERM PRIORITIES

FOUNDATIONAL DECISIONS

Strategic decisions related to a the long-term delivery mechanism for shared / centralized services, transition to a single ERP, and potential integration shape the roadmap.

If the Board pursues…	Implications for Roadmap	Roadmap Assumptions
Governance Bodies / Delivery Mechanism*	▪ Steps required to establish: – ISBOE as service provider – System office – 501(c)3 – Peer provider	▪ Potential required legislation is not an obstacle ▪ Decision is TBD
Transition to a single ERP over time	▪ Enablement of long-term opportunities ▪ Defer system-wide staff centralization	▪ ISBOE will pursue convergence of ERP over time
Institutional Integration	▪ Would require revisiting of proposed scope and sequence of initiatives	▪ Roadmap assumes mergers are not being considered at this time

*Detail regarding governance and delivery mechanisms can be found on pages 14 and 15.

FOUNDATIONAL DECISIONS

GOVERNANCE AND POLICY ALIGNMENT

In the near-term, the role of chosen delivery mechanism will focus on governance, policy management, and a program management office.

Governance

- Integrated governance aligns strategy with academic and business priorities across the four institutions.
- A commonly governed approach to continuous improvement allows for efficiencies to be maximized across institutions.

Policy

- Alignment of policies across institutions enables effective collaboration and streamlining of operations.
- Common policies promote standardization of operations and reduce the risk of conflict in interpretation and approach.

Pgrm. Management Office (PMO)

- Shared program management ensures consistency in implementation of strategy across the four institutions.
- A single PMO supports capacity building for large-scale projects.

FOUNDATIONAL DECISIONS

GOVERNANCE BODIES / DELIVERY MECHANISMS

Partnership efforts will require new, or reconfigurations of existing governance structures. The below framework outlines possible delivery mechanisms.

Governance Bodies / Delivery Mechanisms

1 Build Out ISBOE	2 Establish a System Office	3 Jointly Govern a 501(c)3	4 Leverage institution as a Service Provider
Build-out and staff the Office of the ISBOE to either manage policies, initiatives, and / or a dedicated workforce providing services.	Establish a new system office that will specifically govern the four four-year institutions	Set up a jointly governed 501(c)3 that will govern / manage collaboration	Create mechanism for one institution to serve as service provider for select partnerships on behalf of the "system"

Key Considerations

- Ability to secure legislative approval
- Cultural and political buy-in
- Long-term scalability

NEAR-TERM OPPORTUNITIES

PRIORITY PURSUITS

Each of the institutions may prioritize optimizing workforce structure "within their walls" in the near-term in addition to beginning planning for transitions to cloud-based ERP systems.[1]

Priorities	Est. Savings Opportunity	Report Section
Intra-Institution Workforce Optimization – Middle-Management (Spans and Layers) Optimize mid-level manager footprint by improving average span of control (i.e. number of direct reports) within each institution.	**$4.1M-$11.3M[2]**	**3B.3**
Intra-Institution Workforce Optimization – Functional Support Staff[3] Optimize support staffing levels at each institution based on internally benchmarked (leading metric among three largest Idaho institutions) operating ratios.	**$4.6M-$8.4M[2]**	**3B.4**
ERP Assessment and Planning[1] Assess current ERP environment and draft plan for integration through subsequent cloud upgrades.		**3D.2**
TOTAL (Excluding $1M Overlap in Estimates)	**$8.2M-$18.7M[2]**	

Notes:
1. Boise State University has already completed much of this exercise for their institution, including prior and ongoing implementation efforts for finance and HR modules.
2. Estimates are not mutually exclusive. Total accounts for estimated $1M in overlap.
3. Includes savings from internal benchmarking of functional staff and generalists shown on pages 18 and 20.

PRIORITY PURSUITS

MIDDLE-MANAGEMENT OPTIMIZATION (SPANS AND LAYERS)

In Huron's experience, institutions with comparable average spans of control to the Idaho institutions (3.1-4.0) may improve 0.25 to 0.75 through targeted reorganization.

	BSU	ISU	LCSC	UI	Total
Current Headcount[1]	2,014	1,116	280	1,685	**5,095**
Current Supervisors	552	288	69	540	**1,449**
Current Span of Control	3.7	3.9	4.0	3.1	**N/A**
Est. Supv. at Span + 0.25*	538	282	68	522	**1,410**
Opportunity ($) at Span + 0.25*	$1.5M	$0.7M	$0.1M	$1.8M	**$4.1M**
Est. Supv. at Span + 0.75*	515	268	67	492	**1,342**
Opportunity ($) at Span + 0.75*	$3.9M	$2.3M	$0.2M	$4.9M	**$11.3M**

*Note: All estimates shown above (number of supervisors and associated opportunity) represent a 50% reduction from original estimates.

Estimates assume that 50% of the change in supervisors will transition out of the organization while 50% will reclassify over time to non-managerial roles. Additional details in Section 3B.3.

Notes:

1. Headcount is derived from personnel file, and **excludes faculty and athletic admins**, as well as student, temporary, and retired employees.
2. Only layers with an average span below 4.0 are increased as part of our savings estimate.

PRIORITY PURSUITS

FUNCTIONAL SUPPORT STAFFING LEVELS OPTIMIZATION

Huron internally benchmarked the Idaho institutions against the "most efficient performer" for several metrics and estimated the savings from all institutions performing at this level.

Functional Area *	Operating Metric	Ratio of Highest-Performing Institution1,[2]	Total FTE Above Best Ratio	Potential Savings
Finance	OpEx/ Finance FTE	$4.4M:1	25.6	$1.2M-$1.8M
Human Resources	Employees/ HR FTE	251.7:1	30.7	$1.7M-$2.6M
Research Administration	Research Exp/ Post-Award FTE	$3.9M:1	6.5	$400K-$600K
Information Technology	Institutional FTE/ Tier 1 FTE	433.2:1	17.1	$900K-$1.4M
Total				**$4.2M-$6.4M**

Ratios do not account for business support FTE with "generalist" titles whom likely perform fractional FTE portions of the business support functions above.

Details regarding methodology and supporting analyses are included in section 3B.4.

Notes:
1. Due to its small scale, we did not use metrics from LCSC as benchmarks, though it was technically the "highest performing" in some cases.
2. Ratios do not account for contribution from 492.3 FTE of Generalist support.

PRIORITY PURSUITS

SUPPORT STAFF CONSOLIDATION: GENERALISTS

Staffing ratios do not include multi-function "generalists," that in Huron's experience spend 15% to 40% of their effort on business support activities (e.g., finance, HR).

Estimated Generalist Effort [1]	
Finance	10%-25%
Human Resources	5%-10%
Research Admin.	0%-5%
Estimated % Functional Support	**15%-40%**
Admin + Other	60%-85%
Generalist FTE	493.4 FTE
Generalist FTE Providing Functional Support	74.0-197.3 FTE

Example Generalist Titles	
Management Assistant	Office Assistant
Office Specialist	Business Manager
Administrative Coordinator	Office Manager
Program Assistant	Administrative Assistant

Additional analysis is required to understand the fragmentation of *generalist* effort at each institution, which is likely to vary.

Notes:
1. Estimates based on Huron Activity Assessment results from prior engagements.

PRIORITY PURSUITS

SUPPORT STAFF CONSOLIDATION: GENERALISTS

Savings from the *generalist* staff segment would be harnessed through functionally aligning roles and normalizing staffing ratios to align with internal (Idaho) and external benchmarks.

Institution	Generalist FTE	Total Salary + Benefits	FTE Providing Functional Support (15%-40% of Total)	Target % Savings of Functional Support	Potential Savings[1]
BSU	173.2	$9.8M	26.0-69.3	10%-20%	**$150K-$800K**
ISU	143.8	$7.7M	21.6-57.5	10%-20%	**$100K-$650K**
UI	122.8	$6.7M	18.4-49.1	10%-20%	**$100K-$550K**
LCSC	53.5	$2.9M	8.0-21.4	10%-20%	**$50K-$250K**
Total	493.4	$27.1M	74.0-197.3	---	**$400K-$2M**

Based on experience with other institutions, a 10%-20% savings opportunity in generalist functional support is achievable, totaling **$0.4M-$2.0M** across the four institutions.

Notes:
1. Based on average salary and benefits total at each institution ranging from $50K-$55K.

PRIORITY PURSUITS

ERP ASSESSMENT AND PLANNING

Two or three of the institutions likely need to upgrade their ERP in the intermediate-term. An assessment and planning process should integrate operations tied to the move to the cloud.

How We Work

Roles & Responsibilities

- Business support role definitions are inconsistent across units and often highly fragmented, contributing to highly variable **business processes**

Policy and Process

- Variable business processes challenge **data management and reporting**
- A common approach is difficult if policies conflict or are inconsistent

Integrated Planning

Infrastructure Support

Reporting

- Reporting is commonly challenged by inconsistent data governance and use of multiple **redundant and shadow systems**

Technology Duplication

- Bolt-on and shadow systems are leveraged to meet needs unmet by current technology platform
- Consolidation of some enterprise applications is dependent on ERP

INTERMEDIATE-TERM OPPORTUNITIES

ANALYSIS DRIVEN

Using the governance/delivery mechanism defined in *foundational decisions,* institutions may pursue shared contracts and collaborative implementation of cloud-based ERPs.

Opportunity	Est. Savings Opportunity	Report Section
Strategic Sourcing and eProcurement Negotiate vendor agreements / contracts across institutions and implement eProcurement system housing shared catalogs for jointly negotiated pricing and contracts.	**$3.1M-$6.6M**	**3C.3**
ERP Implementation Migrate all institutions to a shared cloud-based ERP for finance, HR, and student information.	[Enabler]	**3D.2**
Self-Insurance Decouple from state health insurance and migrate all institutions to shared self-insurance plan or University of Idaho's plan.	**$0-$2.2M**	**3E.2**
Workforce Resource Sharing Capabilities Leverage institutional strengths to address gaps for other institutions (e.g., legal support at LCSC)	[TBD]	**N/A**
TOTAL	**$3.1M-$8.8M**	

ANALYSIS DRIVEN

STRATEGIC SOURCING OPPORTUNITIES (1/3)

Addressable spend represents 63% of total non-labor OpEx and presents material savings opportunities through sourcing activities such as contract negotiation, discounts, and rebates.

Estimated Savings Opportunities

Easy Medium Difficult

Level 1 Category	Level 2 Category	FY18 Spend ($K)	Complexity	Opportunities (%)	Opportunities ($K)
Administrative					
	Document Services	$1,340		2% - 4%	$27 - $54
	General Retail	$4,493		2% - 4%	$90 - $180
	Office-Related Products	$3,577		8% - 10%	$286 - $358
	Shipping & Logistics	$1,869		3% - 6%	$56 - $112
Scientific & Medical Supplies					
	Medical Supplies and Equipment	$2,035		3% - 5%	$61 - $102
	Scientific Supplies and Equipment	$12,220		8% - 11%	$978 - $1,344
	Clinical Support Services	$2,051		0% - 2%	$0 - $41
	Health Information Management	$190		0% - 2%	$0 - $4
	Laboratory Services	$741		0% - 2%	$0 - $15
Facilities					
	Furniture	$1,594		2% - 6%	$32 - $96
	Maintenance & Repair Products	$7,159		7% - 9%	$501 - $644
	Maintenance & Repair Services	$3,400		1% - 3%	$34 - $102
	Construction	$17,945		*Lower opportunity requiring extensive planning involving complex and lengthy strategic sourcing processes.*	
	Fleet	$2,717			
	Real Estate	$2,825			
	Utilities	$23,512			
Potential Savings Subtotal		**$87,668**			**$2,065 - $3,051**

Of total addressable spend, this subset of categories presents the greatest opportunity for cost savings and should be prioritized – up to **$3.1M** out of a total opportunity of **$6.6M**.

ANALYSIS DRIVEN

STRATEGIC SOURCING OPPORTUNITIES (2/3)

Additional opportunities for cost savings exist across the remaining categories, although they may require a greater level of effort to achieve.

Estimated Savings Opportunities

Easy Medium Difficult

Level 1 Category	Level 2 Category	FY18 Spend ($K)	Complexity	Opportunities (%)	Opportunities ($K)
Information Technology					
	Audio & Visual	$2,223	Medium	1% - 5%	$22 - $111
	IT Hardware	$8,841	Medium	5% - 8%	$442 - $707
	IT Services	$10,696	Difficult	1% - 5%	$107 - $535
	Software	$6,610	Difficult	1% - 5%	$66 - $331
	Telecommunications	$1,972	Medium	1% - 3%	$20 - $59
Travel					
	Agency	$614	Medium	1% - 3%	$6 - $18
	Air Travel	$4,907	Medium	1% - 4%	$49 - $196
	Entertainment	$4,317	Difficult	0% - 2%	$0 - $86
	Ground Transportation	$2,325	Medium	1% - 3%	$23 - $70
	Lodging	$6,885	Medium	1% - 3%	$69 - $207
Food Service					
	Catering	$1,207	Medium	2% - 3%	$24 - $36
	Food Service Management[1]	$16,913	Difficult	1% - 6%	$169 - $1,105
	Food Service Products	$1,136	Medium	1% - 3%	$11 - $34
Other					
	Athletic Products	$2,855	Difficult	1% - 4%	$29 - $114
Potential Savings Subtotal		**$71,501**			**$1,038 - $3,520**

Spend on IT, travel, and food service represents up to **$3.5M** out of a total opportunity of **$6.6M**.

Notes:
1. Food Service Management spend may be higher than what is displayed. Line data suggests that $2.9M was spent during 2018, but University contract spend provided by UI suggests that spend maybe $6M.

ANALYSIS DRIVEN

STRATEGIC SOURCING OPPORTUNITIES (3/3)

Additional categories of spend are not included in our cost savings analysis due to the complexity involved in modified approaches to sourcing.

Estimated Savings Opportunities

Easy Medium Difficult

Level 1 Category	Level 2 Category	FY18 Spend ($K)	Complexity	Opportunities (%)	Opportunities ($K)
Professional Services					
	Accounting	$475		*Lower opportunity requiring extensive planning involving complex and lengthy strategic sourcing processes.*	
	Legal Services	$807			
	Management Consulting	$2,173			
	Marketing	$4,722			
	Other Professional Services	$7,645			
	Staffing	$1,488			
Library Resources					
	Books	$5,033		*Lower opportunity requiring extensive planning involving complex and lengthy strategic sourcing processes.*	
	Databases	$1,693			
	Serials	$7,107			
Financial Services					
	Banking and Investment	$37,543		*Lower opportunity requiring extensive planning involving complex and lengthy strategic sourcing processes.*	
	Benefits	$3,051			
	Insurance	$1,157			
	Other Financial Services	$176			
Potential Savings Subtotal		**$73,070**		**TBD**	
Potential Savings Total				**$3,102 - $6,570**	

Of **$232.2M** in addressable spend, savings estimates total **$3.1M-$6.6M**, not including marginal opportunities in professional and financial services and library resources.

ANALYSIS DRIVEN

E-PROCUREMENT IMPLEMENTATION

Implementation of a common eProcurement system will reduce manual processes and mitigate off-contract or rogue spend.

More than **3,000 P-Cards** are in use across the four institutions

P-Cards were used for **$37.3M** of addressable spend in FY2018 and **$14.1M** of non-addressable spend

$37.3M represents **16%** of addressable expenditures

Use of P-Cards…

- Increases administrative costs associated with reconciliation
- Increases costs of purchased goods and services due to lost opportunities to leverage scale
- Increases compliance risk
- Reduces leadership visibility
- Reduces financial controls

eProcurement

- Incentivizes use of contracts over P-Cards
- Provides workflows and processes to support end-users
- Enables improved processing / reporting

Nearly **$10M** in P-Card spend across vendors with known catalogues exemplifies opportunity

Note: Additional information can be found in Sections 3C.1-3C.5.

Shifting a portion of the combined total $37.3M in addressable P-Card spend to contract spend represents improved risk mitigation in addition to potential savings.

Notes:
1. P-Card spend represents total addressable and non-addressable spend attributed to P-Cards.

ANALYSIS DRIVEN

SELF-INSURANCE

Self-insurance emerged as a theme during stakeholder interviews and is already a strategy employed by the University of Idaho.

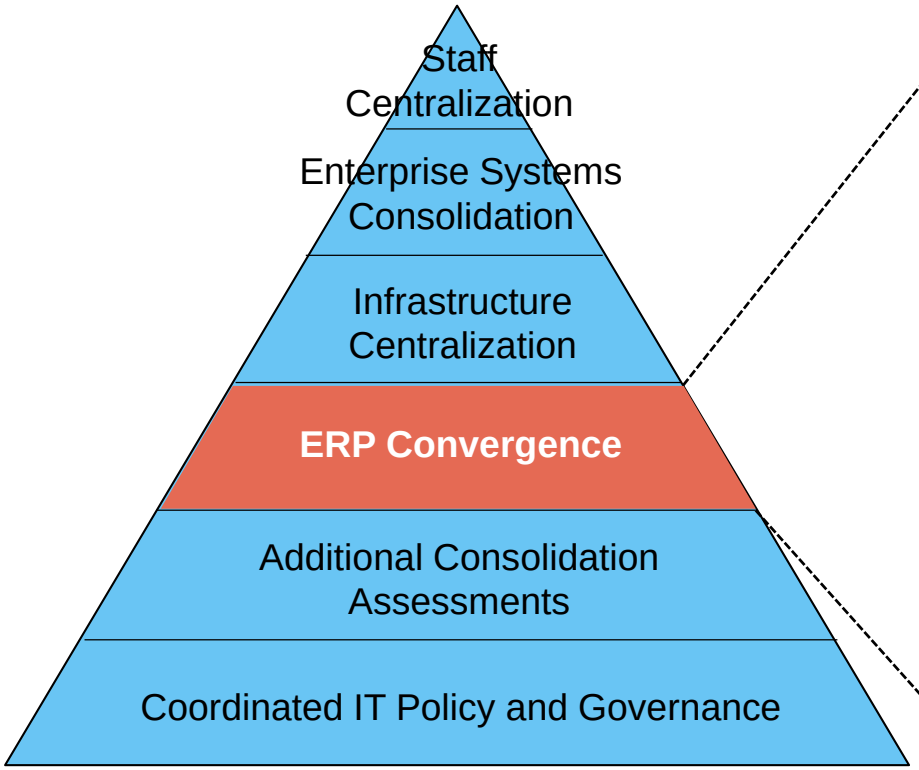
	Current Premium Expenditure (Medical and Dental)	Self-Insurance Premium Expenditure (High Savings Estimate)
BSU	$32.2M	$31.0M
ISU	$22.3M	$21.5M
LCSC	$6.1M	$5.9M
UI	---	---
TOTAL	**$60.6M**	**$58.4M**
	EST. SAVINGS (UP TO):	**$2.2M**

Premium savings estimates of up to **$2.2M** annually are based on alignment with the University of Idaho's self-insured plan and require further assessment to validate.

ANALYSIS DRIVEN

ERP CONVERGENCE

Given two or three of the institutions likely need to upgrade to cloud-based platforms in the near-future, there is an opportunity to converge into a single environment.



Benefits of ERP Convergence

- Improved data integrity, including backups, and an associated reduction in overall institutional risk through reduction in duplicative systems and shadow systems
- Expanded reporting capabilities both within and across institutions to support decision-making and compliance
- Adoption of standardized and best-in-class business processes across institutions
- Reduced licensing costs via shared contracts
- Centralization of systems administration support staff

Challenge: Coordinated transition to a single ERP environment, while promoting many benefits, is more complex than independently managed upgrades.

Notes:
1. Analysis does not account for any detailed costs/ expenses and does not account for the number of users being served.

LONG-TERM OPPORTUNITIES

ERP OPTIMIZED

Long-term opportunities are more complex and will require a significant time investment to build on foundational steps, overcome political challenges, and develop institutional buy-in.

Opportunity	Est. Savings Opportunity	Report Section
Staff Centralization Centralize selected functional support staff (e.g., Finance, Human Resources, IT, and Research Administration) across institutions.	$6.9M-$9.8M[1]	**3B.5**
Additional Technology Integration / Rationalization Find commonalities and standardize infrastructure, applications, and audit the number of existing licenses to enable further staff consolidation.	TBD	**3D.4**
TOTAL	**$6.9M-$9.8M[1]**	

Notes:
1. Estimate shown represents marginal savings over near-term opportunities. More details are found on page 30.

ERP OPTIMIZED

SUPPORT STAFF CENTRALIZATION BASED ON LEADING METRICS

In the long-term, centralizing functional support staff would provide the opportunity for the four institutions to drive toward leading practice industry benchmarks.[1]

Functional Area	Metric	Industry Leading Benchmark Ratio	FTE Savings Above Internal Benchmark Optimization	Potential Savings
Finance	OpEx/Finance FTE	$5.5M[2]:1	46.2 FTE	$2M-$3.4M
Human Resources	Institutional Headcount/HR FTE	200.0:1[3]	---	
Research Administration	Research Exp/Post-Award FTE	$8.0M:1	15.5 FTE	$900K-$1.4M
Information Technology	Labor as a % of IT Budget [4]	40.4%	N/A	$4M-$5M[5]
Total				**$6.9M-$9.8M[5]**

Notes

[1] Industry Leading Benchmark Ratios are based on Huron's observation of leading practices in higher education along with cross-industry surveys.

[2] Huron does not recognize and benchmark for sizing full finance functions. $5.5M represents an improvement on the internal benchmark of $4.4M.

[3] Internal benchmark currently exceeds industry benchmark indicating limited additional opportunity.

[4] Near-term opportunity focused on Tier 1 support. Long-term consolidation may consider the whole IT function. For this purpose we referenced the *Computer Economics* 2017 IT Spending & Staffing Benchmarks for midsize organizations.

[5] Savings estimates shown here represent marginal savings over near-term opportunities. Full savings estimates are shown on pages 33 and 64.

If all four institutions move staffing levels to industry leading benchmark ratios, we estimate **$6.9M-$9.8M** in savings. Additional analysis can be found in section 3B.5.

ERP OPTIMIZED

TECHNOLOGY INTEGRATION

Integrating and rationalizing technology across institutions will allow for efficiencies through the consolidation of licenses, support staff, and infrastructure.

Technology Rationalization and Integration will set the foundation for…

Infrastructure Standardization
Standardization and consolidation of technology infrastructure will:

- Reduce institutional risk profile
- Enable consolidation of support staff
- Optimize acquisition and maintenance costs

Reduction in Licensing Costs
Standardization of systems will provide opportunities to consolidate licenses for:

- Learning Management Systems
- Customer Relationship Management
- Enterprise Resource Planning software
- Student Information Systems

Consolidation of Staff
Shared systems and processes are prerequisites for sharing services such as:

- Tier 1 Helpdesk Support
- Server administration
- Systems administration

ERP OPTIMIZED

SYSTEMS RATIONALIZATION[1,2]

The green-colored cells portray common systems across the four institutions. The total annual spend on licensing across the four institutions is $11.5M (see Section 3D.3).

Technology Systems	BSU	ISU	LCSC	UI
ERP/ HCM	Oracle Cloud / PeopleSoft	Banner	Ellucian Colleague	Banner
Document Management	Hyland	Banner	Hyland	Stellent
Reporting/BI/Survey	Qualtrics, SPSS, Oracle Cloud	Qualtrics, Argos	Qualtrics, SPSS, F9 Reporting	Qualtrics, SAS, SPSS, Argos
CRM	Ellu. Advance, Hobsons, Blackbaud	Blackbaud, Ellucian Recruit	Ellucian CRM	Ellucian Advance, Hobsons Radius
Networking (including monitoring)	Cisco, Palo Alto, Ruckus	Cisco	Cisco	Cisco
IT Systems	Microsoft, Red Hat	Microsoft	Microsoft	Microsoft, Red Hat
Virtualization	VMware, Acropolis	VMware	VMware	VMware
Backups	CommVault	CommVault	Quest Rapid Recovery	CommVault
IT Security – MFA	Duo			Duo
Service Desk (Remote Tools)	Bomgar	Bomgar	Bomgar, Dameware	Bomgar
Learning Management System	Blackboard	Moodle	Blackboard	Blackboard
Portfolio and Project Management	Team Dynamix	Team Dynamix		Team Dynamix

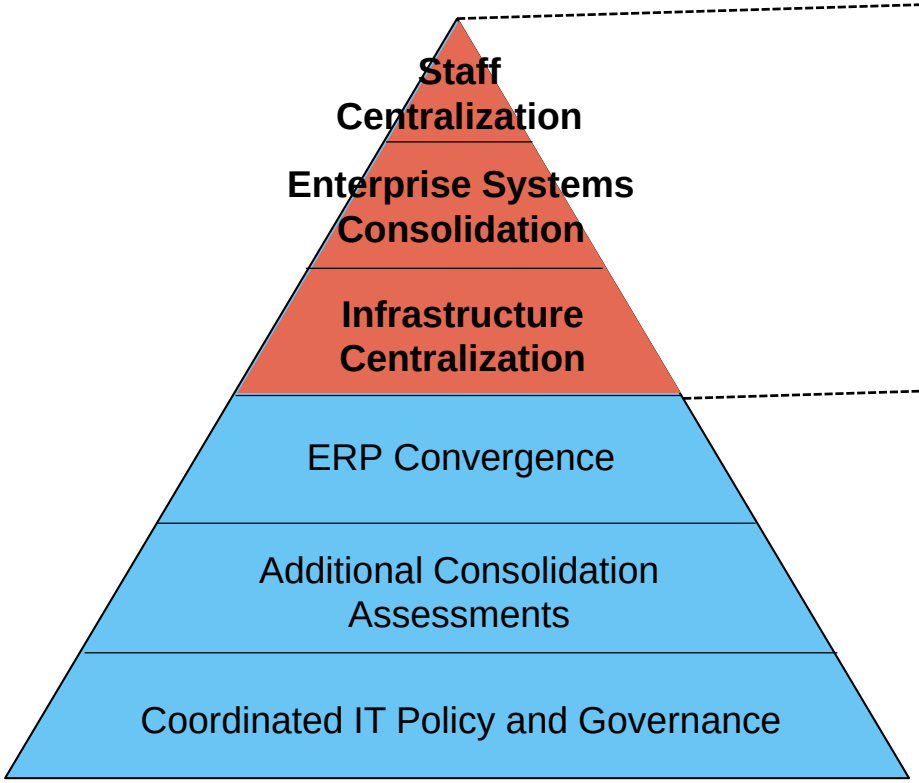
Technology integration and application rationalization may lead to savings in direct costs which may be estimated through more in-depth analysis.

Notes:
1. Based on IT expense data submitted as part of Huron's data request.
2. The level of customization for each of the systems has not been accounted for.

ERP OPTIMIZED

CONSOLIDATION AND CENTRALIZATION

Huron's long-term recommendations for systems integration include alignment of enterprise systems, centralization of infrastructure, and centralization of support staff.



Opportunity Type
▪ Further consolidate tier 1 service desk support
▪ Examples Include: ▪ Learning Management System (LMS) ▪ Customer Relationship Mgmt. (CRM)
▪ Centralize servers ▪ Centralize backup and recovery ▪ Establish central data center ▪ Centralize server administration staff

Total Workforce Savings Estimates	
Current Total IT Budget	$60M
Labor Salary + Benefits	$30M
2017 *Computer Economics* Benchmark	Personnel = 40% of IT Budget
Labor Savings Opportunity	$5M-6M[1]

Efforts to centralize and consolidate technology systems, infrastructure, and support staff could save **$5M-$6M**. Additional information can be found in Sections 3B.4 and 3D.3.

Notes:
1. Assumes that savings is harnessed as capacity. Savings estimates on pages 29-30 represent marginal savings over near-term opportunities.

NEXT STEPS

Huron recommends the following immediate next steps:

- **Next Steps (ISBOE)**
  - Determine delivery mechanism for near-term opportunities
  - Identify needs for legislative action and pursue as appropriate

- **Next Steps (Institutions)**
  - Work with ISBOE to formalize overarching or functional governance structure across institutions
  - Assess next steps to pursue internal opportunities for cost reduction at each institution

3

ANALYSES

SECTION 3A: THEMES AND INSTITUTIONAL SNAPSHOTS

3A.1 THEMES AND OBSERVATIONS

SYNOPSIS OF FINDINGS FROM STAKEHOLDER INTERVIEWS

More than 100 stakeholder interviews conducted across the four institutions during this engagement yielded several key observations and findings:

Perspectives on Project

- An integral part of achieving collaboration will result from policy alignment across institutions
- Political considerations may be a barrier to change
- Doubts exist about ISBOE as a delivery mechanism given its current perceived capacity constraints
- Institutions feel the delivery mechanism needs to be tailored specifically to higher ed (vs. “K-20”)
- A shared ERP would be a worthy goal but with a large upfront cost

Organization

- Working with the state offices for HR, capital projects, and purchasing is perceived as a challenge
- Two sets of rules (UI’s status as a land grant institution) are perceived to limit opportunities for collaboration
  - Different needs of institutions (research v. non-research institutions) may make partnership a challenge
- Self-insurance is seen as a promising opportunity

Technology

- A lack of governance structure across institutions limits the possibility of leveraging economies of scale
- Investment in IT security tools and management of cybersecurity varies by institution although there is commonality in the activities and tools being used for IT security
- Institutions have diverse application portfolios with varying architectural standards and principles, resulting in duplication of efforts and spending; there is limited commonality in how applications are configured

Purchasing

- In FY2018, institutions procured items from more than 35,000 vendors (prior to categorization), some of which offered similar products and services
- There are more than 130 statewide contracts available for agency usage and opportunities to evaluate spend and implement sourcing solicitations to meet the needs of the institutions
- Utilization of state contracts is not mandated or routinely audited by the State Division of Purchasing

3A.2 SUMMARY FINDINGS DASHBOARD

MEASURING OPPORTUNITY FOR HURON'S TARGETED AREAS

The below opportunity snapshots measure nominal opportunity of each institution taking into account each institution's scale and current operating model.

Labor Duplication / Fragmentation				
Technological Adoption / Rationalization				
Purchasing Power				

Opportunity		Labor	Technology	Purchasing
	**Low**	**Role Clarity / Scale**	**Alignment / Modernity**	**Limited Scalability**
	**Medium-Low**	↑	↑	↑
	**Medium-High**	↓	↓	↓
	**High**	**Duplication / Fragmentation**	**Duplication / Lagging**	**Opportunity to Scale**

3A.3 ADDRESSABLE EXPENDITURE

SIZE OF OPPORTUNITIES FROM COLLABORATION

Huron sized the cost pools for each institution for the three areas of analysis outlined in our approach against which it calculated savings opportunities. The size of the cost pools are:

Institution	Labor: Functional Business Support[1]	Purchasing: Addressable Spend	Information Technology: Licensing Spend[2]
BSU	$29.3M	$64.7M	$ 5.2M
ISU	$13.7M	$55.5M	$ 3.1M
LCSC	$2.8M	$10.4M	$ 0.5M
UI	$24.5M	$101.6M	$ 2.7M
TOTAL	**$70.3M**	**$ 232.2M**	**$ 11.5M[1]**
Report Section	**3B.4**	**3C.2**	**3D.3**

The collective size of the cost pools addressable by collaboration across institutions – for the areas of Huron's focus – total **$314M** and represent a starting place for framing our analysis.

Notes:
1. This cost pool does not represent the total cost pool for spans and layers analysis within each institution, although overlap exists between the two cost pools.
2. This cost pool includes only licensing expenditure, and does not include full IT expenditure (labor, equipment, etc.).

SECTION 3B: WORKFORCE ANALYSIS

3B.1 WORKFORCE ANALYSIS

WORKFORCE ROADMAP OVERVIEW

Near-term steps target optimization of middle-management structure and consistent staffing levels; long-term centralization efforts are enabled by ERP convergence.

	Roadmap Activity	Detail	Time Horizon
1	**Spans and Layers**	▪ Use spans and layers analysis to assess supervisory structure at each institution ▪ Identify layers for further analysis based on narrow spans of control (fewer than three direct reports per supervisor) ▪ Assess employee population at each layer identified for review - Functions such as custodial operations would be expected to have large spans - Functions such as major gift development would be expected to have narrow spans ▪ Identify opportunities to reorganize supervisory structure based on detailed function-specific or unit-specific analysis	Near-Term
2	**Functional Support Staff Optimization**	▪ Determine optimum staffing levels based on performance metrics at each institution based on internal benchmarking against Idaho peers ▪ Develop a strategy at each institution to align functional support staff capabilities ▪ Seek to achieve staffing levels consistent with internally benchmarked operating ratios at each institution with consideration for service levels ▪ Assess duties performed by generalists and identify opportunities to align generalist staff to internal and external benchmark ratios	Near-Term
3	**Workforce Resource Sharing**	▪ Identify capability gaps across institutions (e.g., legal support, internal audit) ▪ Conduct business case analysis to determine viability of opportunity for sharing resources ▪ Draft memorandum of understanding outlining shared model	Intermediate-Term
4	**Staff Centralization**	▪ Seek to achieve staffing levels consistent with industry best practice benchmarks for functional areas at each institution ▪ Design shared / centralized operating model and pursue implementation	Long-Term

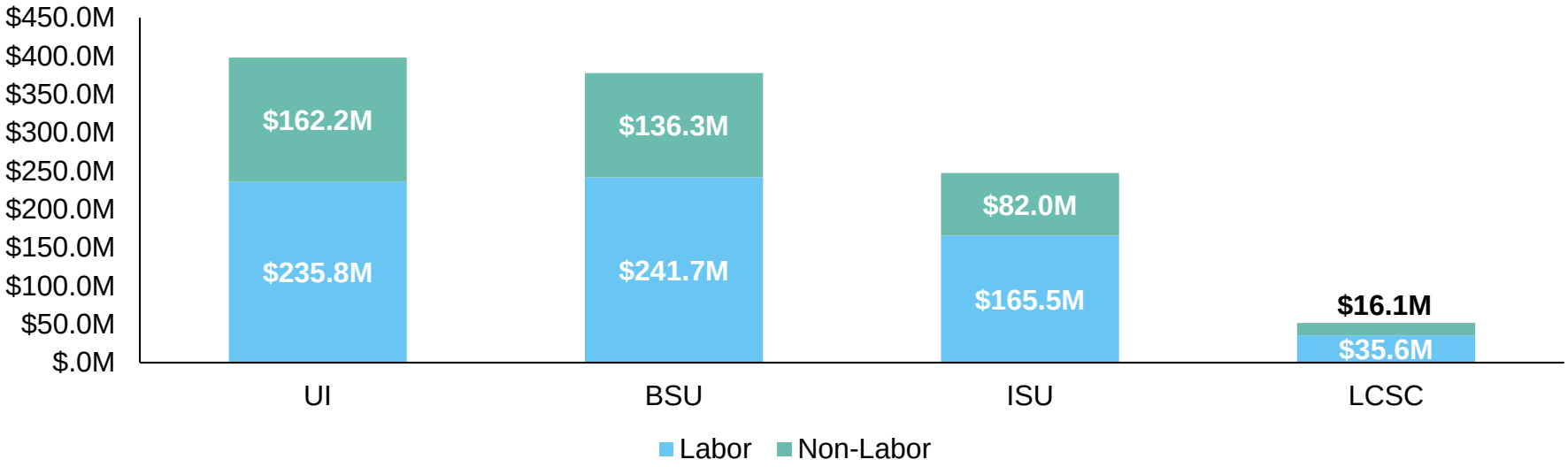
Notes:
1. Near-Term implies a 0-2 year time horizon.
2. Intermediate-Term implies a 2-6 year time horizon.
3. *Long-Term implies a 6-10 year time horizon.*

3B.2 LABOR COST POOLS

OVERALL FINANCIAL IMPACT OF WORKFORCE

Labor costs – total compensation including benefits – represent 59% to 69% of aggregating operating expenditures across the four institutions.

Operational Expenditure Breakdown[1]



	UI	BSU	ISU	LCSC
Labor as % of OpEx	**59%**	**64%**	**67%**	**69%**

Consistent with higher education institutions, labor represents the largest cost bucket at each institution and therefore the potential largest candidate for savings.

Notes:
1. Derived from 2017 audited financial statements.

3B.2 LABOR COST POOLS

ADDRESSING LABOR THROUGH VARIOUS STRATEGIES

Revisiting the three strategies for pursuing economies of scale, Huron sized the cost pools for each strategy, which also target different staff segments (although overlap exists).

Strategies

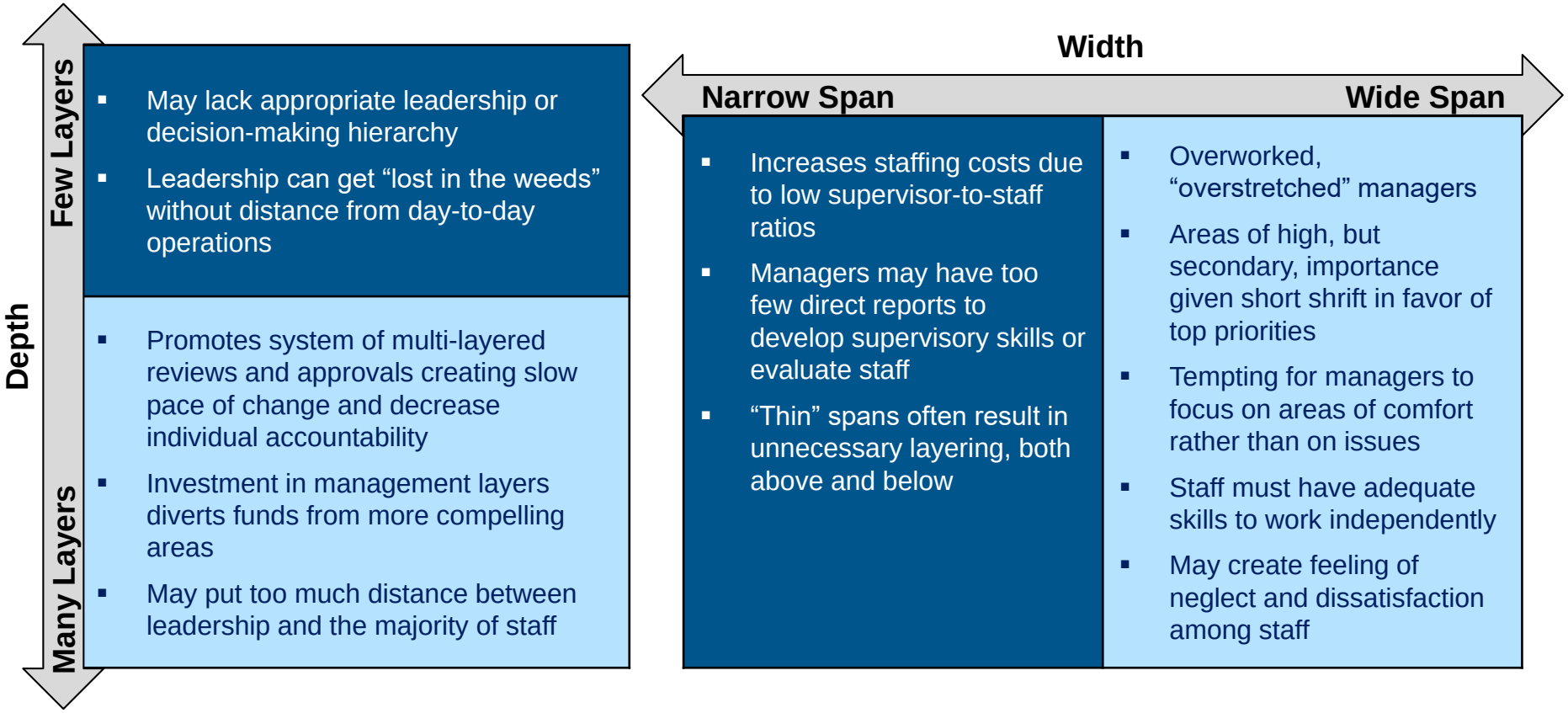
	(A) Self-Assessment	(B) Partnership	(C) Integration
Labor Segment	▪ Supervisors / Middle management	▪ Transaction support staff	▪ University administration ▪ Academic administration
Analysis	▪ Spans and layers	▪ Benchmarking of staffing ratios	▪ Duplication analysis
Cost Pool	**$99M** in salary and ben. of supervisors w/ <4 direct reports	**$70M** in salary and ben. for business support functions	**$92M** in salary and ben. for director-level and above leadership

Cost Pools Not Mutually Exclusive

3B.3 SPANS AND LAYERS ANALYSIS

OVERVIEW OF APPROACH

This analysis is used to analyze overhead structure by assessing organizational depth (managers between front-line staff and the President) and width (direct reports per manager).

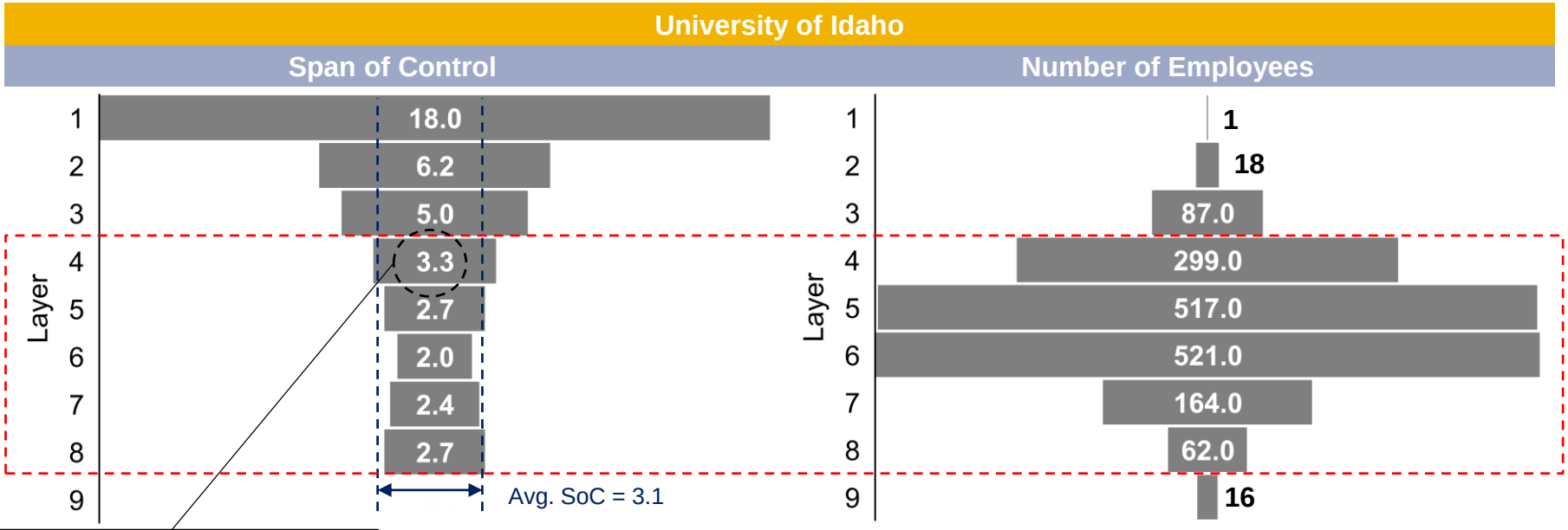


Although there is no "right size" that fits all organizations, too many/few spans or layers can impact the effectiveness of an institution.

3B.3 SPANS AND LAYERS ANALYSIS

AVERAGE SPAN OF CONTROL BY LAYER[1] – UI

The University of Idaho's average span of control is **3.1.** The layers with the lowest spans of control are also the layers with the most employees.



Interpreting the Diagram: 517 employees at Layer 5 are supervised by 157 supervisors at Layer 4, with an average span of 3.3 (517/157=3.3)

	1 Report	2 Reports	3 Reports	4-6 Reports	7-9 Reports	10+ Reports
Total	197	117	73	95	32	26
PCT	36%	22%	13%	18%	6%	5%

More than half of all supervisors at UI (71%) have three or fewer direct reports

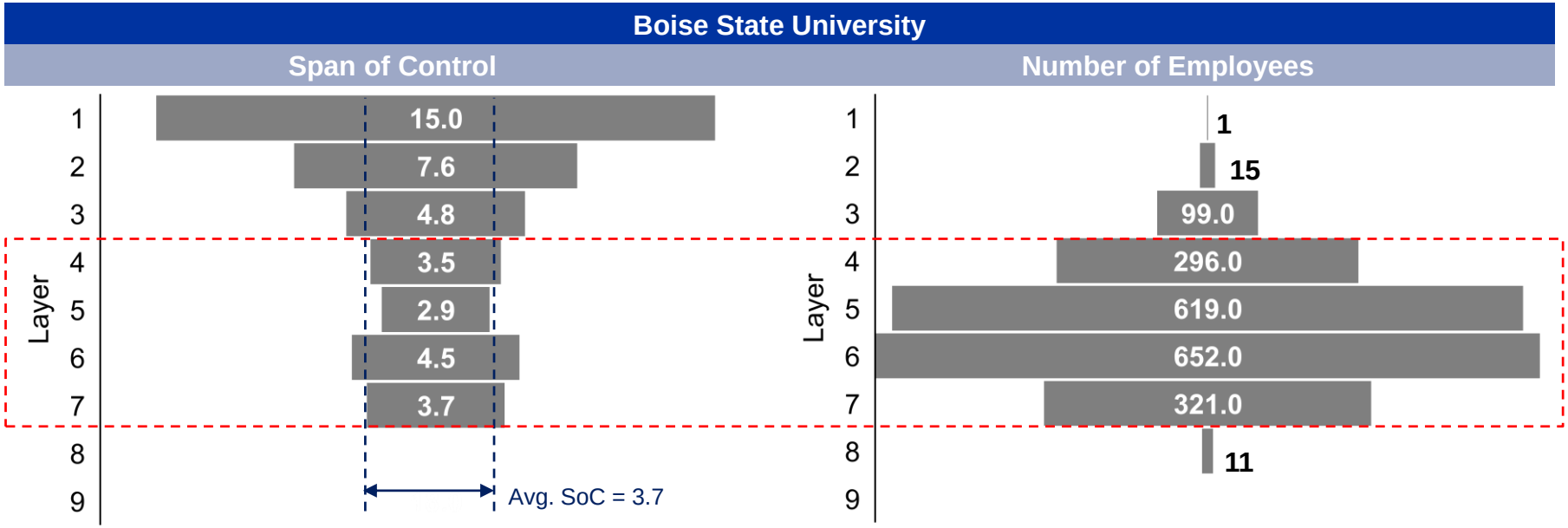
387 (71%) of supervisors at the University of Idaho have three or fewer direct reports.

Notes:
1. Based on analysis of adjusted staff population derived from census files provided as part of data request.

3B.3 SPANS AND LAYERS ANALYSIS

AVERAGE SPAN OF CONTROL BY LAYER[1] – BSU

Boise State University's average span of control is **3.7**. The layers with the lowest spans of control are also the layers with the most employees.



	1 Report	2 Reports	3 Reports	4-6 Reports	7-9 Reports	10+ Reports
Total	175	102	72	127	35	41
PCT	32%	19%	13%	23%	6%	7%

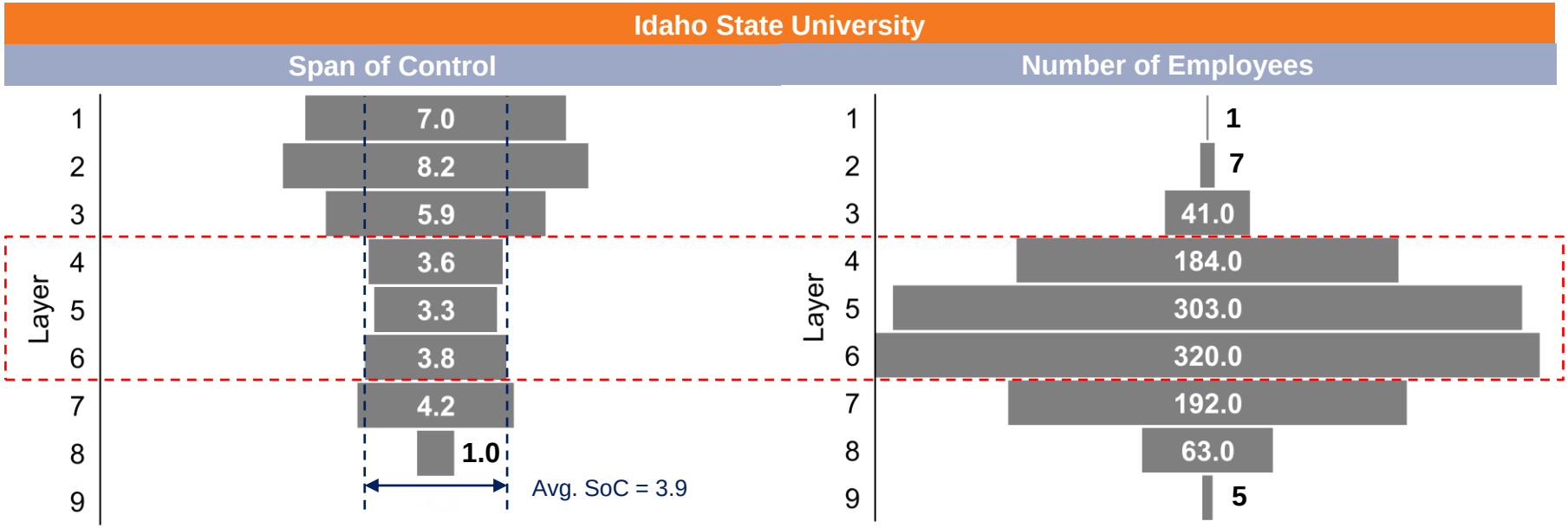
349 (64%) of supervisors at Boise State University have three or fewer direct reports.

Notes:
1. Based on analysis of adjusted staff population derived from census files provided as part of data request.

3B.3 SPANS AND LAYERS ANALYSIS

AVERAGE SPAN OF CONTROL BY LAYER[1] – ISU

Idaho State University's average span is **3.9.** The layers with the lowest spans of control are also the layers with the most employees.



	1 Report	2 Reports	3 Reports	4-6 Reports	7-9 Reports	10+ Reports
Total	89	53	25	74	30	17
PCT	31%	18%	9%	26%	10%	6%

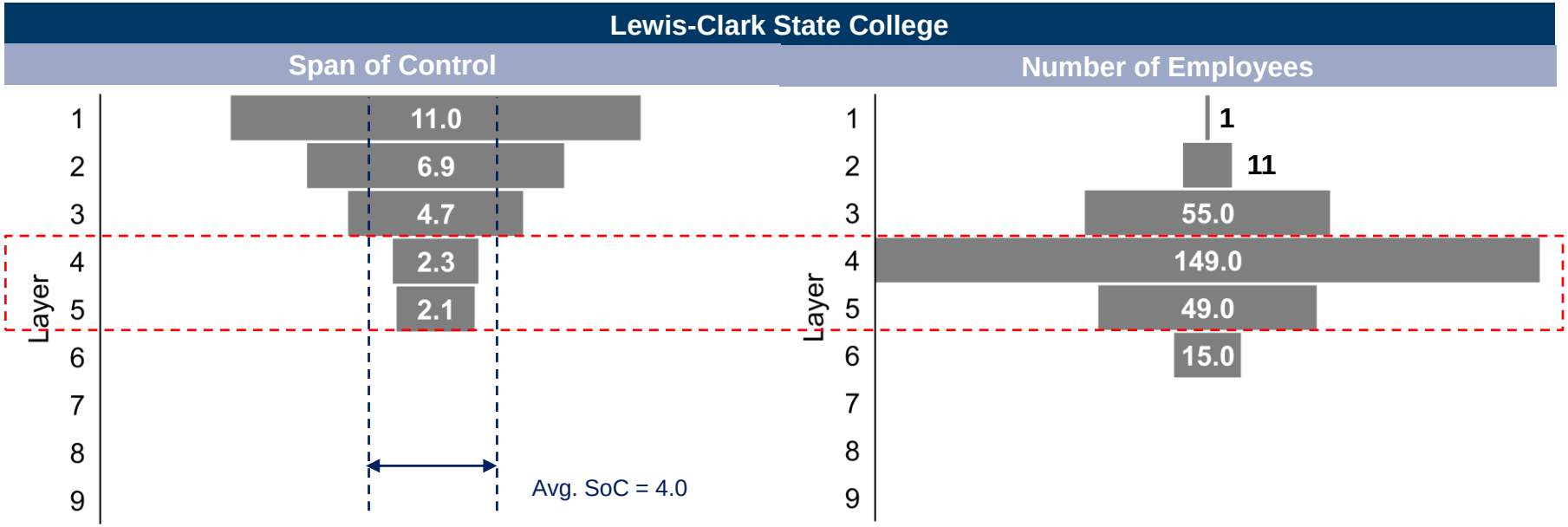
167 (58%) of supervisors at Idaho State University have three or fewer direct reports.

Notes:
1. Based on analysis of adjusted staff population derived from census files provided as part of data request.

3B.3 SPANS AND LAYERS ANALYSIS

AVERAGE SPAN OF CONTROL BY LAYER[1] – LCSC

Lewis-Clark State College has an institution-wide average span of control of **4.0**. The layers with the lowest spans of control are also the layers with the most employees.



	1 Report	2 Reports	3 Reports	4-6 Reports	7-9 Reports	10+ Reports
Total	17	12	12	18	5	5
PCT	24%	18%	18%	26%	7%	7%

41 (60%) of supervisors at Lewis-Clark State College have three or fewer direct reports.

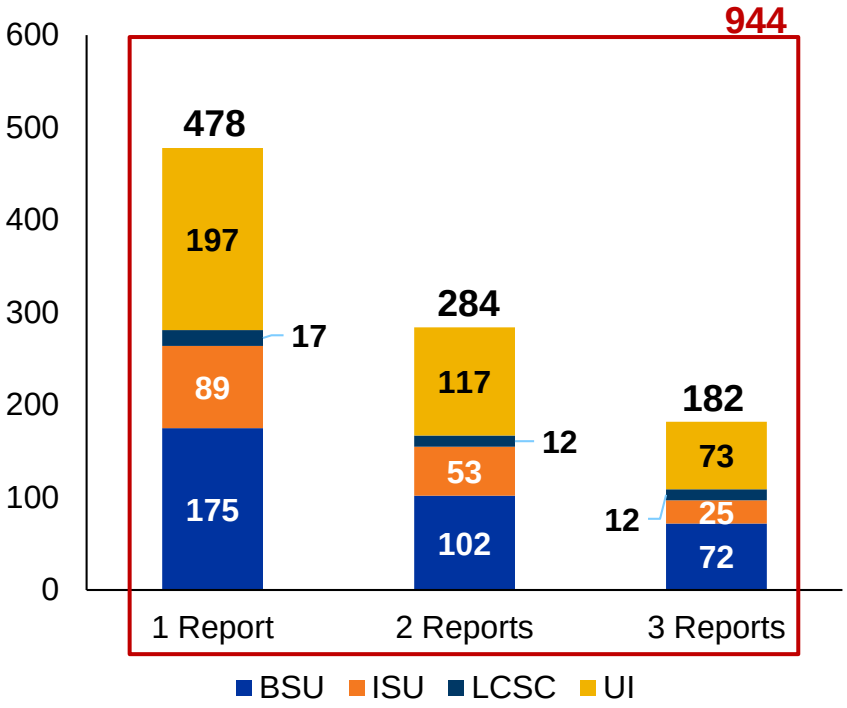
Notes:
1. Based on analysis of adjusted staff population derived from census files provided as part of data request.

3B.3 SPANS AND LAYERS ANALYSIS

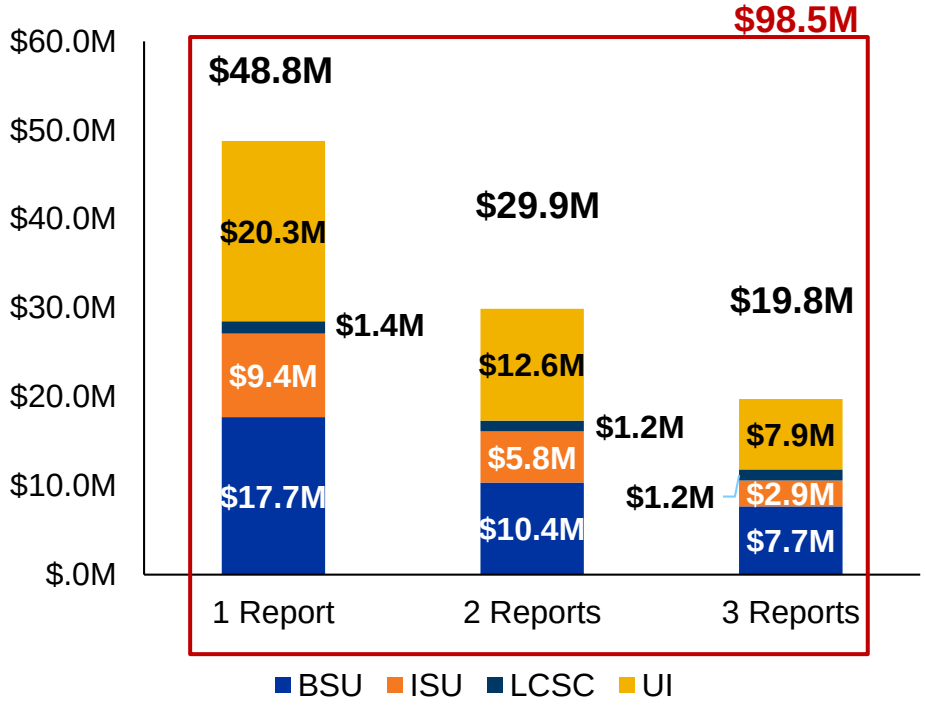
SUPERVISORY STRUCTURE

Across the four institutions, nearly 950 supervisors have only one, two, or three direct reports, indicating an opportunity to optimize each institution's management footprint.

Number of Direct Reports per Supervisor



Labor Cost of Supervisors with Less than Four Direct Reports



Salary and benefits for supervisors with fewer than four direct reports totals nearly **$99M.**

3B.3 SPANS AND LAYERS ANALYSIS

COST SAVINGS ESTIMATION OVERVIEW

Estimates of cost savings associated with our spans and layers analysis are predicated on organizational restructuring that reallocates supervisory responsibility.

University of Idaho: Layer 5		
Direct Reports (Layer 6)	**Supv.**	**Avg. Span**
521	192	2.71

1. Current average span of 2.71 + 0.25
2. 521 headcount divided by the average span of 2.96 yields **176** supervisors.
3. 192 current layer 5 supervisors less 176 = a delta of **15** supervisors
4. Average salary + benefits per supervisor in layer 5 is $18.4M**,** divided by 521 = **$96K**
5. Assuming the transition of 50% of 15 supervisors and the reclassification of 50%, 7 supervisors multiplied by average salary + benefits ($96K) =estimated savings of **$672K**

	University of Idaho Layer 5 Savings				
Increase from Current Span	**Avg. Span**	**Supv.**	**ΔSupv.**	**Avg. Salary & Benefits**	**Salary & Benefits Savings**
+ 0.25	1 2.96	2 176	3 15	4 $96K	5 $672K
+ 0.75	3.46	151	41		$1.9M

At organizational layers with average spans below four, a range of savings is estimated by increasing the average span, and identifying the implied reduction in supervisory overhead.

3B.3 SPANS AND LAYERS ANALYSIS

CROSS-INSTITUTIONAL COMPARISON

Variation in span of control suggests an opportunity to optimize supervisory structure across the four institutions, a potential source of material reduction in overhead.

	BSU	ISU	LCSC	UI
Average Span of Control	3.7	3.9	4.0	3.1
Number of Layers	8	9	6	9
Supervisors with Three or Fewer Direct Reports	64%	58%	60%	71%

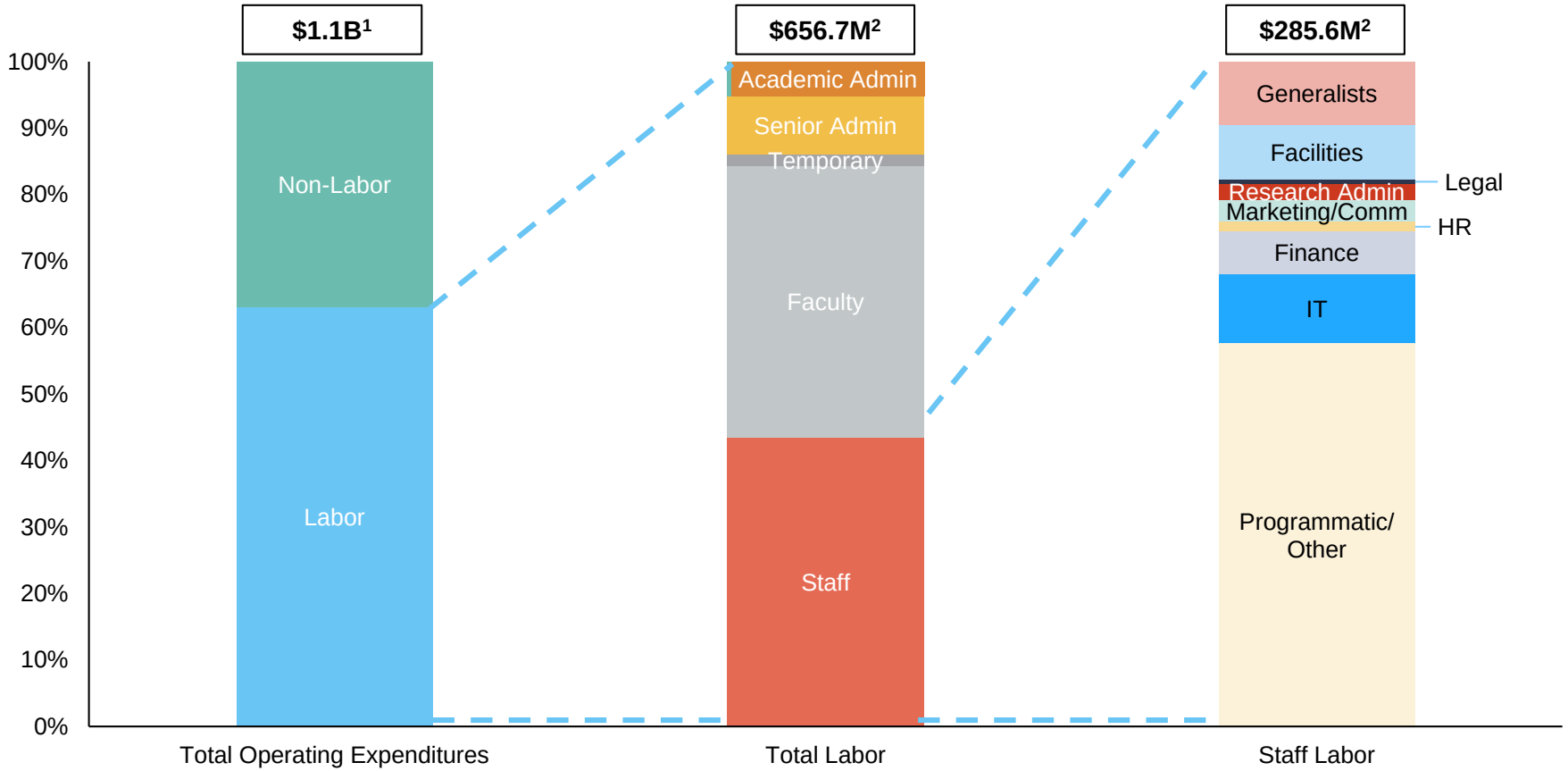
By increasing the average span of control at each institution by 0.25 or 0.75, the organization could save between **$4.1M** and **$11.3M** from salaries and benefits as outlined in page 17.

3B.4 FUNCTIONAL LABOR COST POOL

TOTAL SCOPE OF OPPORTUNITY

Next, we identify the pool from which functional support staff optimization can draw savings.

Labor Cost Breakdown (Includes Salary and Benefits)



Focusing on opportunities within “staff” results in a pool of less than $300M from which to pursue efficiencies.

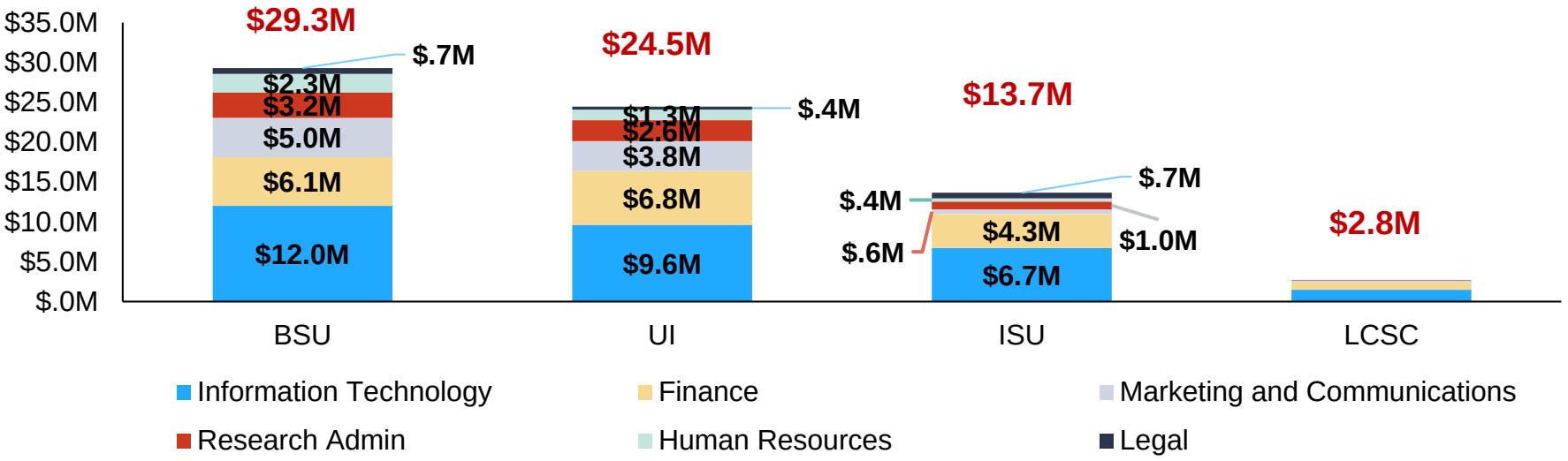
Notes:
1. Derived from 2017 audited financial statements.
2. Excludes student employees, adjunct faculty, and secondary jobs.

3B.4 FUNCTIONAL LABOR COST POOL

SPEND BY BUSINESS SUPPORT FUNCTION

Across the four institutions, six administrative support functions represent **$70.3M** in annual salary and benefits.

Labor Spend by Functional Area[1,2]



	BSU	UI	ISU	LCSC
% of Total Labor Cost[3]	**12%**	**10%**	**8%**	**8%**

As a next step, we segment activities within these functions that lend themselves to consolidation across institutions.

Notes:
1. Based on salary and benefits.
2. Functional labor cost derived from personnel data.
3. Functional labor cost compared to total labor expenditure separately for each institution.

3B.4 FUNCTIONAL LABOR COST POOL

UNPACKING ADMINISTRATIVE FUNCTIONS

To further segment the labor pool, we will highlight examples of "commodity" activities, or subfunctions, that are commonly candidates for consolidation.

Sample Activities / Sub-Functions in Scope

FINANCE	HR	IT	RESEARCH ADMIN.
Accounts Payable	Absence Management	Helpdesk	Award Management
Accounts Receivable & Billing	Benefits	Desktop Support	Billing & AR
Asset Management	Core HR	Server Admin	Compliance
Budgeting	Payroll	Application Dev.	F&A Cost Processing
Financial Management (GL)	Performance Management		Project Management
Purchasing	Profile Management		Proposal Management
Travel and Expense	Recruiting		
	Time and Labor		

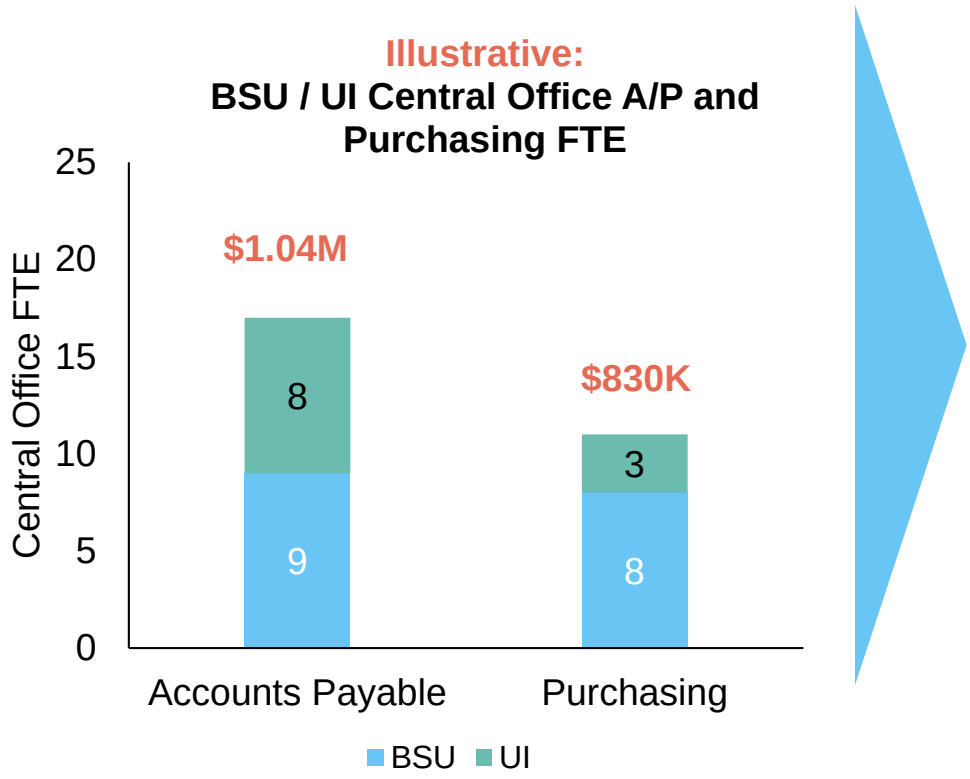
Other functions under review: communications, legal, library management, facilities planning

Further segmenting functional support to look at these sub-functions **lessens the size of the cost** pool from which there might be savings from efficiency gains.

3B.4 FUNCTIONAL LABOR COST POOL

ILLUSTRATIVE FUNCTIONAL COST POOL

A selection of seven titles that commonly present opportunity for consolidation across the four institutions reveals a limited scope of actual opportunity for savings.



Interpretation

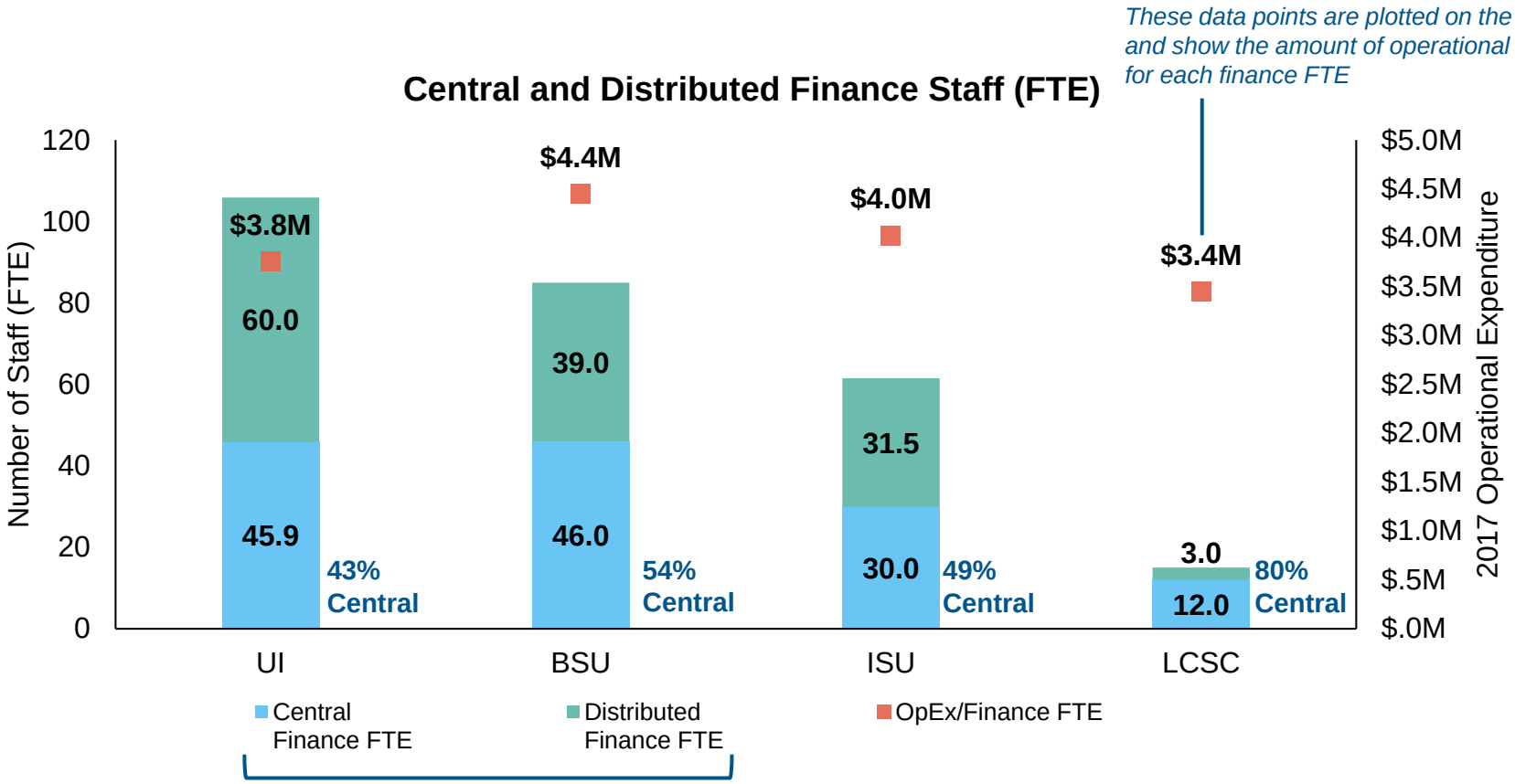
- The overall $70.3M cost bucket looks at the entirety of these functions
- Select sub-functions are stronger candidates to effectively consolidate across universities than others
- This opportunity is usually at the central office level, thereby materially reducing the size of the cost pool

Consolidation of non-commodity functional support becomes more feasible in more mature and integrated technology environments.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

OPEX TO FINANCE FTE[1,2] (1/2)

The four institutions appear to have similar central and distributed finance staff but some institutions are able to support a greater portion of OpEx with each finance staff member.



Central staff are located in a functional department (e.g., finance staff in the Controller's Office), while distributed staff are located in other departments (e.g., finance staff in an academic department)

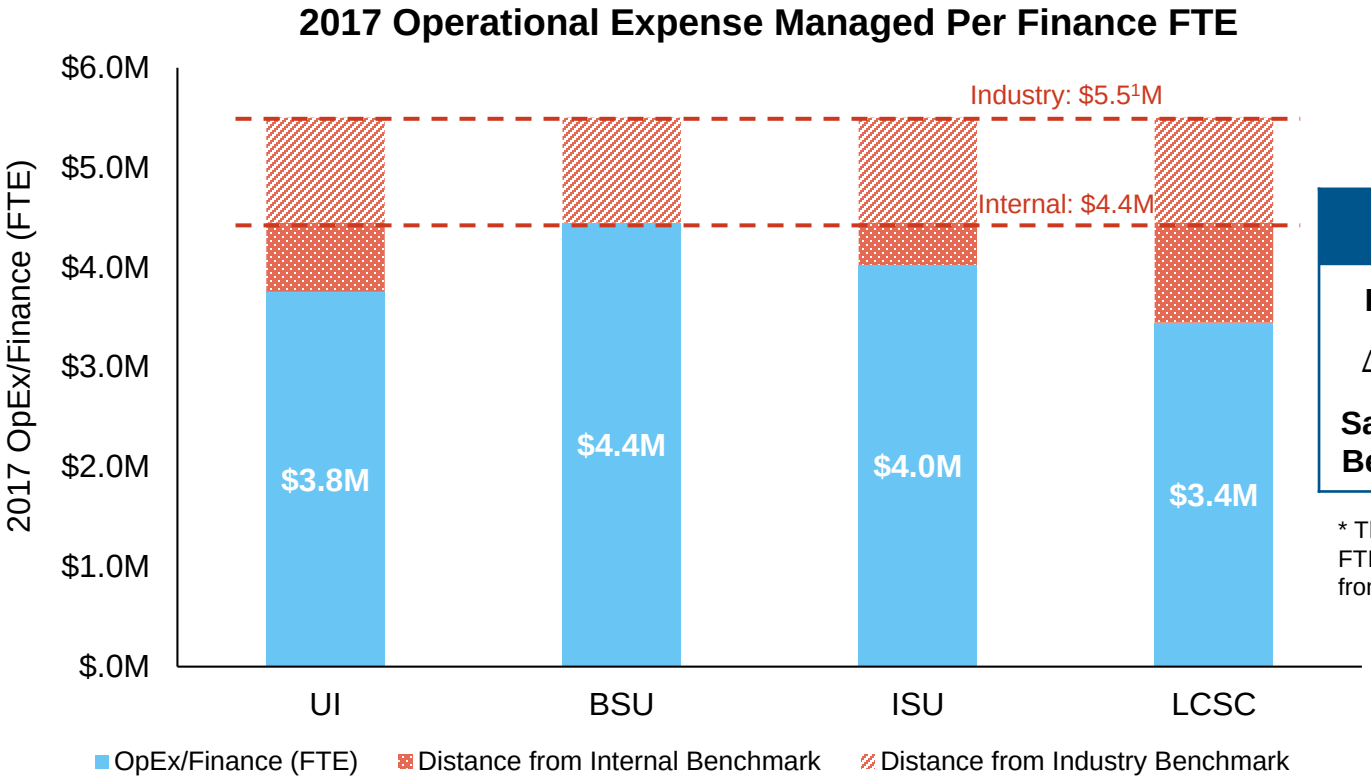
Notes:

1. Based on analysis of adjusted staff population derived from census files provided as part of data request. Also excludes senior admins.
2. Operational Expenditure derived from 2017 financial statements.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

OPEX TO FINANCE FTE (2/2)

While the institutions vary slightly with regards to the portion of OpEx each finance staff member supports, BSU sets the internal benchmark at $4.4M.



	Internal	Industry*
Ratio	$4.4M	$5.5M
Δ FTE	25.6	46.2
Salary & Benefits	$1.2M-$1.8M	$2M-$3.4M

* This column represents **marginal** change in FTE and Salary & Benefits **above** the change from internal benchmarking

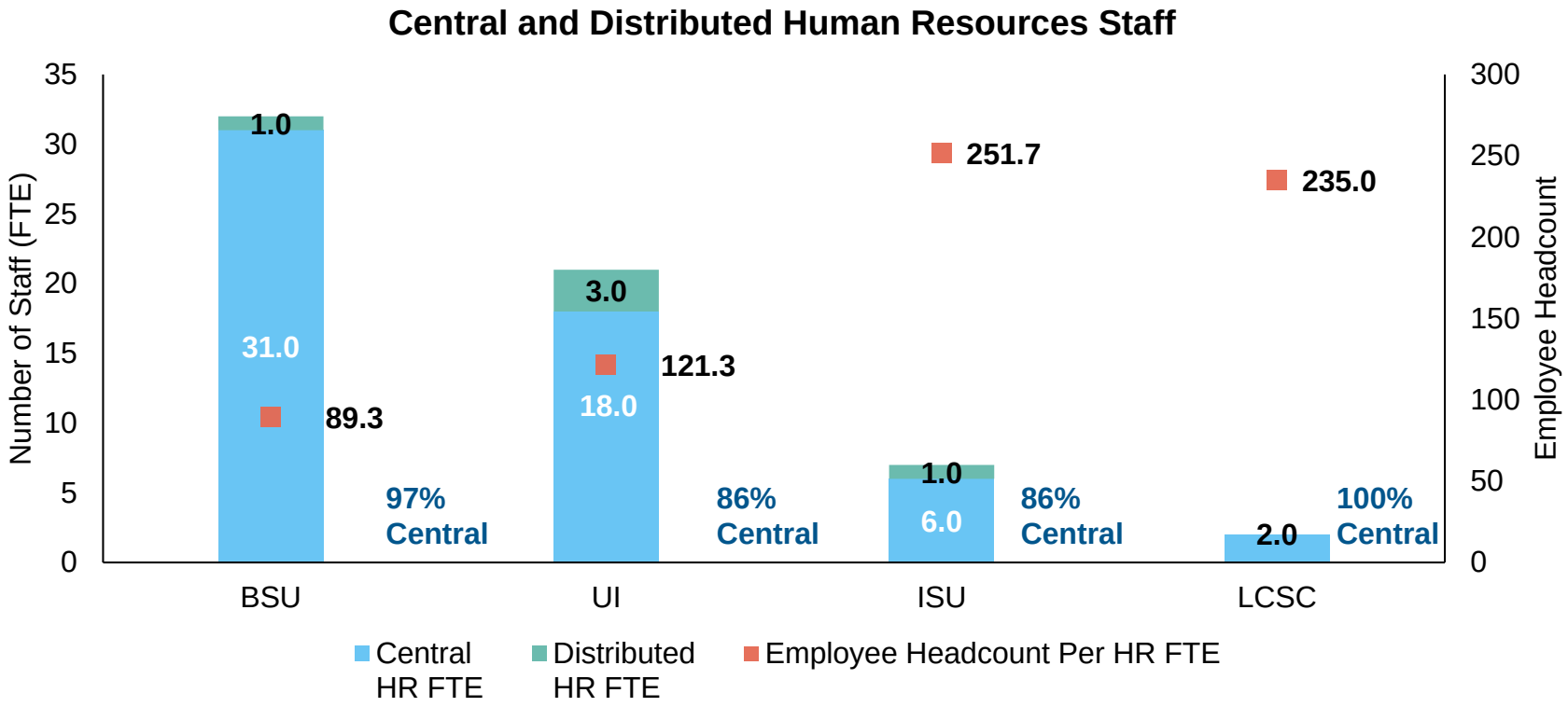
If the four institutions optimized their OpEx to Finance FTE ratio to the internal or industry best practice, the organization may save between **$3.2M-$5.2M** in total.

Notes:
1. Huron does not recognize and benchmark for sizing full finance functions. $5.5M represents an improvement on the internal benchmark of $4.4M.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

EMPLOYEE HEADCOUNT TO HR FTE[1,2] (1/2)

While the HR function is highly centralized across all four institutions, the ratio of employees to HR staff varies widely.



Support ratios for HR do not account for services provided by state offices.

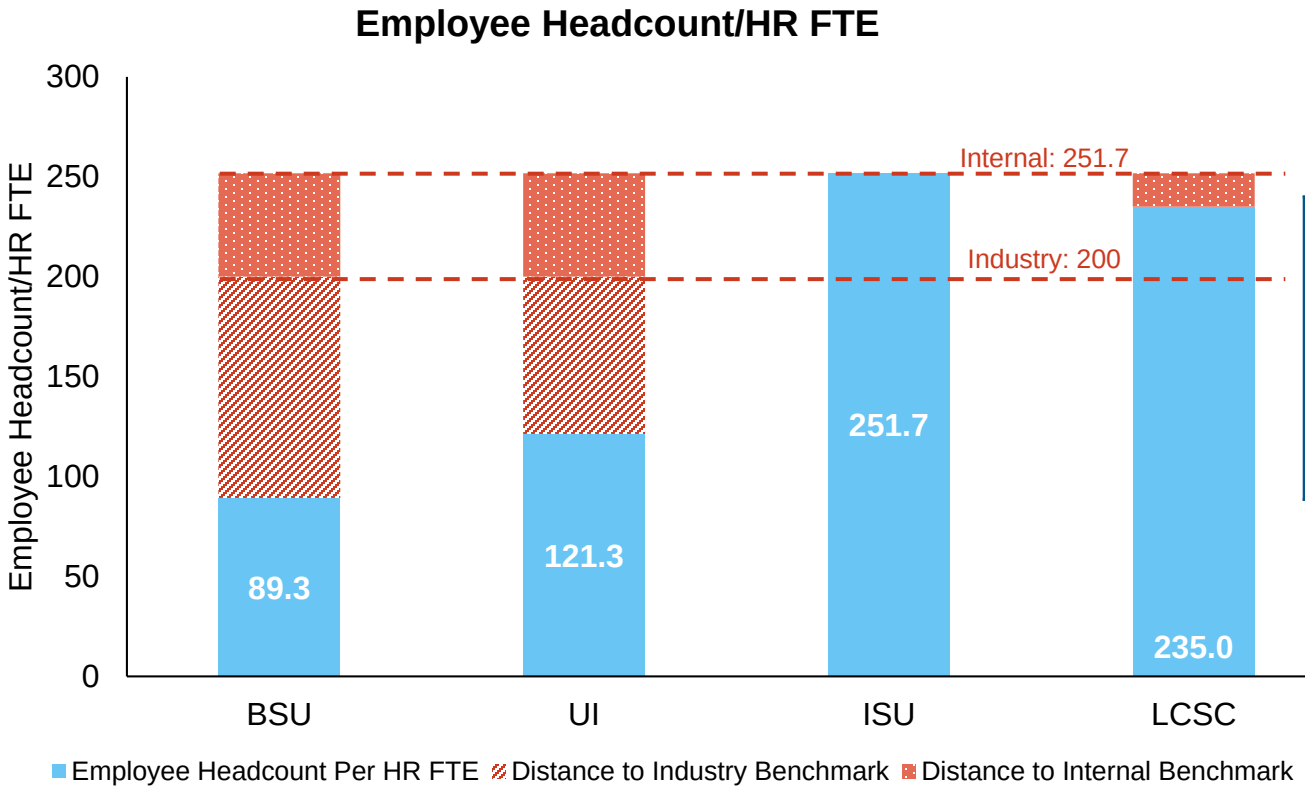
Notes:

1. Based on analysis of adjusted staff population derived from census files provided as part of data request. Also excludes senior administrators except in the case of LCSC, where the HR Director is included.
2. Employee headcount derived from personnel data, excludes retirees, student workers, and temporary employees.
3. Because of its smaller scale and HR services provided by the state, LCSC is not used as the internal benchmark.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

EMPLOYEE HEADCOUNT TO HR FTE (2/2)

ISU sets the internal benchmark for employee headcount managed per Human Resources FTE at 251.7:1.



	Internal[1]	Industry*
Ratio	**251.7**	**200**
Δ FTE	**30.7**	**--**
Salary & Benefits	**$1.7M-$2.6M**	**--**

* This column represents the **marginal** change in FTE and Salary & Benefits **above** the change from internal benchmarking. The industry benchmark does not offer an additional savings opportunity in this case.

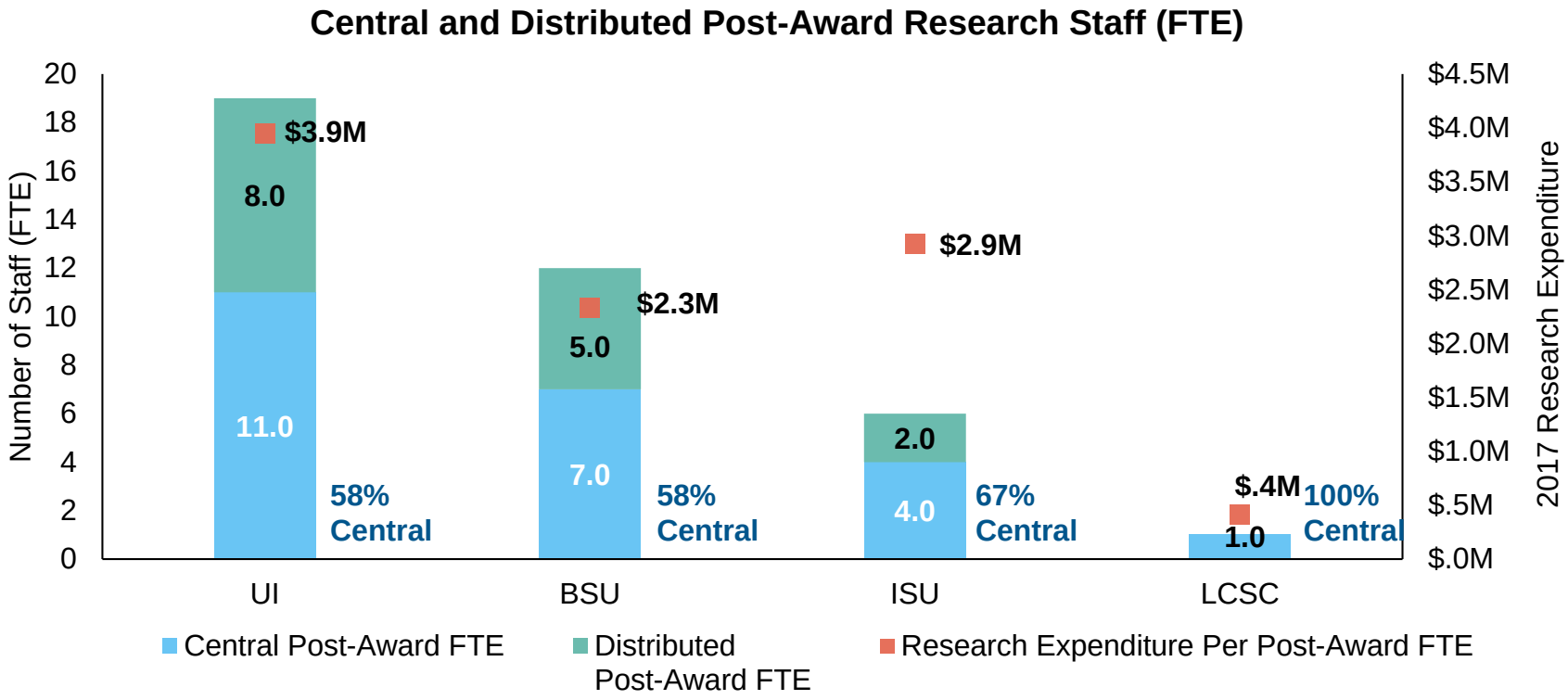
If the four institutions optimized their total employee headcount to HR FTE ratio to ISU's benchmark, they may save between **$1.7M-$2.6M** in total.

Notes:
1. Because of its smaller scale and HR services provided by the state, LCSC is not included in savings estimates.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

RESEARCH EXPENDITURE TO POST-AWARD FTE[1,2] (1/2)

UI maintains a robust, centralized research staff that, likely due to maturity as a research institution, is able to support a greater level of research expenditure per research FTE.



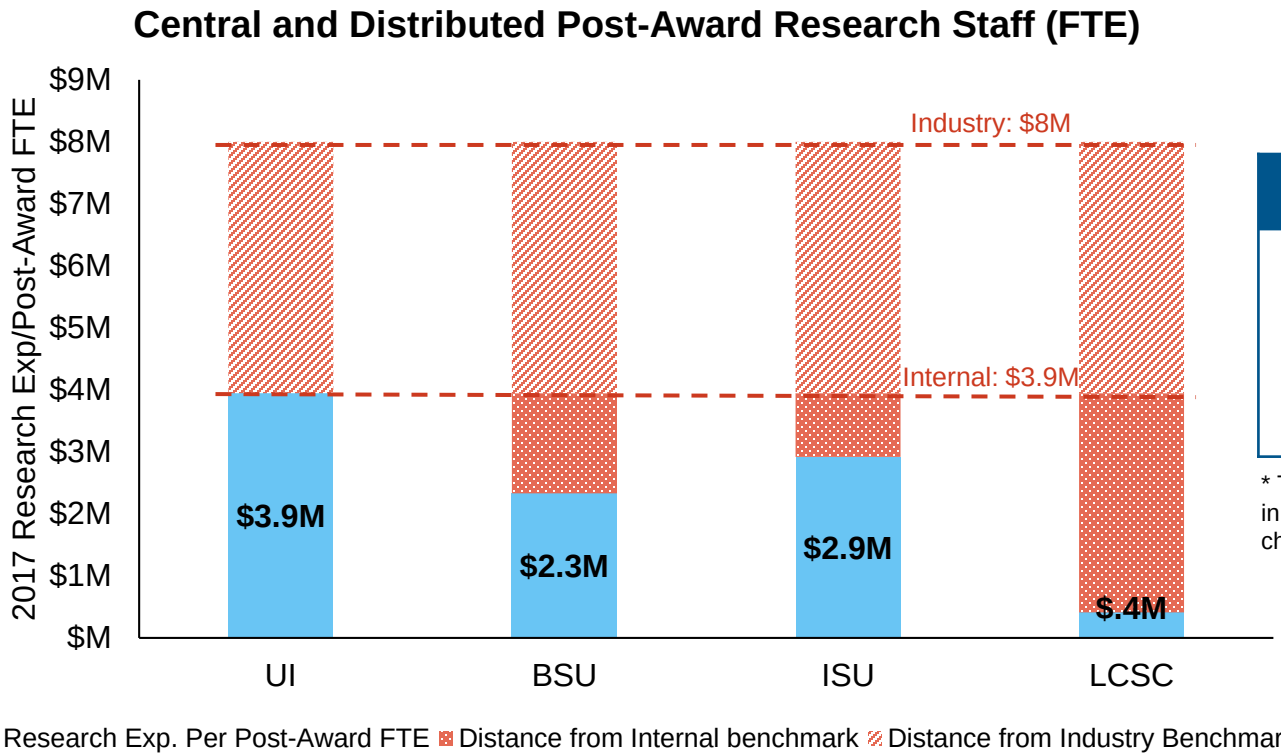
UI sets the internal benchmark for Research Expenditure/Post-Award FTE at $3.9M.

Notes:
1. Based on analysis of adjusted staff population derived from census files provided as part of data request. Also excludes senior admins.
2. Research Expenditure derived from 2017 financial statements.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

RESEARCH EXPENDITURE TO POST-AWARD FTE (2/2)

Opportunities for cost savings would be possible by aligning BSU and ISU to the internal benchmark set by UI or by aligning both institutions to industry benchmarks.



	Internal	Industry*
Ratio	$3.9M	$8.0M
Δ FTE	6.5	15.5
Salary & Benefits	$400K-$600K	$0.9M-$1.4M

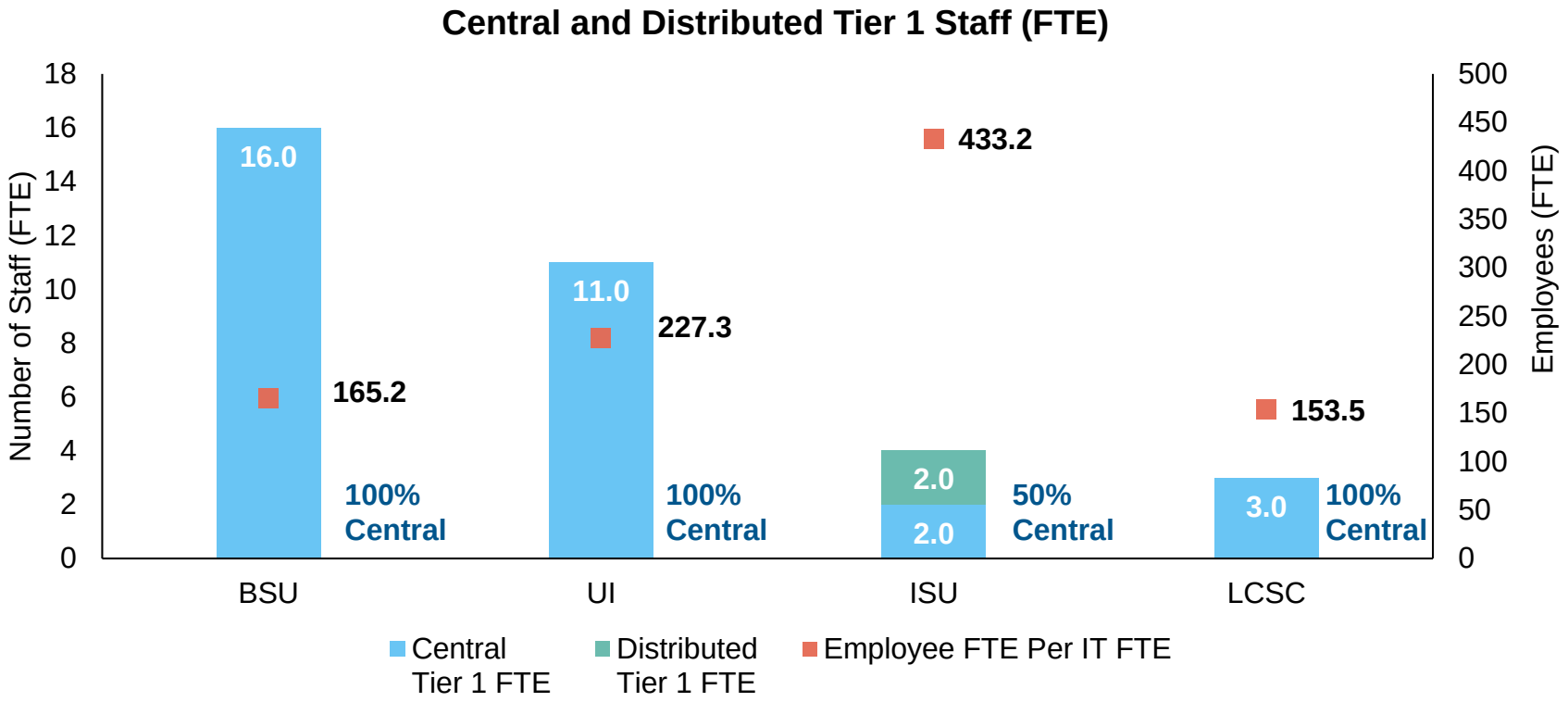
* This column represents the **marginal** change in FTE and Salary & Benefits **above** the change from internal benchmarking.

Additional savings up to **$1.4M** may be realized through optimizing the operating ratio of *Research Expenditure to Post-Award FTE* to industry leading practice.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

IT TIER 1 FTE TO EMPLOYEE FTE[1] (1/2)

The ratio of institutional employee FTEs to IT FTEs allows us to compare IT staffing levels across institutions.



Although Tier 1 IT support staff are highly centralized across the four institutions, the number of employees supported per staff member varies.

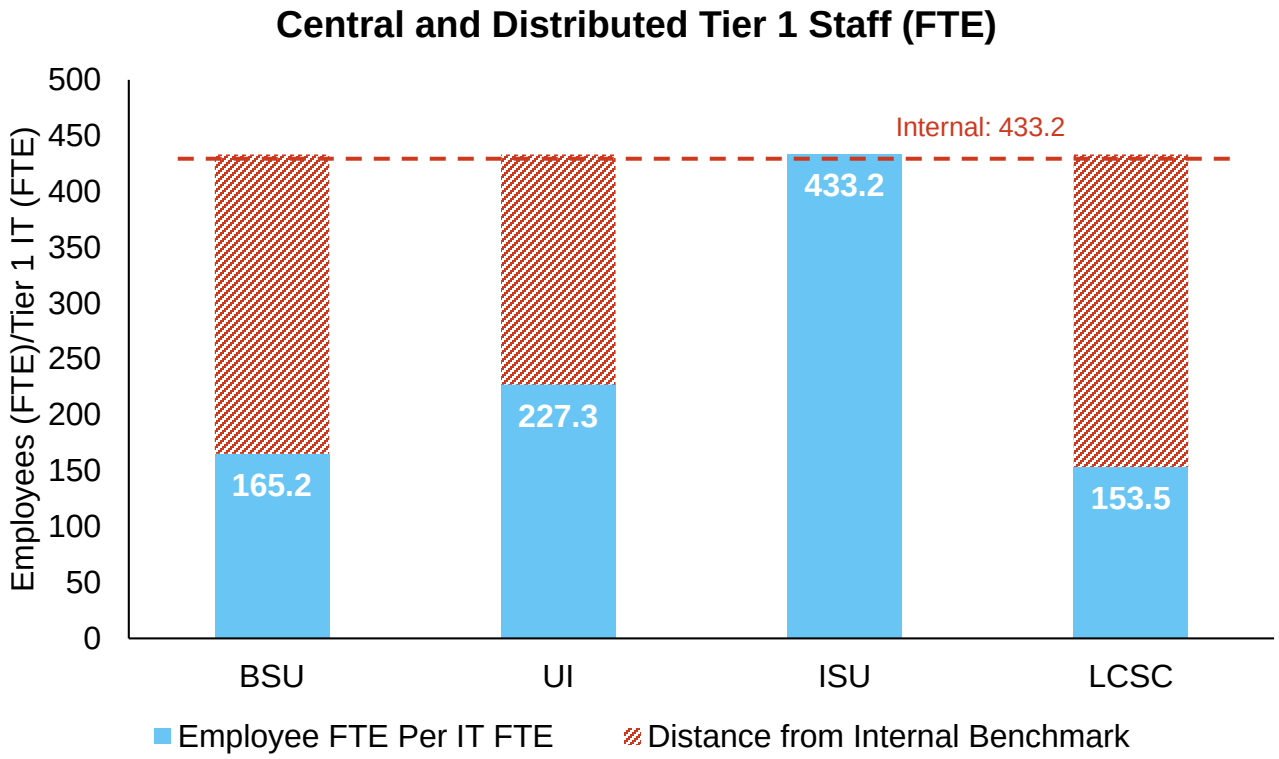
Notes:

1. Based on analysis of adjusted staff population derived from census files provided as part of data request. IT FTE excludes senior admins.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

IT TIER 1 FTE TO EMPLOYEE FTE (2/2)

Internal benchmarking suggests a variation in the number of employees supported by each Tier 1 IT staff member, suggesting an opportunity for improvement in staff efficiency.



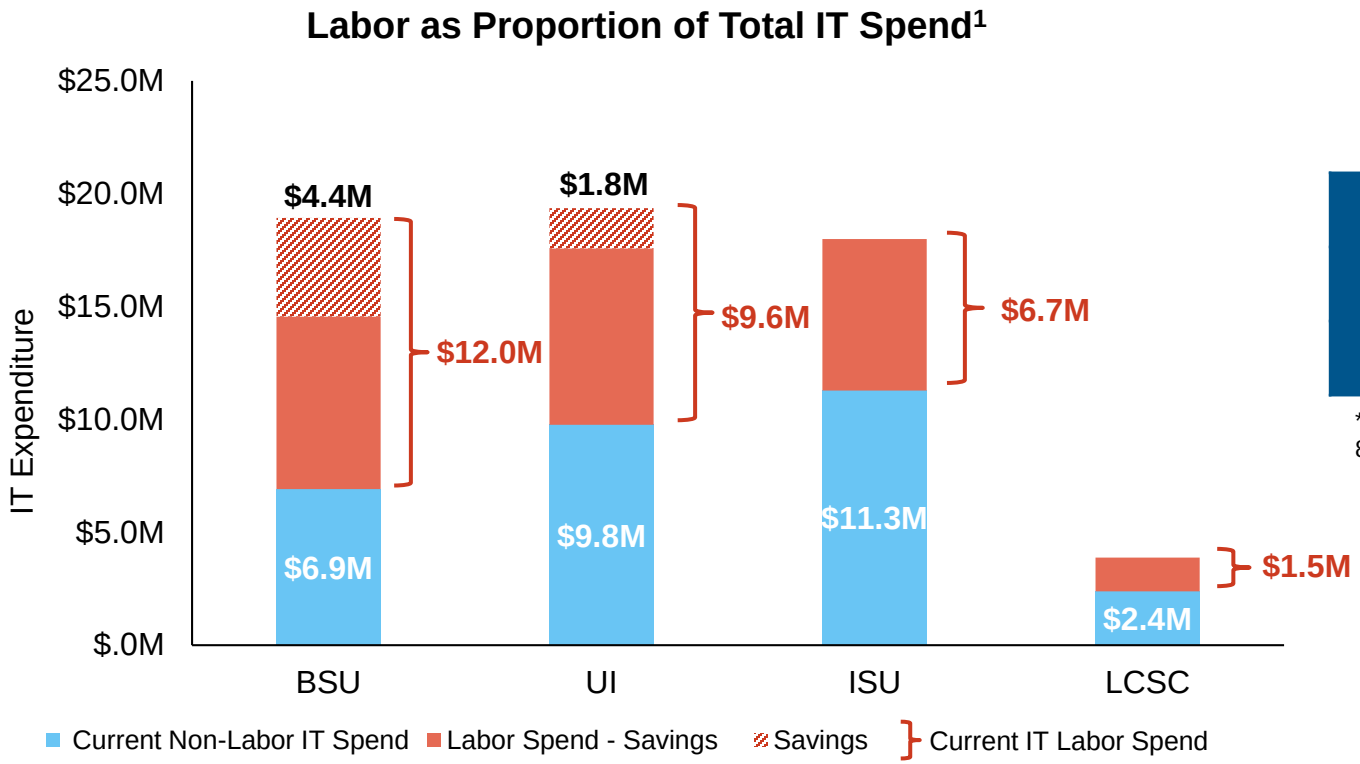
	Internal
Ratio	**433.2**
Δ FTE	**17.1**
Salary & Benefits	**$0.9M-$1.4M**

If the four institutions matched the internal benchmark set by ISU, it would imply potential cost savings of **$0.9M-$1.4M**.

3B.5 FUNCTIONAL STAFF OPTIMIZATION

IT LABOR AS % OF IT SPEND

While near-term savings focus on Tier 1 support, long-term consolidation may consider the whole IT function, which provides an opportunity to align to best-practice budget allocations.



Target %	40.4%[2]
Δ %	9%
Savings	$5M-$6M*

* Assumes realization potential of 80-95% of estimated savings.

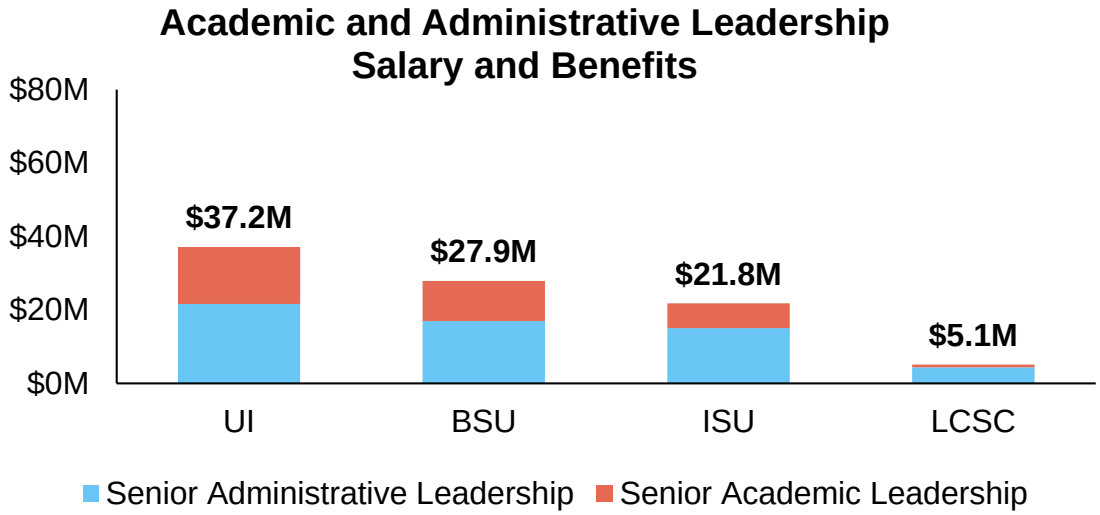
Aligning to a best-practice target of labor as 40.4% of total IT spend would produce **$5M-$6M** in savings.

Notes:
1. IT labor spend derived from personnel data. Non-Labor spend derived from purchasing data. Functional staff excludes senior admins.
2. Industry benchmark for mid-size organizations from *Computer Economics* 2017. This is not a higher-ed specific benchmark.

3B.6 INSTITUTIONAL INTEGRATION

LEADERSHIP DUPLICATION ANALYSIS

Senior Academic/Admin leadership roles represent 7-10% of total operational expenditures (labor and non-labor) at each of the four institutions.



Leadership Titles Include…	
Senior Administration	**Academic Administration**
President	Provost, Vice Provost
CFO, COO,CIO	VP
VP, Assoc. VP	Dean
Asst. VP	Assoc. Dean
Exec. Dir, Assoc. Dir	Asst. Dean
Asst. Dir, Dir	Asst. Provost

% of Total OpEx	**9%**	**7%**	**9%**	**10%**

Should the Board consider mergers in the future, savings could be achieved through consolidation of leadership roles which would not be addressed through partnership models.

Notes:
1. Based on salary and benefits.
2. Functional labor cost derived from personnel data.

SECTION 3C: PURCHASING ANALYSIS

3C.1 PURCHASING ANALYSIS

PURCHASING ROADMAP OVERVIEW (1/2)

Our analysis suggests that substantial cost savings opportunities can be facilitated through the implementation of a cross-institutional and technology-driven purchasing process.

	Roadmap Activity	Detail	Time Horizon
1	**Strategic Sourcing Category Efforts**	▪ Introduce strategic sourcing efforts for high spend level 2 categories (e.g., leveraging collective purchasing power, vendor consolidation, etc.) - Starting point should be commodity areas that have low complexity but high potential savings due to volume of spend (e.g., office products, scientific supplies) ▪ Reassess opportunities quarterly	Intermediate-Term
2	**Category Management Strategy**	▪ Establish category management strategies for key spend areas ▪ Formulate strategy for maverick spend reduction (e.g., reduce volume of P-Cards in use across institutions) ▪ Formulate strategy for vendor performance management	Intermediate-Term
3	**Unify Contract Management Activities**	▪ Evaluate the continuation of existing contracts, renegotiating pricing, service delivery and other components of the contracts ▪ Assess high supplier spend to determine additional savings opportunities from new contracts ▪ Implement an integrated contract management solution as part of the eProcurement solution that can provide a centralized, searchable contract repository	Intermediate-Term

Notes:
1. Intermediate-Term implies a 2-6 year time horizon.

3C.1 PURCHASING ANALYSIS

PURCHASING ROADMAP OVERVIEW (2/2)

Our analysis suggests that substantial cost savings opportunities can be facilitated through the implementation of a cross-institutional and technology-driven purchasing process.

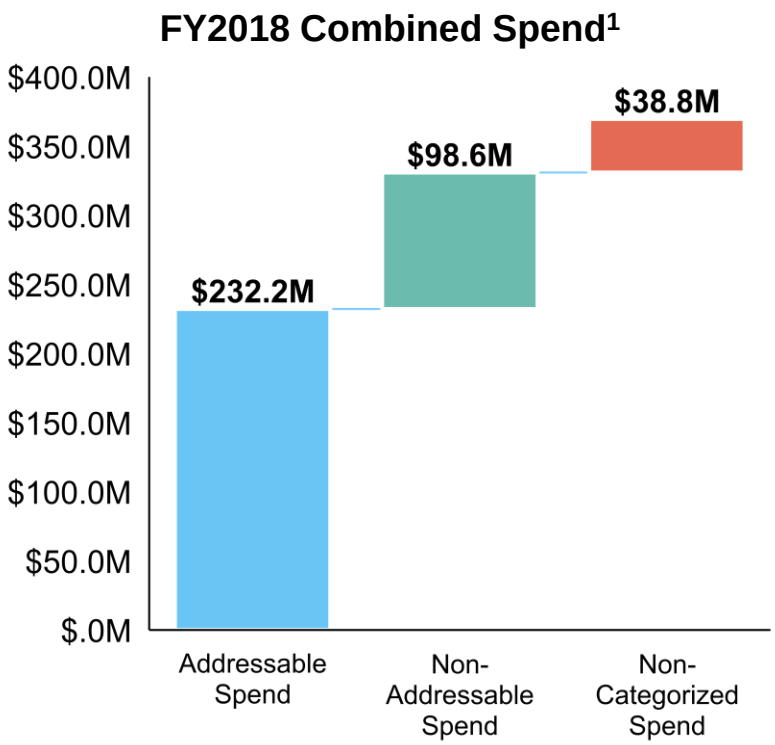
	Roadmap Activity	Detail	Time Horizon
4	**eProcurement Solution Implementation**	▪ Implement a SaaS eProcurement solution that addresses manual processes, is easy for end-users to adopt, integrates with financial management system(s), and addresses other inherent challenges observed with current requisitioning tools ▪ Transition to a P2P process that: - Enables operational efficiencies across the entire lifecycle (e.g., e-Requisitions, e-Invoices) - Improves transaction processing, contract compliance, and financial reporting ▪ Encourage utilization of e-Requisitions for all low dollar/low risk purchases from catalog suppliers ▪ Consider assessing the travel and expense programs across institutions as an additional payment mechanism	Intermediate-Term

Notes:
1. Intermediate-Term implies a 2-6 year time horizon.

3C.2 PURCHASING ANALYSIS

SPEND CATEGORIZATION OVERVIEW

Of nearly $370M in FY2018 spend, **$232M (63%)** represents a spend base for potential savings through strategic sourcing and contracting practices.



Note: *Due to inconsistencies in data provided by institutions (currently non-addressable and non-categorized), Huron recommends further analysis prior to final deliberations. See additional notes on analysis approach on page 88.*

Addressable Spend – 63%

- Vendor spend that can be influenced by sourcing efforts to achieve better pricing, financial incentive terms, and improved supplier relationships
- Addressable spend is divided into categories and commodity / service areas (Level I and II) to identify additional opportunities for savings

Non-Addressable Spend – 27%

- Spend not addressable by strategic sourcing efforts
- Non-addressable spend is attributed to:
  - Professional associations/organizations
  - Government entities
  - Payment to individuals (due to the lack of visibility into expense reimbursements)

Non-Categorized Spend – 10%

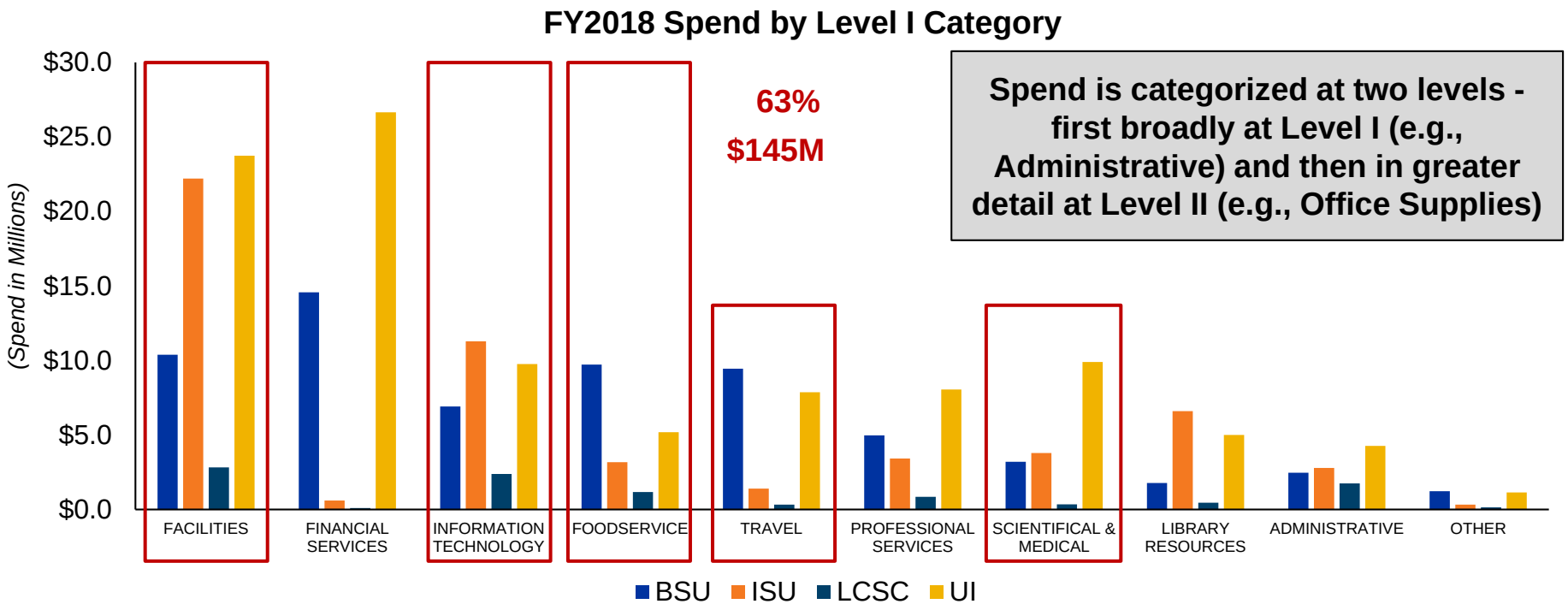
- Over 20K additional vendors with nominal spend or unidentifiable names
- Uncategorized vendors account for nearly $40M in estimated annual spend

Notes:
1. Total FY2018 spend excludes spread payments (tuition) by Boise State University to the State of Idaho totaling $104,439,815. Similar payments were not included in data provided by other institutions.

3C.3 PURCHASING ANALYSIS

LEVEL I SPEND: ANALYSIS BY CATEGORY (1/2)

Five spend categories – Facilities, Information Technology, Foodservice, Travel and Scientific & Medical – account for $145M (63%) of addressable spend.

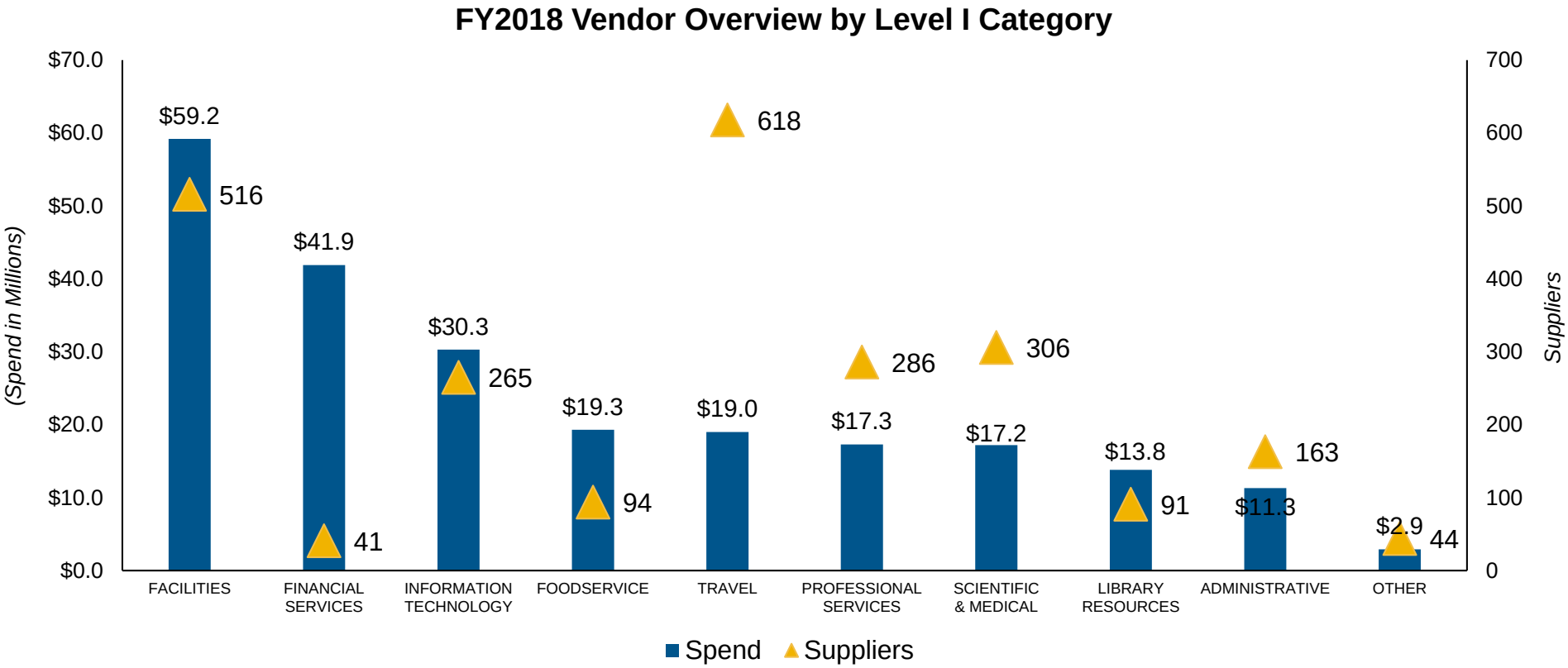


Within the top 5 Level I categories, excluding Financial Services, there are opportunities to leverage University spend, increase buying power, and strategically source products/services.

3C.3 PURCHASING ANALYSIS

LEVEL I SPEND: VENDOR BREAKDOWN BY CATEGORY (2/2)

Large vendor bases dilute the buying power and savings associated with preferred vendors, leading to inconsistent and increased pricing.



Strategic sourcing activities in key categories can help to channel spend to preferred vendors, identify opportunities to negotiate contracts and reduce administrative costs.

3C.4 PURCHASING ANALYSIS

ADDRESSABLE SPEND SEGMENTATION BY P-CARD VS. AP/PO

Analysis of the FY2018 spend data by procurement channel – including AP, Purchase Order and P-Card – revealed approximately **$37.3M** of total addressable spend is on P-Cards.

Spend In Millions ($)

	BSU		ISU		LCSC		UI			
Fiscal Year 2018	**Spend**	**%**	**Spend**	**%**	**Spend**	**%**	**Spend**	**%**	**Grand Total**	**% of Total**
P-Card Spend	$14.5	22%	$6.2	11%	$2.8	27%	$13.8	14%	$37.3	16%
AP/PO Spend	$50.2	78%	$49.3	89%	$7.6	73%	$87.8	86%	$194.9	84%
Total	**$64.7**		**$55.5**		**$10.4**		**$101.6**		**$232.2**	

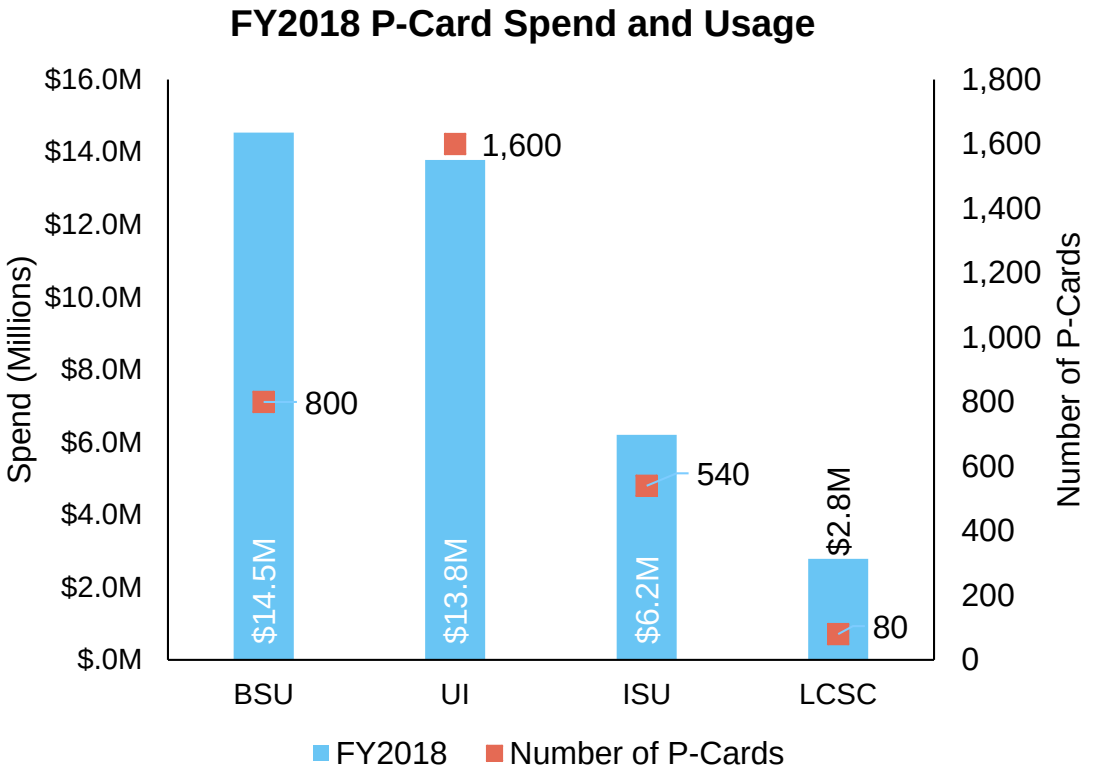
P-Cards Increase…	
Flexibility (ability to purchase from many vendors)	**Risk** (reduced process visibility and oversight)
Expediency (ability to quickly purchase goods/services)	**Labor Cost** (effort related to account coding and reconciliation)

Notes:
1. LCSC dataset included payments to internal departments including Athletics.
2. BSU spread payments (tuition) made to the State of Idaho have been excluded.
3. P-Card payments to vendors were excluded to avoid duplicative spend.
4. Some institutional spend includes utilities, payments to government entities and other higher ed institutions.

3C.5 PURCHASING ANALYSIS

NUMBER OF P-CARDS AND SPEND

More than 3,000 P-Cards are in circulation across the four institutions and the **$37.3M** in addressable P-Card spend represents **16%** of total addressable spend.



Top 20 FY2018 Vendors by P-Card Spend

Vendor	Total P-Card Spend (000s)
AMAZON.COM	$2,609
OFFICE DEPOT	$2,437
DELL MARKETING LP	$1,472
ALASKA AIRLINES	$1,350
DELTA AIRLINES	$1,149
THERMO FISHER	$1,040
CDW GOVERNMENT	$1,008
UNITED AIRLINES	$901
MARRIOTT HOTEL	$854
SOUTHWEST AIRLINES	$779
PAYPAL PAYMENTS	$611
BRADY INDUSTRIES	$573
ENTERPRISE RENTAL	$487
GRAINGER	$472
VWR INTERNATIONAL	$464
HILTON HOTEL	$457
NIKE	$437
HOME DEPOT	$346
XEROX CORP	$329
AMERICAN AIRLINES	$318

Vendors with Known Catalogues

Many of the top 20 vendors by P-Card spend support electronic requisitioning and invoicing while other vendors represent spend that could be managed through a travel program.

3C.6 PURCHASING ANALYSIS

LEVERAGING COMMON CONTRACTS

Idaho State Board of Education

Huron's experience suggests that particular vendors present savings opportunities through the use of common contracts where state or independently negotiated contracts are used.

Potential Contract Opportunities

Supplier	Level 2 Category	State Contract	University 3rd Party Contract(s)	Potential Contract Opportunity	Combined FY2018 Spend (All Institutions)
Dell	Computer Hardware	✓	BSU	✓	$3,962,227
HP	Computer Hardware	✓	BSU	✓	$682,651
Amazon	IT Services/General Retail	✗	BSU / UI	✓	$2,664,740
Grainger	MRO Products	✗	UI	✓	$755,688
Blackboard	IT Software	✗	BSU / UI	✓	$525,329
CenturyLink	Utilities	✓	BSU / UI	✓	$716,442
Schindler	MRO Services	✗	UI / LCSC	✓	$233,555
Agilent Technologies	Scientific Supplies	✗	UI	✓	$408,417
Fisher Scientific	Scientific Supplies	✗	UI	✓	$666,730
CDW	Computer Hardware	✗	UI	✓	$1,657,366
Total					**$12,273,145**
			Estimated Savings	**2%-4% of Spend**	**$0.2M-$0.5M[1]**

Huron commonly observes savings opportunities between 2% and 4% of total spend by leveraging common contracts, though detailed projections require deeper analysis.

Notes:
1. Contract savings estimates are not mutually exclusive and overlap with strategic sourcing opportunities found on pages 23, 24, and 25.

HURON

3C.7 PURCHASING ANALYSIS

EXAMPLE OF STRATEGIC SOURCING OPPORTUNITIES

An example of the approach that the four institutions may take to strategic sourcing within the context of a particular category of spend is detailed here.

Subcategory	Sourcing Activities	FY2018 Spend ($K)	Estimated Savings (%)	Estimated Savings ($K)
Scientific Supplies & Equipment	▪ Institutions have 187 Scientific Supplies & Equipment Suppliers. The top 15 scientific suppliers represent 53% of total Scientific Spend suggesting there are opportunities to **consolidate the vendor base** and **leverage aggregate** spend through a **competitively bid RFP or incumbent supplier negotiations** for primary and secondary scientific suppliers. ▪ **Develop core list** of 500-800 high volume/high transaction items that cover approximately 30% of total spend to **drive product consolidation** and cost savings. **Negotiate category discounts** for non-core purchases to obtain competitive discounts off manufacturer list price. ▪ Identify opportunities for **demand management** and product standardization reducing product proliferation in scientific supplies subcategories. ▪ Negotiate **market competitive financial incentives** appropriate for the combined institutional account size including one time contract signing and recurring volume rebate, prompt payment discount, etc.	$12,220	8% - 11%	$978 - $1,344

To achieve savings, institutions may engage in more detailed spend analysis and strategic sourcing activities for this and other key subcategories as highlighted on page 23.

SECTION 3D: INFORMATION TECHNOLOGY ANALYSIS

3D.1 SYSTEMS ANALYSIS

SYSTEMS ROADMAP OVERVIEW (1/2)

The path from the current state to full systems and infrastructure alignment is predicated on foundational steps and the selection and implementation of a single ERP or aligned ERPs.

	Roadmap Activity	Detail	Time Horizon
1	**Foundational Steps**	▪ Implement centralized IT governance with representation from all institutions[1] ▪ Establish a central Program Management Office (PMO) to oversee the application of IT strategy ▪ Centralize IT policy across the four institutions ▪ Develop a cross-institution strategy for enterprise architecture & cloud strategy	Near-Term
2	**ERP Assessment and Planning**	▪ Conduct a cross-institution review and assessment of ERP systems and business processes that use ERP	Near-Term
3	**ERP Implementation**	▪ Assess and standardize current business processes, roles, reporting, and technology portfolio ▪ Centralize data and storage across the four institutions ▪ Optimize and standardize services and software ▪ Implement a shared ERP environment which houses transactional and reporting data across the four institutions ▪ Establish data standards and streamline ad-hoc reports	Intermediate-Term

Notes:
1. This is the primary prerequisite for all other actions along the roadmap.
2. Requires virtualization as a prerequisite.
3. Requires service rationalization as a prerequisite.
4. Requires IT Funding model and cloud strategy as a prerequisite.
5. Near-Term implies a 0-2 year time horizon.
6. Intermediate-Term implies a 2-6 year time horizon.
7. Long-Term implies a 6-10 year time horizon.

3D.1 SYSTEMS ANALYSIS

SYSTEMS ROADMAP OVERVIEW (2/2)

The following steps highlight key steps in transitioning to a synergistic technology environment across institutions.

	Roadmap Activity	Detail	Time Horizon
4	**Funding Model Evaluation**	▪ Reevaluate existing IT funding model and create a transparent and centralized model	Intermediate-Term
5	**Systems and Infrastructure Rationalization**	▪ Review enterprise applications across the four institutions to identify opportunities to consolidate to single platforms aligned with the shared ERP system ▪ Audit existing licenses to determine opportunities for reduction ▪ Establish a fully virtualized centralized data center with service terms predicated on established SLAs and using the infrastructure-as-a-service model ▪ Reevaluate the existing service delivery model and consolidate commodity services ▪ Centralize data backup and recovery[2] ▪ Consolidate redundant enterprise applications and shadow systems used across all campuses.[2,3,4]	Long-Term
6	**Workforce Consolidation**	▪ Centralize Server Administration with remote sites transitioned to VMWare or Data Center ▪ Centralize service desk operations3 ▪ Centralize IT security and consolidate vendors/platforms	Long-Term

Notes:
1. This is the primary prerequisite for all other actions along the roadmap.
2. Requires virtualization as a prerequisite.
3. Requires service rationalization as a prerequisite.
4. Requires IT Funding model and cloud strategy as a prerequisite.
5. Near-Term implies a 0-2 year time horizon.
6. Intermediate-Term implies a 2-6 year time horizon.
7. Long-Term implies a 6-10 year time horizon.

3D.2 SYSTEMS ANALYSIS

ERP CONVERGENCE: ILLUSTRATIVE PLANNING OPTIONS

A cogent approach requires consideration of BSU's transition to the cloud, along with UI's and ISU's near-term ERP upgrade requirements (2-5 years).

1 Convergence Approach Options

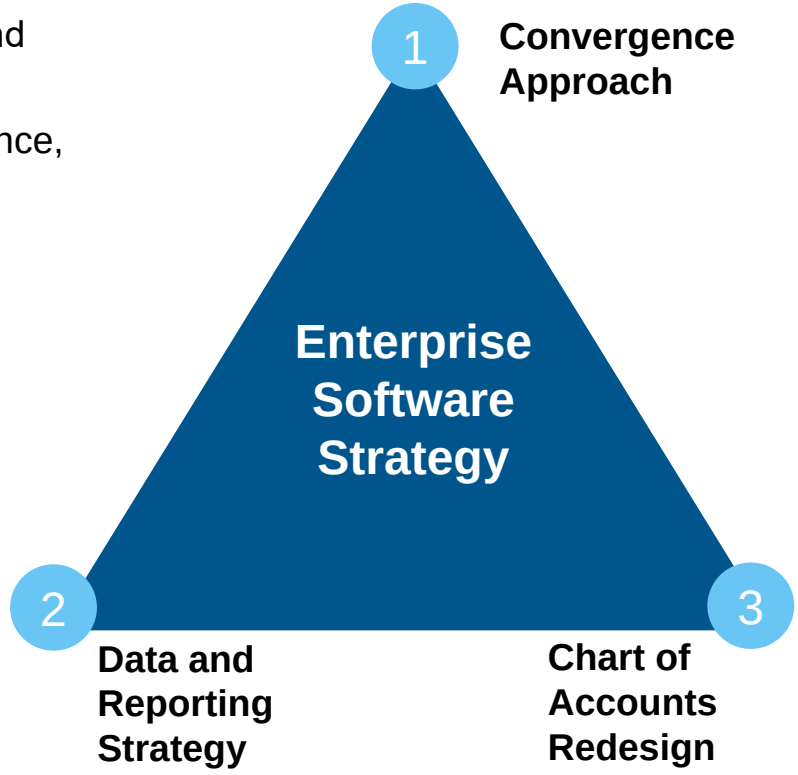
- Should the other institutions leverage Boise's design and configurations?
- Should the four institutions implement all modules (finance, HR, student) concurrently?
- Should the institutions implement concurrently or sequentially?

2 Data and Reporting Strategy Options

- How will data warehousing be managed?
- What will be norms for data stewardship and data governance?

3 Chart of Accounts Redesign Options

- What is the timing for chart of accounts alignment?
- How does it sequence with other projects?



3D.2 SYSTEMS ANALYSIS

ERP CONVERGENCE: CRITICAL PATH

While consideration of the full spectrum of IT activity along the roadmap is critical, the steps involved in ERP implementation alone are substantial.

ERP Assessment and Implementation

1 Assess and Recommend

- Assessment of current state operating model
  - Staffing
  - Roles and responsibilities
  - Business processes
  - Policies and procedures
- Identification of gaps
- Development of proposed future state operating model

2 Design

- Design future state business processes in collaboration with institutional stakeholders
- Select pilot processes to demonstrate success
- Finalize future state organizational redesign
- Develop technical design and security documents
- Design integrations with adjacent systems
- Finalize conversion plan

3 Configure and Test

- Design a test strategy and plan
- Build and execute test scripts
- Build application security
- Configure test environments
- Design a cutover approach
- Develop and test conversion programs
- Resolve all unit testing defects

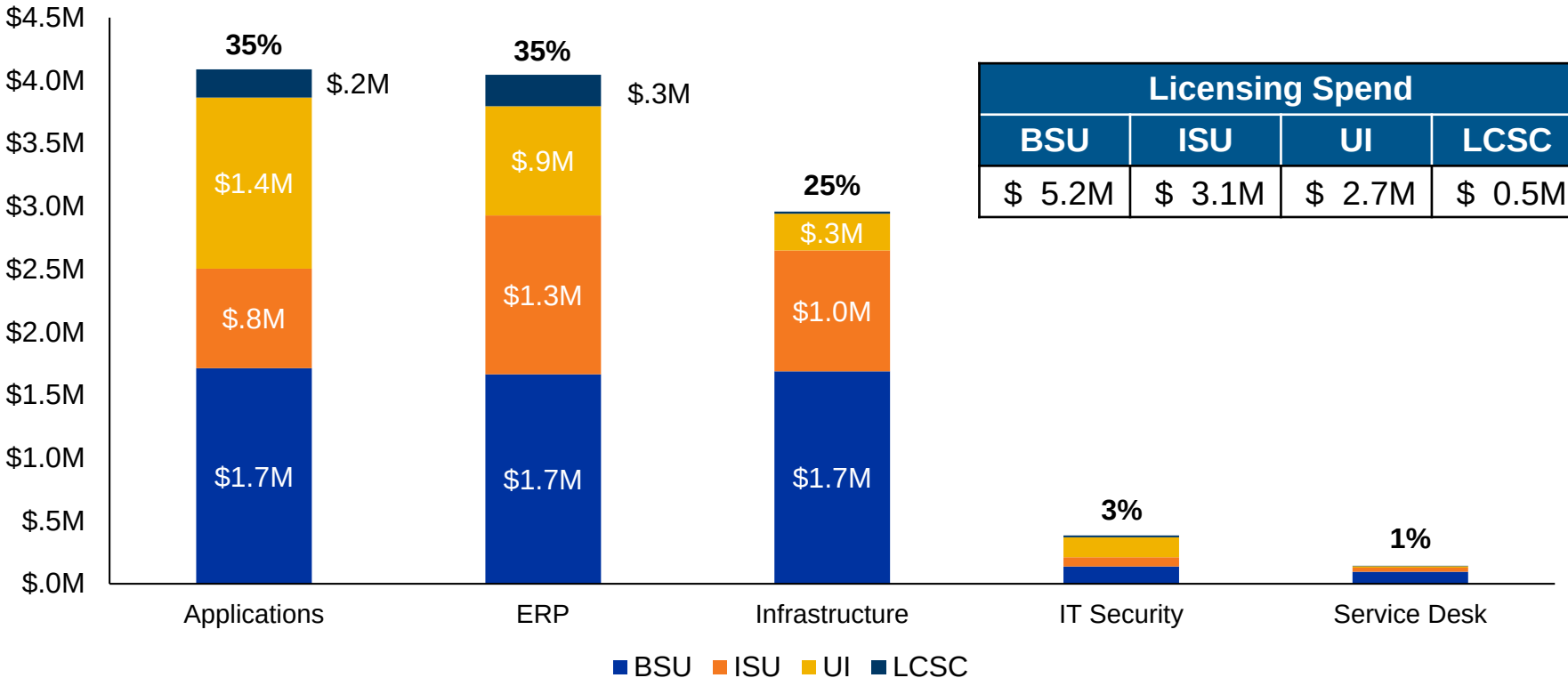
4 Finalize and Implement

- Evaluate test results
- Signoff on testing
- Design detailed cutover plan
- Test and validate conversion programs
- Execute mock conversions
- Resolve and test all defects
- Conduct implementation readiness assessment

3D.3 IT SPEND ANALYSIS

IT LICENSING SPEND TOTALS

IT licensing expenditure totals **$11.5M** annually across the four institutions including spend related to ERP and related expenses, infrastructure, and enterprise applications.



Licensing Spend			
BSU	ISU	UI	LCSC
$ 5.2M	$ 3.1M	$ 2.7M	$ 0.5M

Selected licensing spend categories represent 2-4% of non-labor operating expenditures.

Notes:
1. Based on information gathered through interviews and through Huron's data request; does not include all IT expenditure.

SECTION 3E: SURFACED OPPORTUNITIES

3E.1 SURFACED OPPORTUNITIES

WORKFORCE-RELATED OPPORTUNITIES

Several opportunities were identified during stakeholder interviews that were out of scope but are enumerated in this section of the report.

1

Workforce Consolidation or Centralization

- Huron's experience suggests that there may be opportunities to consolidate functions that require domain expertise such as cybersecurity, economic development, and tech transfer
- Additional opportunities for workforce consolidation may be found in high-volume, repetitive functions such as travel for athletic operations
- Further consolidation may be possible in some functions such as server administration, although such consolidation is predicated on centralization of technology infrastructure

2

Resource Sharing

- Our interviews identified gaps that could be addressed by leveraging current capabilities at another institution among the four, including General Counsel, Internal Audit, and Instructional Design

3

Workforce Outsourcing

- Huron's experience suggests that opportunities to outsource institution-operated bookstores are generally advantageous and should be evaluated and pursued
- Additional opportunities for outsourcing of functions may be identified through further analysis of fleet operations and book store operations

3E.2 SURFACED OPPORTUNITIES

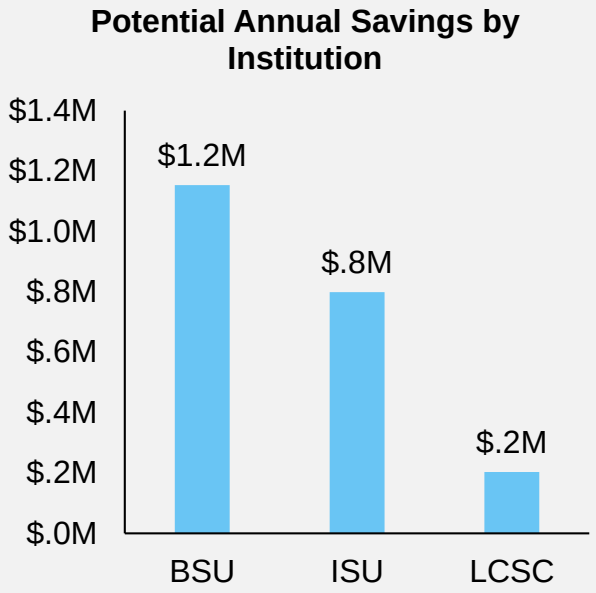
INSURANCE AND RESOURCE POOLING

The nature of some opportunities allowed for additional analysis during this engagement.

4

Self-Insurance

- Alignment to the current University of Idaho medical and dental plans would allow institutions to:
  - Leverage their demographics relative to the state risk pool
  - Determine benefits and make changes as needed
- Potential risks include:
  - Added cost per individual relative to state plan
  - Plan design would need to be carefully considered to meet needs of individual institutions
- Athletics injury insurance may present an opportunity to consolidate coverage across institutions as well although this separate opportunity has not been evaluated in detail



5

Non-Labor Resource Pooling

- Our interviews suggested that opportunities may exist to pool some resources such as library storage, and library subscriptions across institutions

Further analysis is required to fully vet the potential savings and operational viability of these surfaced opportunities.

4

APPENDIX

APPENDIX I: NOTES REPOSITORY

WORKFORCE ANALYSIS (1/2)

Reference	Note
	Created Variables
3B.5	**Central/Distributed:** Functional support staff located in the colleges or outside their department are considered distributed (e.g., a finance employee in the Math Department, or an HR professional located in Facilities).
3B.5	**Functional Support Staff:** Employees were coded as Finance, HR, Research Administration, or Information Technology using their department and job title, with job title taking precedence (e.g., an IT analyst located in the Human Resources department is considered an IT employee)
3B.5	**Generalists:** Generalists were coded by title. Example titles are found on page 19.
3B.5	**Post-Award staff:** Any employee in the research administration with post-award function title was included (e.g., Post-Award, Compliance, Grant Accounting, Grants/Contract Specialist, Sponsored Project Administrator).
3B	**Salary and Benefits:** The most recent available fringe rates (FY19) were used to calculate fully-loaded salaries at each institution: https://www.uidaho.edu/finance/budget-office/fringe-benefits https://vpfa.boisestate.edu/budget-and-planning/fringe-rates/ https://www.isu.edu/research/research-support/osp/financial-rates/ http://www.lcsc.edu/budget/
3B.5	**Senior/Academic Admins:** Senior Admins: Assistant/Associate Director and above, Academic Admins: Assistant/Associate Dean and above
3B.5	**Tier 1 IT:** Tier 1 IT employees were identified by title. Titles include: Tech Support Specialist, Tech Support Specialist Team Lead, IT Support Technician, Technology Solutions Partner

APPENDIX I: NOTES REPOSITORY

WORKFORCE ANALYSIS (2/2)

Reference	Note
	Data Exclusions
3B.3	**Spans and Layers analysis:** Spans and Layers analysis is derived from the personnel file. Headcount excludes students, temporary workers, adjuncts, and secondary jobs, as well as **faculty and athletic admins**. Faculty admins (deans, assistant deans, etc.) are included. Additionally, faculty and athletic admins who supervise administrative employees are counted as supervisors. Any individual that was missing supervisory data at any level was excluded from this analysis (n=97).
3B.4	**Functional Support Staff analysis:** This analysis excludes students, temporary workers, adjuncts, secondary jobs and senior admins.
	Analysis Notes
3B.3	**Spans and Layers:** Supervisory structure determined by supervisor listed for each employee in the personnel file
3B.4	**Functional Staff Optimization/Centralization Savings**: Savings were generated by multiplying the FTE above the Optimum Ratio by the median fully-loaded salary for that category. The savings range represents the generated point estimate +/-20%.

APPENDIX I: NOTES REPOSITORY

PURCHASING ANALYSIS

Reference	Note
3C	Vendor payments for P-Cards and fleet cards were removed when combining the various data sources to avoid duplication of spend data.
3C	Individual reimbursements were recorded in the universities' spend under the individual names. These entries were normalized to a single vendor name "Individual Payment" and were not included in categorized spend analysis.
3C	Huron was provided with a revised data set for Boise State University reflecting AP spend. This new data file may not reflect all AP spend for BSU. Detailed data discussions suggest that potential exclusions impact types of spend categorized as non-addressable and thus not included in detailed analysis and savings opportunity calculations. Huron reviewed and validated original and revised data sets with procurement departments from each in-scope institution.
3C	<u>Huron's Purchasing Analysis Process (Summary)</u> 1. Submit data request and review data provided by institutions 2. Conduct stakeholder interviews and request clarification 3. Remove duplicate data (e.g., payment to P-Card vendors in addition to total P-Card transactions) 4. Categorize data into Level I and Level II based on Huron's taxonomy a. Level I example: Administrative (High-Level) b. Level II example: Office Supplies (Detail) 5. Categorize by addressable, non-addressable , and non-categorized spend based on Huron's expertise in strategic sourcing and supplier contract negotiation a. Addressable spend example: Office Supplies b. Non-addressable spend example: Payments to the state government c. Non-categorized spend example: Payments to an individual or unknown supplier 6. Validate categorizations with client 7. Recommend approach over time based on anticipated value and effort required

APPENDIX II: INTERVIEW LIST

BOISE STATE UNIVERSITY (1/2)

Name	Title
Alicia Estey	Senior AVP Campus Operations
Alexis Rowland	Senior Business Manager
Brian Bolt	Deputy CIO
Corbin Harp	Business Manager, College of Business and Economics
Corey Cook	Dean, School of Public Service
Diana Esbensen	Business Manager, College of Education
Evelyn Redshaw	Senior Business Manager, College of Arts and Sciences
Greg Hahn	AVP Communications and Marketing
Jo Ellen DiNucci	AVP Finance and Administration
JoAnn Lightly	Dean, College of Engineering
Leslie Durham	Interim Dean, College of Arts and Sciences
Leslie Webb	VP Student Affairs
Lynn Harrsch	Senior Business Manager
Mark Bannister	Interim Dean, College of Business and Economics
Mark Heil	CFO, VP Finance
Mark Wheeler	Dean, Division of Extended Studies

Note: some stakeholder interviews included more than one participant listed above.

APPENDIX II: INTERVIEW LIST

BOISE STATE UNIVERSITY (2/2)

Name	Title
Marty Schrimpf	Interim President
Matt Wilde	General Counsel
Max Davis-Johnson	CIO
Randi McDermott	COO, VP Campus Operations
Rich Osguthorpe	Dean, College of Education
Rob Pangaro	Business Ops Manager, College of Business and Economics
Roger Brown	Director, Government and Community Relations
Shawn Miller	AVP Human Resources
Terri Spinazza	Purchasing Director
Tim Dunnagan	Dean, College of Health Sciences
Tony Roark	Interim Provost, VP Academic Affairs
Troy Haan	Director, Development and BIRS
Focus Group: Administrative Support Staff	---

Note: some stakeholder interviews included more than one participant listed above.

APPENDIX II: INTERVIEW LIST

IDAHO STATE UNIVERSITY (1/3)

Name	Title
Adam Jacobsmeyer	Executive Director of Treasury, Business Services & Policy
Angie Dangerfield	University Business Officer, College of Arts and Letters
Anita Smith	Dean, College of Nursing
Bob Hite	Interim Controller
Brian Hickenlooper	Interim CFO
Brian Sagendorf	Director, Human Resources
Cheryl Hanson	AVP Facilities Services
Chris Owens	Interim Dean, College of Pharmacy
Cornelis Van der Schyf	VP Research
Craig Thompson	Housing Director
David Buck	Director, Purchasing Services
Deb Gerber	University Business Officer, College of Business, Library
Fred Parish	University Business Officer, College of Science and Engineering
George Casper	Director of Events
Jim Kramer	University Business Officer, Athletics
Joanne Hirase-Stacey	General Counsel

Note: some stakeholder interviews included more than one participant listed above.

APPENDIX II: INTERVIEW LIST

IDAHO STATE UNIVERSITY (2/3)

Name	Title
Joe Wilcox	University Business Officer, Kasiska Division of Health Sciences
Kandi Turley-Ames	Dean, College of Arts and Letters
Karl Bridges	Dean, University Librarian
Kathleen Kangas	Dean, College of Rehab and Comm Sciences
Kathryn Hildebrand	Dean, College of Education
Kent Tingley	VP University Advancement
Kevin Satterlee	President
Laura McKnight	Dean, College of Health Professions
Laura Woodworth-Ney	Exec VP & Provost
Lisa Lewis Mangum	Director, Enterprise Applications
Lisa Leyshon	Associate Controller
Lyle Castle	Vice Provost Outreach, Dean for Idaho Falls
Lyn Redington	VP Student Affairs
Lynette Mitchell	AVP Finance
Michael Alvord	University Business Officer, College of Technology
Patricia Marincic	AVP ISU Meridian

Note: some stakeholder interviews included more than one participant listed above.

APPENDIX II: INTERVIEW LIST

IDAHO STATE UNIVERSITY (3/3)

Name	Title
Pauline Thiros	Interim Athletic Director
Randy Gaines	CIO
Ron Solbrig	Director, Health Center
Scott Rasmussen	Dean, College of Technology
Scott Scholes	AVP Enrollment Management
Scott Snyder	Dean, College of Science and Engineering
Staci Phelan	University Business Officer, Student Affairs
Stuart Summers	AVP Marketing and Comm
Tom Ottaway	Dean, College of Business
Focus Group: Administrative Support Staff 1	---
Focus Group: Administrative Support Staff 2	---

Note: some stakeholder interviews included more than one participant listed above.

APPENDIX II: INTERVIEW LIST

LEWIS CLARK STATE COLLEGE

Name	Title
Allen Schmoock	CIO/CTO
Andrew Hanson	VP Student Affairs
Celeste McCormick	IT Help Desk Manager
Cynthia Pemberton	President
Fred Chilson	Dean, School of Professional Studies
Jeff Ober	Dean, Career and Technical Education
Julie Crea	Sr Director, Budget Office
Logan Fowler	VP Comm/Marketing
Lori Stinson	Provost
Mary Flores	Dean, School of Liberal Arts and Sciences
Sheila Kom	Head of Procurement
Todd Kilburn	VP Finance, CFO
Tom Garrison	VP Facilities
Vikki Swift-Raymond	VP Human Resources
Focus Group: Administrative Support Staff	---
Focus Group: Enterprise System Stakeholders	---

Note: some stakeholder interviews included more than one participant listed above.

APPENDIX II: INTERVIEW LIST

UNIVERSITY OF IDAHO (1/2)

Name	Title
Brian Borchers	Lead, Enterprise Systems
Brian Foisy	VP Finance/CFO
Brian Johnson	VP Facilities
Cathy Roheim	Senior Associate Dean, College of Agriculture and Life Sciences
Chuck Staben	President
Dan Ewart	CIO
Dennis Becker	Interim Dean, College of Natural Resources
Ginger Carney	Dean, College of Science
Greg Cain	Interim AVP Auxiliary Services
Janet Nelson	VP Research
Janice Todish	Lead Business Officer, College of Letters, Arts, and Social Sciences
Joe Christensen	Lead Business Officer, College of Business and Economics
John Wiencek	Provost
Julia McIlroy	Director, Purchasing Services
Kent Nelson	General Counsel
Linda Campos	Controller

Note: some stakeholder interviews included more than one participant listed above.

APPENDIX II: INTERVIEW LIST

UNIVERSITY OF IDAHO (2/2)

Name	Title
Lisa Miller	Lead Business Officer, Auxiliary Services
Marc Chopin	Dean, College of Business and Economics
Margarita Cardon	Lead Business Officer, College of Agriculture and Life Sciences
Mellody Miller	Lead Business Officer, College of Science
Michael Parrella	Dean, College of Agriculture and Life Sciences
Sean Quinlan	Interim Dean, College of Letters, Arts, and Social Sciences
Stefany Bales	VP Comm/Marketing
Steve Hacker	Lead Business Officer, College of Natural Resources
Wes Matthews	Executive Director, Human Resources
Focus Group: Administrative Support Staff 1	---
Focus Group: Administrative Support Staff 2	---

Note: some stakeholder interviews included more than one participant listed above.

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