Technology Infrastructure Fee

Recommendation to
Information Technology Board
May 20, 2011
Current Situation

- Two fees cover data networking and security
  - RUAC - $11.00 / IP address / year
  - Data Network Surcharge – $6.50 / phone / month
- Both fees are currently subsidized
  - One-time funds will be depleted in ~2 years
- Desire to include other “common good” services
  - Identity management
- Current structure subject to cost shifting
  - Hiding IP addresses
  - Removing phones

5/20/2011  Tom Putnam, CIO
• All fund sources should pay fair share
• Neutral with respect to new technology
• Avoid taxing usage which discourages electronic collaboration
• Prevent local behavior that shifts costs to everyone else in the enterprise
• Avoid time-consuming manual processing
• Use simple method with predictable costs
**Committee members**

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Proposed Fee

Technology Infrastructure Fee (TIF)

• FTE based
• Replaces RUAC and Data Network Surcharge
• Begins in Fiscal Year 2011-2012
  • Can start a couple of months into the year
• Revenue neutral in total for first year compared to average of the past 3 years
  • $8.12 per FTE per month
  • Fee will increase when subsidies are exhausted

5/20/2011

Tom Putnam, CIO
FTE-based cost allocation model

- A person working quarter time counts as .25 FTE
- A person who is paid on several accounts would have their fee attributed proportionally to each account by % of effort
- Data on FTE counts would be derived directly from the payroll system
- The fee would be charged monthly
- All employees including student employees would be counted
  - Work-study student employees not charged on the portion of their pay from the government
• Fee normally charged to sub 3 of pay account
  • Plan to allow control points to reallocate charges
• Contract & Grant FTEs
  • Assessed to central account funded from indirect cost recovery (overhead) funds
• Students in University Housing
  • Continue current charges for IP and ISP services pending review of ISP service costs
Fee Governance

• Robust review of services and costs
  • Mix of services will change over time
  • IT Board to control costs and ensure services aligned with campus’s strategic goals
  • Income & Recharge Committee will review cost proposal annually

• Operational responsibility – OIST
  • Develop billing reallocation mechanism with guidance from subject-matter experts
  • Assure operational integrity
Detailed information

https://it.ucsb.edu/projects/tif