STRATEGIC IT ACCOUNTABILITY BOARD MEETING NOTES
TUESDAY, MARCH 6, 2012
11:00 a.m. – 12:00 p.m.
STARK LIBRARY

Attendees: President Powers, Pat Clubb, Brad Englert, Fred Heath, Kevin Hegarty, Greg Fenves, Andrew Dillon, Charles Roeckle, Steve Leslie

Absent: Jay Boisseau, Betsy Greenberg, Fred Steiner

Guests: Mary Knight, William Green

I. Administrative System Master Plan – Endorse

Mary Knight, Chair of the Business Services Committee, presented an overview of the Administrative Systems Master Plan *(a brief for the plan is included in the meeting handouts).* The plan was developed by the Business Services Committee in conjunction with the IT Architecture and Infrastructure Committee and the Administrative IT Leaders Advisory group. Prior to being presented to SITAB, the plan was presented to each of the IT governance committees who offered input on the plan and endorsed it. SITAB endorsed the initial investment to create the backend architecture for the move to Open Systems. They also endorsed the plan for each unit to create roadmaps for their respective areas that will include estimated transition costs, timelines, and Return on Investment.

The committee inquired about overall transition costs for new administrative systems. The total costs are not known at this point. Once the unit roadmaps, which will drive budget decisions, are complete a clearer picture of costs will be discussed with SITAB and the University Budget Council.

The committee inquired about any implications of the move of the UT System to PeopleSoft for UT Austin. The response was that UT Austin has made the decision to move to an Open Systems architecture, but has not made decisions beyond development of the unit roadmaps. A move to PeopleSoft would have to make business sense for the UT Austin campus. The committee also asked about the effects of UT Austin’s move to Open Systems on campuses dependent on UT Austin for software and other IT developments. It was noted that these institutions plan to move to their own administrative systems by April of 2013, as part of the UT System migration project.

The committee inquired about the backend system, Oracle and Oracle’s relationship to PeopleSoft. Oracle will be used as the backend database system. It is the common business standard for a scalable, backend database. The database is a fully separate product from the PeopleSoft product.

The committee queried about the intensity of the process for units to move to a new system. It was noted that some units have already begun the planning process for transition. Those plans will be placed into a common format and combined with a return on investment analysis. For those units that do not have plans in development, basic templates for planning will be provided by the Chief Information Officer.
The committee inquired about training and transition support for units. Transition programs and skills training will be identified for each transition.

The committee inquired as to job and employment implications of the new system. It was noted that UT may have to hire additional staff to support the new systems and that the skill sets for these employees would differ from the existing workforce. That being said, current staff members are essential to the transition because they know the current business units and business functions and practices. Additional skills will be required to support the new environment. While skill sets and staffing will change, it is not clear that Information Technology Services will grow overall as a unit. Industry assessment from observations at peer institutions and prior UT Austin studies suggest that $25-30M is spent on average each year on administrative systems. While there will be an increase in expenditures during the transitions, costs are expected to return to these levels.

The committee asked about the lifespan of the mainframe and its capacity to support the transition. The mainframe is expected to last another five to six years. Transition to new administrative systems is expected to take five to six years, thus now is the time to start. The committee inquired if the systems that use the most mainframe processing resources should transition off first. It was noted that analysis suggests that we are efficient in our mainframe use, and that the migration off of the mainframe will occur module by module, as prioritized by business strategy and need.

The committee unanimously endorsed the administrative system master plan. They authorized the next steps which are investment in the Open Systems infrastructure and the development of unit-level transition roadmaps. They also endorsed monies to be used for consulting services. Investments beyond these will require work with the University Budget Council.

IV. Voice over Internet Protocol – Endorse

William Green presented the approach for moving to Voice over Internet Protocol (VoIP) for telephony (a brief of that presentation is included in the meeting handouts). The IT Architecture and Infrastructure Committee provided technical oversight to the task force that has been working on the VoIP project. Oversight was also provided by an Executive VoIP Committee reporting to the Operational IT Committee. Upon completion of the recommended approach to VoIP for campus, the task force and executive committee vetted the approach through the various governance groups, incorporating edits and feedback. The approach was endorsed by the governance groups and was presented to SITAB for final endorsement.

There are currently six years of support remaining for the existing telephone system. The move to a new technology will take approximately four to five years. An initial $2M central capital investment is necessary to support the transition to VoIP. This investment was anticipated and included in the ITS capital budget for the fiscal year. The total university investment over five years is expected to be $8M.

The committee inquired as to whether the approach includes the demolition of the current building where the telephone system is located and the funding model for the Building Access Control System (BACS). The cost of demolishing the building and moving the remaining copper, institutional lines will be in addition to the costs of moving to VoIP. Also, when the telephone rates are reduced for those moving to VoIP, IT governance will need to address funding of the BACS maintenance.
The committee inquired if a move to VoIP could occur sooner than expected. It was noted that a move could occur sooner, but costs would increase because more outsourcing for transition would be necessary in order to accelerate the deployment.

The committee inquired about the long-term costs for units. Specifically, are there units that will end up paying more for service? It was noted that based on analysis, costs may go down for units depending on local choices they make about phones. Units would not end up paying more for service. It was noted, however, that the Building Access Control System (BACS) maintenance has been funded to-date through phone rate subsidies. A new funding model that brings transparency to that service must be developed that does not include phone rate subsidies. Units should be aware that there will likely be new costs for BACS. A task force will be created to look at a pricing structure for BACS that includes campus representation.

Because there will be up-front costs for units associated with moving to VoIP, the task force recommended a finance option for departments. These departments would continue to pay the existing telephone rates until they paid off the up-front investment, after which they would enjoy the reduced VoIP rates. A financial model was developed for two potential buildings—one older building and a newer building. Regardless of building, pay-back time typically takes about a year to cover the transition costs.

The committee inquired about individual privacy associated with VoIP. Privacy will remain the same with VoIP. Security will be enhanced as calls will be encrypted, not possible with the old phone system.

The committee unanimously endorsed the VoIP approach.

VI. UT System IT Appraisal and Strategic Roadmap for IT – Update

PriceWaterhouseCooper conducted focus groups and interviews on campus to assist the UT System in determining a roadmap for information technology services across the System. The three priorities for UT Austin are increasing data center capacity for future high performance computer systems, increasing the network capacity, and offering more wireless access in classrooms. Details are included in the meeting handouts.

VII. UT System Info Security Funding – Update

Upon review by Deloitte, the UT System determined that information security across the system required attention and funding. They allocated $34M to the system and solicited proposals for funding. Included in the handouts are the primary projects requested by UT Austin for funding.