Update on Network Chargeback (Numbers)

Pat Burns, VP for IT
CAAG Meeting
May 11, 2010
Scope: 3 Components

- **Included in costs for FY11+**
  1. Costs for CSU’s internet services
     - Commodity internet
     - R&E networks: Internet2 and National Lambda Rail
     - WAN connectivity
     - Backbone switches
  2. Costs for underground fiber

- **Excluded from costs for FY11+**
  3. Costs for building switches funded via:
     - Base budget request
     - Provost base savings
     - Telecom savings
FTE–based Model

- Annual costs based upon ‘FTE’
- FTE computation from payroll (Oracle) and spring census student enrollment
  - Employee FTEs from July 1–February 22 (8 mos.)
    - Convert to annual FTEs
  - Exclude off-campus FTEs
  - Student FTEs from Spring census date
    - Each = 1/10 of an employee FTE
- ‘FTE’ = \( \text{FTE}_{\text{salaried}} + \text{FTE}_{\text{hourly}} + \frac{\text{FTE}_{\text{student}}}{10} \)
  - FY11 rate = $10.25/’FTE’–month = $123.02/’FTE’–yr.
  - Will recompute annually
FTE Partitioning

- ‘E&G’ FTEs
  - Account subcodes: BOG, EG, VETMED, EXPSTA, RARSP, EXTEN, AEP, CSFS, COURSE, SPONPR (where shared), ARRA (where shared)

- ‘Other’ FTEs
  - Not funded centrally, the responsibility of the departments
‘E&G’ and ‘Other’ Funding

- ‘E&G’ – Provost’s office
  - Will ‘sweep up’ central funds used to pay for network chargeback and fiber from FY10 billings
  - Be responsible for all ‘E&G’ FTE-based network payments in FY11+

- ‘Other’ – All others will be charged, including sub-units where FTE’s are ‘Other’ funded

- Model is judged auditable
Questions

On ‘FTE’-based cost model?
Summary for FY 11 vs. FY 10

- Total revenue (constant) = $1,036,761/yr.
- Total differences between ‘E&G’ and ‘Other’ are equal to within < 2%
  - $19,072/yr. ‘E&G’ savings
  - $19,072/yr. ‘Other’ increase in cost
    - Details by department in attached spreadsheet
    - Also, ‘rolled-up’ differences for VP and Dean units
- ‘E&G’ savings of $19,072/yr.
  - Used in FY11 as a subsidy for ‘Other’ to cap the maximum increase in ‘rolled-up’ cost to $6,765
  - Used in FY12+ to fund building switches
    - Building switch costs will not be added to ‘Other’ costs
## Details on Attached Spreadsheet

File ‘DeptSummaryFY10&11–2010–05–08.xls’

<table>
<thead>
<tr>
<th>Column(s)</th>
<th>Contains</th>
</tr>
</thead>
<tbody>
<tr>
<td>A, B</td>
<td>Dept. Numbers and Names</td>
</tr>
<tr>
<td>C (blue), D</td>
<td>FY11 ‘FTE’ charges, ‘E&amp;G’ and ‘Other’</td>
</tr>
<tr>
<td>E–H</td>
<td>FY10 costs (columns hidden for clarity)</td>
</tr>
<tr>
<td>I (pink), J</td>
<td>FY10 ‘FTE’ charges, ‘E&amp;G’ and ‘Other’</td>
</tr>
<tr>
<td>K, L</td>
<td>Difference: +tive = increase; −tive = savings</td>
</tr>
<tr>
<td>M, N</td>
<td>‘Rolled up’ differences, Dean &amp; VP levels</td>
</tr>
<tr>
<td>O</td>
<td>Net FY11 ‘Other’ rolled-up costs</td>
</tr>
<tr>
<td>P</td>
<td>Provost FY 11 one-time subsidy for ‘cap’</td>
</tr>
<tr>
<td>Q (green)</td>
<td>FY12+ ‘Other’ rolled-up billings</td>
</tr>
<tr>
<td>R (yellow)</td>
<td>FY11 ‘Other’ rolled-up, subsidized billings</td>
</tr>
</tbody>
</table>
Questions

On the spreadsheet?
What You will See in FY11

- All units (sans Housing) will be relieved of underground fiber charges
- The network will begin to be upgraded by 10X
  - WAN, backbone switches, and building switches
- ‘E&G’ costs
  - FY10 budgets will be swept (pink column)
  - ‘E&G’ activities henceforth will be relieved of all networking and underground fiber costs
- ‘Other’ costs
  - Will be billed to ‘rolled-up’ units (VPs and Deans)
    - FY11: yellow column (subsidized, capped for FY 11)
    - FY12+: green column (unsubsidized)
For each “rolled-up’ unit in FY11

- In ‘rolled-up’ mode, we will get to you:
  - ‘E&G’: amounts (pink column) and accounts to be ‘swept’
    - FY10 network chargeback amount(s) and account number(s)
    - FY10 underground fiber billing amount(s) and account number(s)
    - Account number(s) will be forthcoming with the details
  - ‘Other’: annual bills
    - FY11 amounts to be billed (yellow column)
Discussion on Billing, etc.

- Reasonably fair and equitable?
- Rolled-up model feasible?
- Is there a better way?
- Need more dialogue?