The Information Technology (IT) Alignment and Cost Reduction Work Group met regularly over a six month period (September 2009 to February 2010) to assess realignment of information technology resources across the campus. While the initial charge was a focus on cost reductions, it became quickly apparent that cost reductions based on the activities recommended to the Advisory Council on Budget and Strategic Planning was going to be quite difficult. Reasons include:

- IT costs are too difficult to assess, compare and control
- IT related decision making is unclear across college and division boundaries
- Accountability for IT strategy and funding is unclear and too distributed

While the Work Group has made some progress on reducing costs, a considerable amount of time was spent on defining an IT governance structure that going forward will enable the University to

- Identify and prioritize IT capabilities critical to OSU’s mission
- Drive policies and strategies for managing overall IT costs
- Improve IT service quality and user satisfaction

Additionally, the Work Group spent considerable time “inventorying” current IT costs across the institution so that in the future cost reductions, if needed, can be applied in a rational manner.

Cost Reductions: The IT Alignment and Cost Reduction Work Group took as the starting point the ten measures that were identified in the recommendations to the Advisory Council on Budgets and Strategic Priorities. The cumulative savings from these measures was estimated to be approximately $1.5 million, with $570,000 of savings targeted for the 2009-10 and the remaining for 2010-11. A three-month intensive effort involving a number of individuals and groups on campus focused on validating those estimates. As a result, the Work Group concluded that for the reasons listed above, it was difficult to either fully validate or achieve projected cost reductions. The Work Group has helped initiate numerous actions involving several entities that over the two year period will help reduce costs by $600,000-$650,000. Cost reductions projected for measures such as creating a single administrative computing core and consolidating desktop support are linked to the broader issues of IT governance and distribution of IT expenditures across academic and administrative units.

Separate from the efforts of the IT Work Group, the College of Engineering and the Division of Information Services have reduced their IT expenditures by $645,000 and $87,150, respectively, to meet their overall budget reduction targets.

IT Governance: The result of the IT Work Group efforts is a new IT governance structure that also redefines the role of the Vice Provost for Information Systems for the University. The Work Group concluded that IT governance is at the heart of how revenue/cost allocation and decisions are made across the University and how reductions can be achieved in a strategic manner to avoid unintentional impact of reductions on teaching, research and administrative functions of the university. The Work Group estimates that currently approximately $40 million of university resources are tied up in IT costs.

The proposed IT governance model captures some of the best practices in IT governance at other institutions, but is tailored to OSU needs. The model brings together a structure to coordinate information, ideas and funding around four key areas: infrastructure, instructional, research, and administrative. It also proposes to leverage the division and business center alignments for costs and accountabilities. The proposed governance structure has been discussed with the Provost’s Council, the Faculty Senate Information Technology Coordinating Committee, IS Management Team, and DCAs to solicit input to enhance the model. The formal implementation process will be initiated with the start of spring term in April 2010.