AGENDA ITEM SUMMARY

1. **NAME OF ITEM:** Approval of the Integrated Workplace Management System Project

2. **INITIATED BY:** James H. Page, Chancellor

3. **BOARD INFORMATION:**

4. **BOARD ACTION:** X

4. **BACKGROUND:**

   This is a request for the Board of Trustees pursuant to Policy 701 to authorize the expenditure of as much as $2.22 million to acquire and implement an Integrated Workplace Management System to support facilities management system-wide.

   This project was formally supported by the Shared Services Advisory Council in April 2010. It has been repeatedly recommended by the University’s outside facility consultant, Sightlines, in its annual report to the System. It was called for in the University’s New Challenges, New Directions report. Most recently, the University of Maine’s 2012 Blue Sky Project plan calls for such a system and for it to be in place by 2017. Various additional reports have likewise called for this project to be done.

   Benefits of this technology project would include:
   - streamlining the electronic systems which support facilities management system-wide;
   - improving decision-making and planning information;
   - eliminating four stand-alone and duplicative legacy computer systems;
   - integrating facilities management with existing enterprise-wide financial systems;
   - reducing administrative effort associated with facilities management;
   - targeting the investment of limited existing resources to where they can be of most advantage.

   This proposal and its costs have been closely coordinated with the Chief Information Officer and his team. The CIO has reviewed and supports the project and the approach.
The costs and the benefits of this project have become clearer since 2010. Both the costs and estimated benefits have increased while the simple payback had remained essentially the same at approximately 5-to-7 years from the start of implementation, including one-time start-up costs and the ongoing sustainment costs. This estimated return is based on achieving efficiency gains of $0.09 per gross square foot and improving the ability of the University to focus on preventative and planned maintenance rather than reactive or demand work.

The Barkley Advisory Group was consulted on this project and, based on existing benchmark information, concluded in 2012: “Our research sample strongly indicates a direct correlation between the presence of IWMS Systems and integrated processes with improved organizational performance….it is estimated that the Maine System can conservatively achieve a $0.10 per square foot annual savings.” The payback will vary based on the actual implementation, the timing of the discontinuation of legacy systems, and other project factors.

The metrics for this project, as identified by the Barkley group, would include several different independent benchmarks which are monitored at the University of Maine System and at other institutions by 3rd party organizations, such as Sightlines and APPA. For example, Sightlines monitors annual costs for daily services, energy and planned maintenance for its participating institutions. APPA monitors metrics such as building maintenance, custodial and administrative costs which the project may also reference.

One of the goals of this project would be to see the costs associated with daily service and energy fall and to be contained, while also seeing more resources invested in planned maintenance and preventative work. The shift in these metrics is expected to occur because the new facility system will reduce administrative costs and will provide better information for identifying, prioritizing, scheduling and communicating about needed work. Sightlines has described some of the benefits of this type of project to be improved strategic capital decisions, improved planned maintenance management, improved allocation of resources, and greater staff utilization and customer satisfaction.

After a steady but slowed pace in 2011 and 2012 due to the financial challenges confronting the University, the project is now again ready to move forward. Vendor evaluations have been completed and the University stands ready to make an award, execute a contract and implement the project. The project would be implemented primarily in FY2014 and concluded in FY2015. System funds have been identified for this project and it will only move forward once such funds are confirmed by the Treasurer as available.

**TEXT OF PROPOSED RESOLUTION:**

That the Board of Trustees authorize the expenditure of as much as $2.22 million to acquire and implement an Integrated Workplace Management System to support facilities management system-wide from funding sources as identified by the Treasurer.

03/07/2013