

Background

OIT has undergone significant re-organization over the past four years and has struggled to fill vacant positions due to challenges with recruitment and retention. Unemployment in the IT sector has held steady between 1-2% for the past several years, with the most sought-after skill sets consistently at or below 0%. OIT has also suffered from high attrition due to challenges with organizational culture, work environment, and compensation. Significant progress has been made to address the latter issue, but it will take time to recover and fill vacant positions. As a result of these challenges, OIT underspent its allocated FY19 budget by approximately 25%.

Looking Ahead

Technology is an enabler for nearly every element of the strategic framework. To successfully implement the framework and remain relevant in the medium to long term, OHIO must improve its capability and competency in leveraging technology and data to support modern business processes and differential student outcomes. OIT has done the difficult work of reorganizing and eliminating legacy functions and services. To move forward, we must re-invest those resources to sustain and grow the IT capabilities needed to support a reimagined OHIO.

Principles

We established the following principles to guide our identification of reductions to achieve the 5% and 10% reduction scenarios:

- Invest in capabilities that support the strategic framework initiatives and increase the effectiveness of OIT
- Maintain technical capabilities required to operate core IT services
- Minimize reduction in service level

Context

- OIT's planned FY21 budget of \$27M represents approximately 3.5% of the total university budget of \$778M for FY20. According to Educause, most public institutions spend between 4% and 4.5% of total budget on central IT services.
- Approximately 80% of OIT's budget is spent on staff. The remaining 20% is spent on software and service contracts.
- The amount spent on software and service contracts has been aggressively reduced in recent years. While our planning scenarios include modest additional reductions in this area, we have identified more than \$350k in new, unplanned, recurring expenses so far in FY20 due to shortsighted reductions made in previous years.
- Most software and service contracts increase in cost each year due to vendor price increases. On average, the annual increases for software and service contracts is 3%, or about \$135k in net new expenses each year. We've accounted for this in our reduction scenarios.