

Cost Containment Identification Process

Purpose:

To identify, collect and report all cost savings and cost containment initiatives at the University.

Usage:

Cost containment data is used for internal communications, media and public relations, donors, state reporting and more.

Process:

In general, each division is responsible for identifying cost containment efforts in their area and entering those actions and any associated savings into this common database through the web interface. When a unit determines that a cost containment or cost savings action has taken place, they should have their unit financial personnel estimate the amount of the savings and enter the item into the database. If the change does not have an identifiable cost savings, it too should be entered into the database at a zero amount. Cost containment actions such as service improvements or operational changes that create efficiencies would fall into this category.

Criteria for Cost Containment / Savings Items:

While the primary objective is to identify actions that lead to either permanent or one-time savings, we also want to capture service improvements or actions that help contain future costs. In many instances, savings produced by these actions are absorbed by other priorities in the department, unit or division. However, the action or initiative should still be reported. Listed below are the categories that will be used to identify cost containment/savings activities. Categories are separated into those for departmental use and those for central administrative use.

General Department Categories:

- Re-organizations - Any re-organization effort that includes position eliminations, reduction in hours or labor costs, operating expenses etc., should be included in this category.
- Process re-engineering - Any re-engineering initiative that reduces expenses should be included in this category. Examples include processes or system implementations that reduce compensation and/or other operating expenses. Also included here would be service improvements and other actions that help hold down or contain future costs, but where the action cannot be quantified with a savings figure.

- Outsourcing / Partnerships - Any outsourcing initiatives or partnership activities that lead to an identifiable reduction in costs to the University should be included in this category.

Central Administrative Categories:

- Utilities/Energy Conservation Initiatives
- Employment and Benefit Initiatives
- Technology/Telecommunications initiatives

Other:

- Any cost containment or savings action that doesn't fit into an existing category.

Timing:

Departments should submit their cost containment items as soon as they are aware of them.

Database Fields:

Unit (School, College or Department)
Initiative Name
Detailed Description of Initiative
Category (Selection)
Permanent or One-Time (Selection)
Estimated Savings or Reduction of Future Costs Amount
Month / Year Action initiated
Contact Person Name
Contact Person E-mail

Budget and Financial Planning

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Budget and Financial Planning

Wilson Hall, Room 516
371 Wilson Boulevard
Rochester, MI 48309-4486
[\(map\)](#)

The Budget Office assists executive management and the university community by compiling and disseminating information for planning and budgeting. The goals of the office are to direct the planning and budgeting cycle, to provide information for internal planning and the decision-making process, to facilitate the reporting requirements of the university, and to provide budgetary support services to the university community.

Budget Office Responsibilities:

- Develop the university's operating budget
- Coordinate the development of the university's ancillary budgets
- Monitor the university's budgetary performance to ensure overall compliance
- Manage the university's position control process
- Manage the collection and submission of the State of Michigan (HEIDI) data

Click [Cost Containment](#)

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[Cost Containment Instructions](#)[Cost Containment Database](#)

Click **Cost Containment Database**

Budget Office Web Tools

This page is designed to allow staff from the Budget Office to perform certain web based functions. **All access is logged and monitored.**

NetID: @ oakland.edu

Password:

Enter

For more information about your NETID please go to the [NetID Management website](#).

Type your NetID (email) and password, then click the **ENTER**

Budget Office Web Toolbox

Select the Budget Site Web Tool you'd like to use:

GO Cost Containment Submissions

You are currently logged in to edit

[LOGOUT](#)

Click **GO** next to Cost Containment Submissions

Cost Containment Submissions

Below please find the Cost Containment Efforts you've entered for your unit.
To add a Cost Containment Effort, click the ADD icon.

For questions regarding the content of Cost Containment submissions, please contact Michele Knox (knox2@oakland.edu).

UNIT:

Budget and Financial Planning ▾

PERIOD:

January - March 2017 ▾

Add Sort Order

You do not currently have any submissions for this unit for the selected reporting period. To add a submission click the ADD icon above.

For questions regarding the content of Cost Containment submissions, please contact Michele Knox (knox2@oakland.edu).

To **VIEW** Existing Submissions:

Verify or change Unit. Click ▾ to change the Unit.

Verify or change Period that the savings takes place in or was initiated. Click ▾ to change the Period.

All submissions which have been entered for the displayed Unit and Period will show.

Cost Containment Submissions

Below please find the Cost Containment Efforts you've entered for your unit.
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To **ADD** a new submission:

Verify or change Unit. Click ▾ to change the Unit.

Verify or change Period that the savings takes place in or was initiated. Click ▾ to change the Period.

Click **Add**

ADD A COST CONTAINMENT EFFORT

Unit: Budget and Financial Planning

Reporting Period: January - March 2017

Initiative Name:

Detail Description of Initiative:

Category: [\(descriptions\)](#)

Permanent or One-Time:

Estimated Annual Savings or Reduction of Future Costs Amount (whole numbers only, round to nearest dollar, please do NOT include dollar signs (\$) or commas(,)):

Amount Notes:

Month/Year Initiated (mm/yyyy):

Contact Person Name:

Contact Person Email:

ENTER



Enter requested data and then click **ENTER**