

June 25, 2025

TO: Members of the Board of Trustees

FROM: Jeffrey P. Geoghegan, CPA 
Executive Vice President for Finance and Chief Financial Officer

RE: Project Budget for VoIP Implementation and 5ESS Decommissioning
(Final: \$4,000,000)

RECOMMENDATION:

That the Board of Trustees approve the Final Budget of \$4,000,000, as detailed in the attached Project Budget, to execute the implementation of Voice Over Internet Protocol telecommunications system and the decommissioning of the 5ESS that regulated the copper telecom system. The administration recommends that the Board of Trustees adopt the resolution below.

RESOLUTION:

"Be it resolved that the Board of Trustees approve the use of \$4,000,000 in UCONN 2000 bond funds for the VoIP Implementation project and approve the request to waive the three-stage budget approval, allowing work to proceed immediately."

BACKGROUND:

Information Technology Services (ITS) has long held an earmark of approximately \$5M to refresh the campus voice infrastructure, which consists of a 5ESS Private Branch Exchange (PBX) switch serving the Storrs campus. This switch was installed in the late 1980s and has been in continuous operation since then. The usable lifespan of a PBX switch is 30-35 years. The existing device is now beyond the end of its usable life. Support has become increasingly difficult and expensive as we now rely on professional services from multiple contractors for support of this legacy device.

Rather than deploy an updated replacement to the existing PBX infrastructure, ITS has begun transitioning the university to Voice Over Internet Protocol (VoIP). This replaces the central PBX with a much smaller central device and moves the feature set out to soft phones and traditional handsets. This contemporary voice infrastructure shares the same network and power infrastructure as our other enterprise information services and is much better aligned to contemporary networking and information technology skills. The current investment in the Wired Access Layer Refresh program (WALR) is an enabling effort for the VoIP initiative. Additionally, to date, ITS has invested approximately \$1M toward progressing the VoIP project over the last two fiscal years.

The phone services for the regional campuses are provided by Frontier Communications at a significant annual cost. Migrating the regional campuses to VoIP can provide them with a better service at a reduced expense. Networking upgrades on both the Waterbury and Stamford campuses have enabled ITS to deploy VoIP in FY24 as well as Avery Point in FY25. Expansion of VoIP to Law School and Hartford GBLC are in progress.

Full implementation of VoIP is expected to save the University an average of \$833,000 per year which will result in a full return on this \$4,000,000 capital investment within five years.

Estimated Savings / ROI (in millions)	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Professional Support/Staff	\$0.7	\$0.3	\$0.5	\$0.4	\$0.4	\$0.4
Contracted Services	0.9	0.5	0.5	0.5	0.5	0.5
Enterprise Agreements/Business Systems	0.3	0.3	0.3	0.3	0.4	0.4
Break Fix/Equipment	0.3	0.1	0.1	0.1	0.1	0.1
Total Annual Expenses	\$2.2	\$1.3	\$1.4	\$1.3	\$1.3	\$1.4
Cumulative Savings		\$0.9	\$1.6	\$2.5	\$3.4	\$4.2

Attachment

CAPITAL PROJECT BUDGET REPORTING FORM

TYPE BUDGET: FINAL

PROJECT NAME: VOIP IMPLEMENTATION AND 5ESS DECOMMISSIONING

<u>BUDGETED EXPENDITURES</u>	<u>PROPOSED FINAL 6/25/2025</u>
CONSTRUCTION	\$ -
DESIGN SERVICES	-
TELECOMMUNICATIONS	3,809,524
FURNITURE, FIXTURES AND EQUIPMENT	-
CONSTRUCTION ADMINISTRATION	-
OTHER AE SERVICES (including Project Management)	-
ART	-
RELOCATION	-
ENVIRONMENTAL	-
INSURANCE AND LEGAL	-
MISCELLANEOUS	-
OTHER SOFT COSTS	-
SUBTOTAL	\$ 3,809,524
PROJECT CONTINGENCY	190,476
TOTAL BUDGETED EXPENDITURES	<u>\$ 4,000,000</u>
<u>SOURCE(S) OF FUNDING *</u>	
UCONN 2000 BONDS	\$ 4,000,000
TOTAL BUDGETED FUNDING	<u>\$ 4,000,000</u>

* This budget reflects the University's current intended source(s) of funding for the specified project. The University may adjust this funding plan in order to ensure compliance with applicable federal and state law(s) or to strategically utilize all fund sources, within the approved budget amount, as appropriate.

BOT 6.25.25