

Improving Travel Management at Notre Dame



UNIVERSITY OF
NOTRE DAME

September 28th, 2010



Introductions

Jim Knight, Managing Director, Huron Consulting Group

- Jim has more than 26 years of consulting and healthcare industry experience including several years performing strategic sourcing projects for major corporate clients. Jim leads the delivery of Huron's procurement solutions in the higher education market. In addition to cost reduction work, Jim assists clients with strategic procurement planning, process redesign and implementation, and industry financial and operations management.

Rob Kelly, Director, Proc. Svcs, University of Notre Dame

- In 2007, Rob became the Director of Procurement Services at the University of Notre Dame. In this role he has responsibility for institutional purchasing, supply contracts and procurement systems. He began his employment at the University in 2006 as the Business Manager for Procurement Services. He came to Notre Dame from Honeywell International and graduated from the University of Notre Dame with a BS in Aerospace Engineering and a Masters in Business Administration.

Agenda

- Background & Perspective
 - Travel as an Opportunity
 - Notre Dame's Starting Point
- Developing the Business Case for Change
 - Purpose, Scope & Frameworks
 - Current State Assessment
 - Benchmarking
 - Future State Assessment
 - Market Landscape and Vendor Analysis
 - Vendor Return Analysis
 - Program Management
- Implementation and Current Status
- Lessons Learned
- Questions / Discussion

Background and Perspectives

Travel as an Opportunity

Strategic Sourcing Assessment Target Areas

(\$'s in 000s)

Category	A/P Spend	P-Card Spend	Est. Annual Spend	% of Spend
CONSTRUCTION	\$33,166	\$20	\$33,176	16%
TRAVEL & ENTERTAINMENT	18,220	120	18,340	9%
SCIENTIFIC SUPPLIES & EQUIPMENT	13,935	230	14,165	7%
PROFESSIONAL SERVICES	10,275	105	10,380	5%
UTILITIES	9,790	0	9,790	5%
BOOKS & SUBSCRIPTION SERVICES	7,910	525	8,435	4%
IT SOFTWARE & SERVICES	6,915	130	7,045	3%
FACILITIES EQUIPMENT	6,385	230	6,615	3%
IT HARDWARE	6,245	280	6,525	3%
PRINTING & DOCUMENT SERVICES	4,785	235	5,020	2%
TELECOMMUNICATIONS	4,785	40	4,825	2%
FACILITIES SERVICES	4,355	70	4,425	2%
FURNITURE	4,085	10	4,095	2%
INSURANCE & BENEFITS	3,840	0	3,840	2%
MEDICAL PRODUCTS & SERVICES	3,410	30	3,440	2%
OFFICE EQUIPMENT	2,825	90	2,915	1%
MRO SUPPLIES & PRODUCTS	2,300	405	2,705	1%
LINENS & APPAREL	2,255	155	2,410	1%
FOOD RELATED PRODUCTS & SERVICES	1,735	360	2,095	1%
FLEET	1,660	110	1,770	< 1%
OFFICE RELATED PRODUCTS	1,200	400	1,600	< 1%
FINANCIAL SERVICES	1,365	65	1,430	< 1%
GENERAL RETAIL	765	390	1,155	< 1%
FREIGHT, & COURIER SERVICES	940	55	995	< 1%
REAL ESTATE	765	0	765	< 1%
EXECUTIVE SEARCH/TEMP STAFFING	430	0	430	< 1%
PROFESSIONAL SERVICES	200	0	200	< 1%
FACILITIES SERVICES	125	0	125	< 1%
ADMINISTRATIVE SERVICES	30	0	30	< 1%
Total Categorized & Sourceable	\$154,685	\$4,060	\$158,745	78%
Total Non-Sourceable	\$31,035	\$340	\$31,375	15%
Total Uncategorized	\$10,715	\$3,430	\$14,145	7%
Grand Total	\$196,435	\$7,825	\$204,260	100%

Initial Areas Assessed

(\$'s in 000s)

Category	Est. Annual Spend	Spend Reviewed	Estimated Opportunity	
			Low	High
TRAVEL & ENTERTAINMENT	\$18,340	\$11,650	\$700	\$1,050
IT HARDWARE	6,525	3,650	210	405
OFFICE EQUIPMENT	2,705	945	65	130
MRO SUPPLIES & PRODUCTS	2,915	625	30	75
PRINTING & DOCUMENT SERVICES	5,020			
Total	\$35,505	\$16,870		

Source: FY 2007 AP and P-Card spend
 Notes: (1) "Non-Sourceable" categories include: Government, Colleges/Universities, Associations/Foundations/Charities, Internal and Individuals. "Not Categorized" includes suppliers with less than \$25K in annual spend

Background and Perspectives

Notre Dame's Starting Point

- Lack of visibility into travel spend
- Highly decentralized travel management
- Manual, paper-based processes
- Minimal number of supplier contracts
- Travel seen as very personal/sensitive

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Business Case Overview

Stages of Excellence in Travel Management

Notre Dame
Majority of Universities
Several leading Universities

Travel Management Fundamentals	Stages of Excellence				
	Stage 1 <i>Challenged</i>	Stage 2 <i>Basic</i>	Stage 3 <i>Intermediate</i>	Stage 4 <i>Advanced</i>	Stage 5 <i>Leading</i>
Reporting	Paper-based reporting; reimbursement process difficult for users to adopt; manually processed reimbursements; slow/cumbersome turnaround.				Fully automated with linked pre/post-trip reports; reimbursements fully automated with >95% through TravelP-Card. User-friendly systems integrated to direct deposit/accounting with fully trained user base.
Policies	Policies not clearly defined/communicated to users.				Policies are explicit/comprehensive; result of collaboration/innovation, communicated to users at New Hire Orientation/continuing onward.
Corporate Travel / P-Card	Limited Travel Card programs; only top manager card holders; unclear policies; low adoption rate due to lack of information/communication.				Strong Travel Card programs innovated annually; all level card holders; training at New Hire Orientation; widely known policies and guidelines; integrated systems with direct deposit /T&E reporting. Very high user adoption.
Online Booking Tools	No online tools.				Robust on-line tools; integrated systems/portals; user profiles/forms of payment saved for future bookings; most users book on-line.
Travel Management Company	No supplier contracts/preferred vendors; individual users generally choose travel programs independent of travel/procurement guidelines.				Negotiated contracts cover full array of services; spend leveraged; savings identified/quantified; several forms of payment accepted; some system integration with University; clear/comprehensive user communication; most travel arranged on-line; data collected; used to negotiate further savings.
Data and Spend Leverage	Primitive data; not data collected on T&E expenditures beyond amount/department.				Robust data; automated/mandated collection; data trends are readily available and is constantly being used to renegotiate supplier relationships.

The analysis, benchmarking, and recommendations in this Business Case will address Notre Dame's ability to move towards a best-in-class operation for the above-listed portions of travel management.

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Business Case Overview

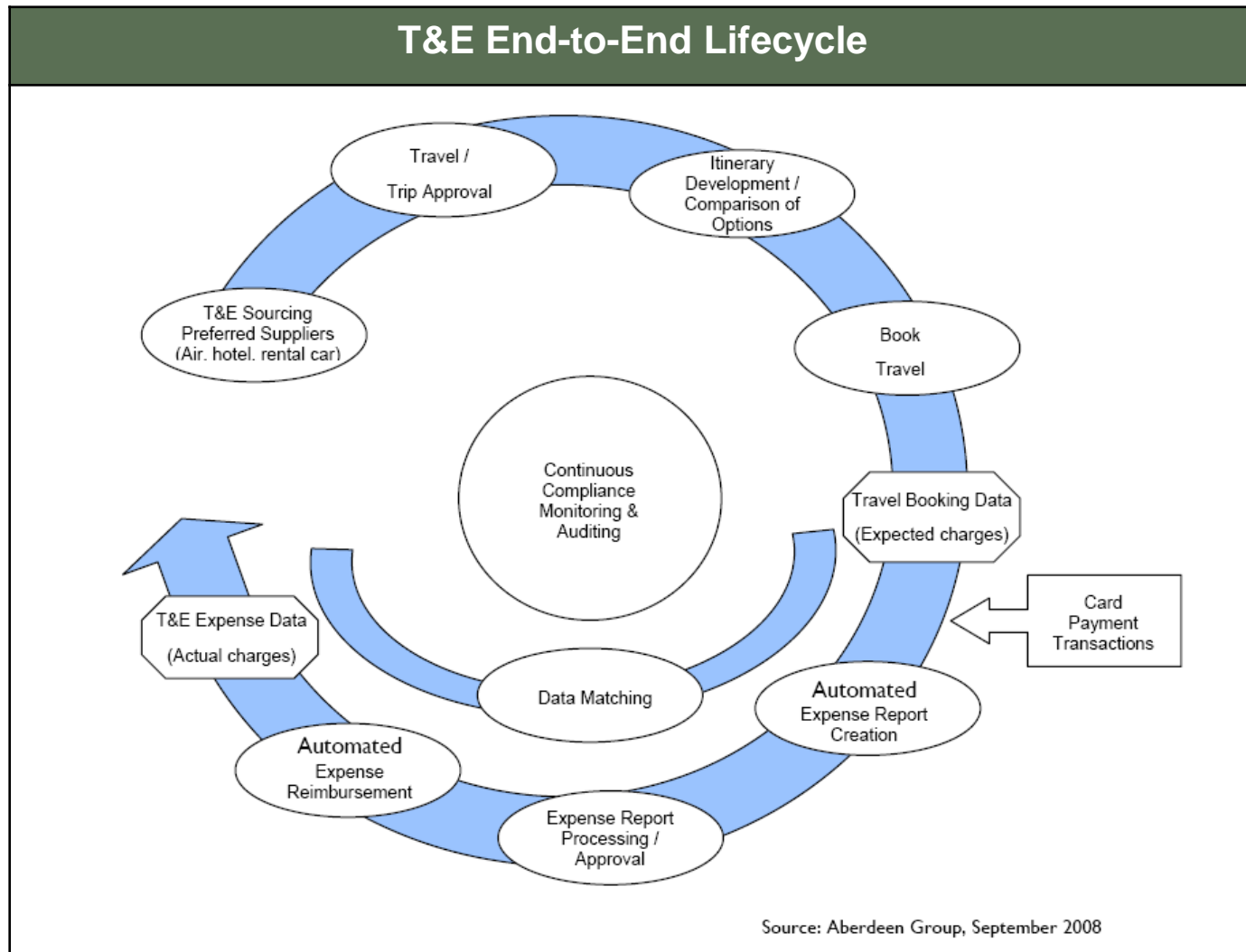
Purpose and Scope

High level overview of business case purpose and scope

- Identify current best practices for travel management
- Document current state processes at Notre Dame for travel management
- Assess business need to adopt online booking and expense management technology
- Evaluate impact of tool implementation, including financial, customer and policy impact
- Assess vendors offering online booking, expense management, and end-to-end solutions
- Assess potential return on investment (ROI) for online booking and expense management solutions

Business Case Overview

Travel Management Tools – The Best Practice End-to-End T&E Lifecycle



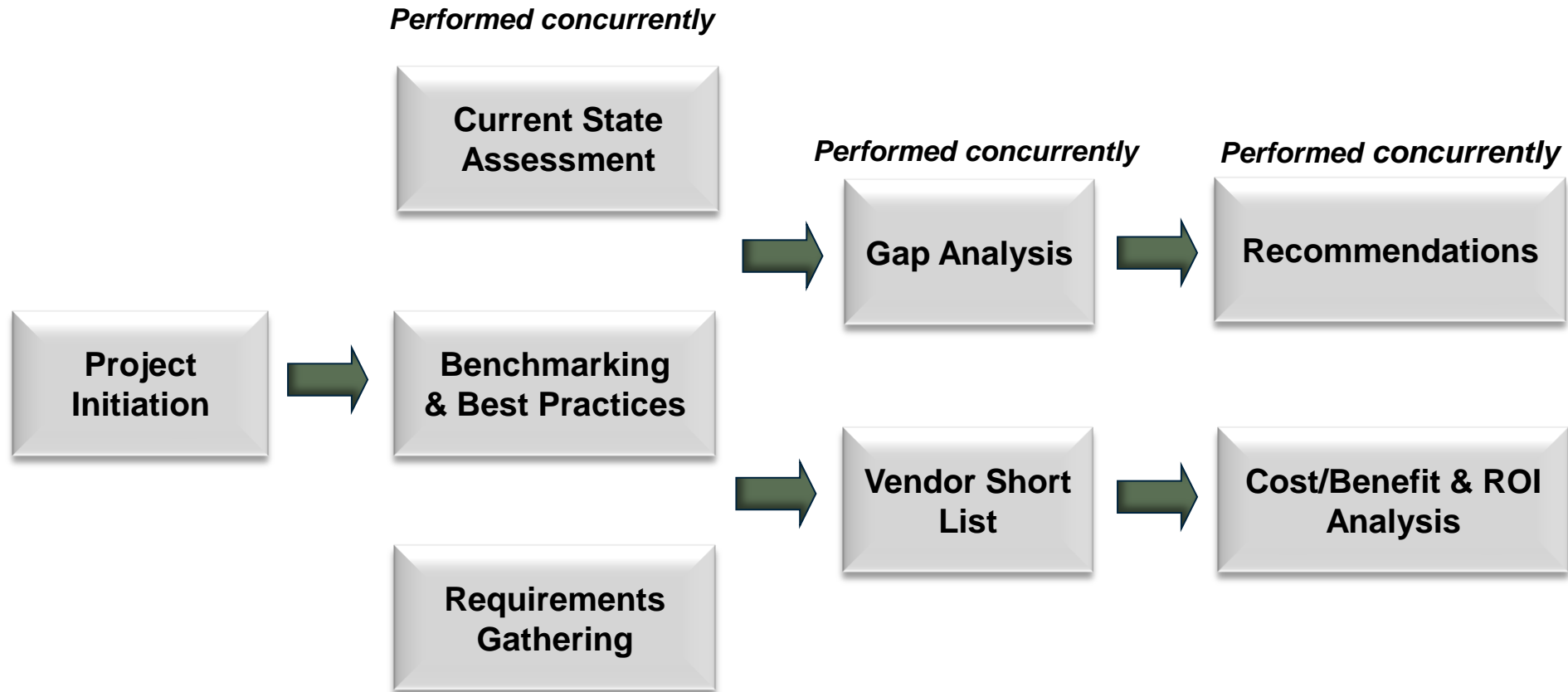
Business Case Overview

Stages of Excellence in Travel Management

Travel Management Fundamentals	Stages of Excellence				
	Stage 1 <i>Challenged</i>	Stage 2 <i>Basic</i>	Stage 3 <i>Intermediate</i>	Stage 4 <i>Advanced</i>	Stage 5 <i>Leading</i>
Reporting	<ul style="list-style-type: none"> Paper-based reporting 				<ul style="list-style-type: none"> Fully automated and integrated T&E system
Policies	<ul style="list-style-type: none"> Policies not clearly defined Policies not communicated effectively 				<ul style="list-style-type: none"> Policies are explicit and comprehensive Policies are communicated effectively
Corporate Travel / P-Card	<ul style="list-style-type: none"> Limited Travel Card Programs at top levels Unclear policies Low adoption rate 				<ul style="list-style-type: none"> Strong Travel Card Programs at all levels Widely known policies and guidelines High adoption rate
Online Booking Tools	<ul style="list-style-type: none"> No online tools 				<ul style="list-style-type: none"> Robust on-line tools Integrated systems/portals User Profiles for future bookings
Travel Management Company	<ul style="list-style-type: none"> No supplier contracts, preferred vendors No adherence to travel guidelines 				<ul style="list-style-type: none"> Negotiated contracts for full array of services Spend Leveraged / Savings Quantified
Data and Spend Leverage	<ul style="list-style-type: none"> Primitive data No detailed data collected on T&E 				<ul style="list-style-type: none"> Robust data Automated / Mandated collection

Business Case Overview

Timeline & Approach



Business Case

Current State Assessment Snapshots

Arranging Travel Current State

There are currently minimal University programs directing individual users when booking travel, resulting in a variety of methods used to arrange travel.

Traveler Type	
Individual Travelers	<ul style="list-style-type: none"> Approximately 50% of travel is booked through Anthony Travel Users use various methods to book travel: <ul style="list-style-type: none"> Manually For immediate travel AT.com For flight For hotel
	<ul style="list-style-type: none"> Approximately 50% of travel is booked through Anthony Travel Users use various methods to book travel: <ul style="list-style-type: none"> Manually For immediate travel AT.com For flight For hotel

Majority of University individuals purchase through a full service travel agency.

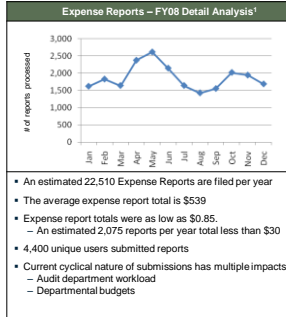
Online Booking Current State

Currently, the University of Notre Dame does not have a centralized online booking system.

- Anthony Travel has attempted to implement an online booking system.
 - Proper change management and training is required.
- Approximately 53% of non-charted travel is booked online.
- Approximately 47% of non-charted travel is booked virtually all non-air.
- Anthony Travel Booking Fees:
 - No booking fees for Athletics.
 - Centrally funded by department.
- Approximately 6,800 air trips were booked in 2018.
 - Represents \$204K in booking fees.
 - Estimated total ND booking fees are \$204K.

Expense Management Current State

With approximately \$13M in reimbursements annually, the current process is inefficient.



Analysis of Expense Reports indicates numerous opportunities to increase efficiency.

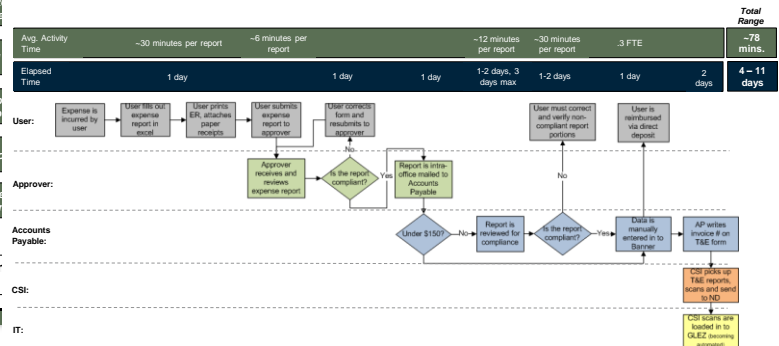
Expense Management Current State - Challenges

- Report completion is a time-intensive process.
- Limited/minimal visibility into where reports are in the approval and reimbursement process.
- Report information is re-keyed in multiple systems for reimbursement purposes.
- Users retain all receipts for all reports.
- Submission process is very manual (paper, delivery, inter-campus).
- 100% compliance review of reports.
- Paper receipts are stored after processing.

Most of the Universities major "pair" of systems is not integrated.

Expense Management Current State

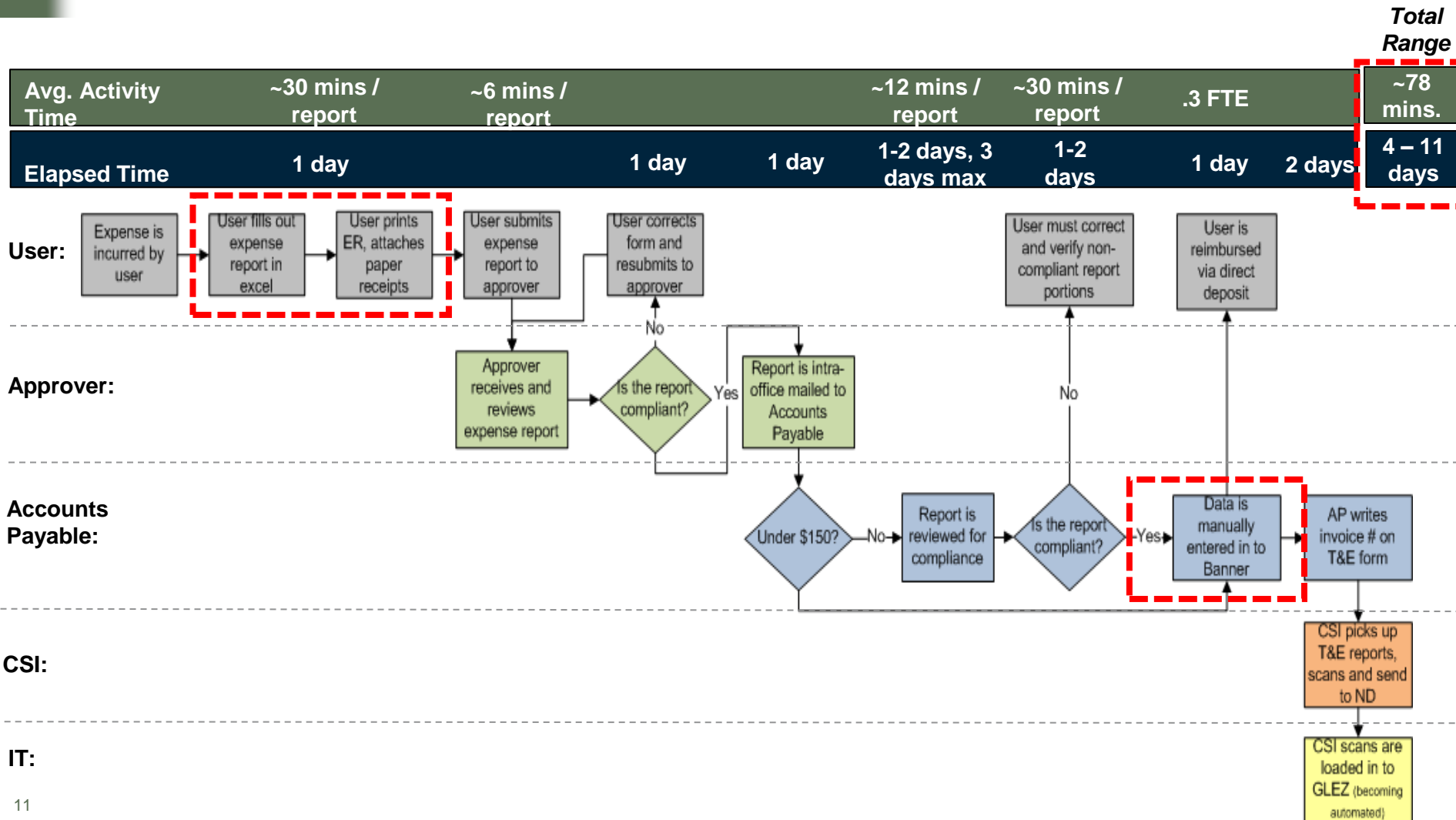
The following describes the submittal process of the expense report for the traveler.



The current expense reimbursement process has multiple potential of areas for improvement. Total direct processing time per report is conservatively estimated at an average of 78 minutes.

Business Case

Current State Assessment – Example



Business Case

Benchmarking Snapshots

Huron collected benchmark data to determine best practices for travel and expense management implemented by peer institutions in both the Higher Education and Corporate industry.

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Arranging Travel

Benchmarking: Higher Education

Organization	
	<ul style="list-style-type: none"> System s book thro wide adop
	<ul style="list-style-type: none"> Individual through C service tr
	<ul style="list-style-type: none"> Mandate: options: t internal a tool with i two appr agencies: documen Universit supports travel Current a booking b

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Arranging Travel

Benchmarking: Higher Education

Organization	
	<ul style="list-style-type: none"> Use prov Offi serv in d
	<ul style="list-style-type: none"> Indi Univ supp

Overall Consensus

- The ben boi enc

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Online Booking

Benchmarking: Higher Education

Several leading Universit programs and mandates

Organization	Use of P
University of Texas System	<ul style="list-style-type: none"> Non-ma where 5 campus booking System is 30%; Adminis rate is 7
	<ul style="list-style-type: none"> Not man suggest
	<ul style="list-style-type: none"> Central / mandate Strongly remain

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Online Booking

Benchmarking: Corporate

The following table illustrates trav

Best Practice	
Minimize Agent Initiated Travel B	
Use of Preferred Booking Channels	<ul style="list-style-type: none"> Suggest th Appropriate Chan Allow Thres Alternatives t Mandate Corr Using Deny Reimb
Use of Preferred Vendors	<ul style="list-style-type: none"> Report on No Carrier Require Pre-Ti from Direct

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Online Booking

Benchmarking and Best Practices

One of the most critical tool adoption rate.

According to research, the up is by making the travel For companies that do not travel policy the average a companies where use is m 65%.¹

Non Mandate Me

- When looking at methods that effective traveler traini buy-in and promotion of the internal company commu of increasing adoption rate
 - Internal communicatio pricing between online
 - Training should be on

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Expense Management

Best Practices

Research reveals that implementation of expense management tools, optimization of policy, and integration with other systems such as financial and human resources are among best practices for expense management.

Practice	Details
Implement Expense Management Tool	<ul style="list-style-type: none"> Aberdeen's survey of 160 enterprises regarding their T&E expense management program found that¹ <ul style="list-style-type: none"> 47% used an expense management solution 26% planned to use it in the next 12 months 2007 Society for College Travel and Expense Management found that 25% of 68 institutions surveyed use an expense management tool² <ul style="list-style-type: none"> 29% indicated plans to implement an expense management solution in 2008
Streamline Organization	<ul style="list-style-type: none"> Ensure that processing and data collection is centralized Ensure policy management and communication is centralized
Optimize Expense Management Policy	<ul style="list-style-type: none"> Clearly define and communicate expense management policies: <ul style="list-style-type: none"> Use of Corporate Card: define use of purchase and travel card(s) Expensing: define appropriate time frame for submitting expenses after travel is completed Receipt Submission: address method and threshold for receipt submission Audit: define and optimize audit policy
Use Direct Deposit for Reimbursement	<ul style="list-style-type: none"> Whenever possible, use direct deposit for reimbursement Average cost to reimburse an employee via direct deposit is 30% lower than traditional checks³
Integrate with Systems: Financial, HR, Card feed	<ul style="list-style-type: none"> Ensure integration with financial systems for reconciliation and payment Integrate with HR system for user profile generation Automated feed from card into expense system
Reporting	<ul style="list-style-type: none"> Aggregate and analyze T&E expense data to identify opportunities to leverage spend

Business Case

Future State Assessment Snapshots

Huron created a potential future state of travel and expense management, and identified current gaps existing in Notre Dame's current processes. Huron provided recommendations that aimed at improving the overall T&E lifecycle of the university.

Arranging Travel Potential Future State

Traveler Type		Potential Future State
Athletics	Large Group / Major Sport Travel	Travel is coordinated through Anthony Travel Athletics spend is reduced through University negotiations
	Moderate Group Travel	Suggested use of booking tool where applicable, otherwise, travel is coordinated through Anthony Travel Athletics spend is reduced through University negotiations
Special Events		Travel is coordinated through Anthony Travel Communication to University campus that Anthony Travel is available for special coordination

Potential future states are based on benchmarking as the agency of reference

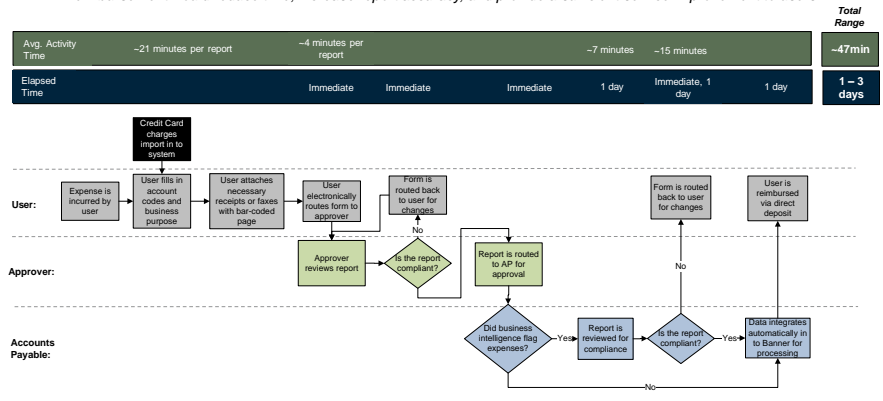
Arranging Travel Potential Future State

Traveler Type		Potential Future State
Individual Travelers	Domestic, basic International	Travelers book through an online tool supported by Anthony Travel
	VIP / International	Travelers (and travel arrangers for complex bookings) book via phone with Anthony Travel
Group Travelers		Suggested use of online booking tool where applicable, otherwise book via phone with Anthony Travel

Potential future states are based on benchmarking as the agency of reference

Expense Management Potential Future State – based on best practices

Expense management tools automatically create reports based on credit card data. Suggested future state of expense reimbursement would reduce time, increase report accuracy, and provide a sufficient service improvement to users.

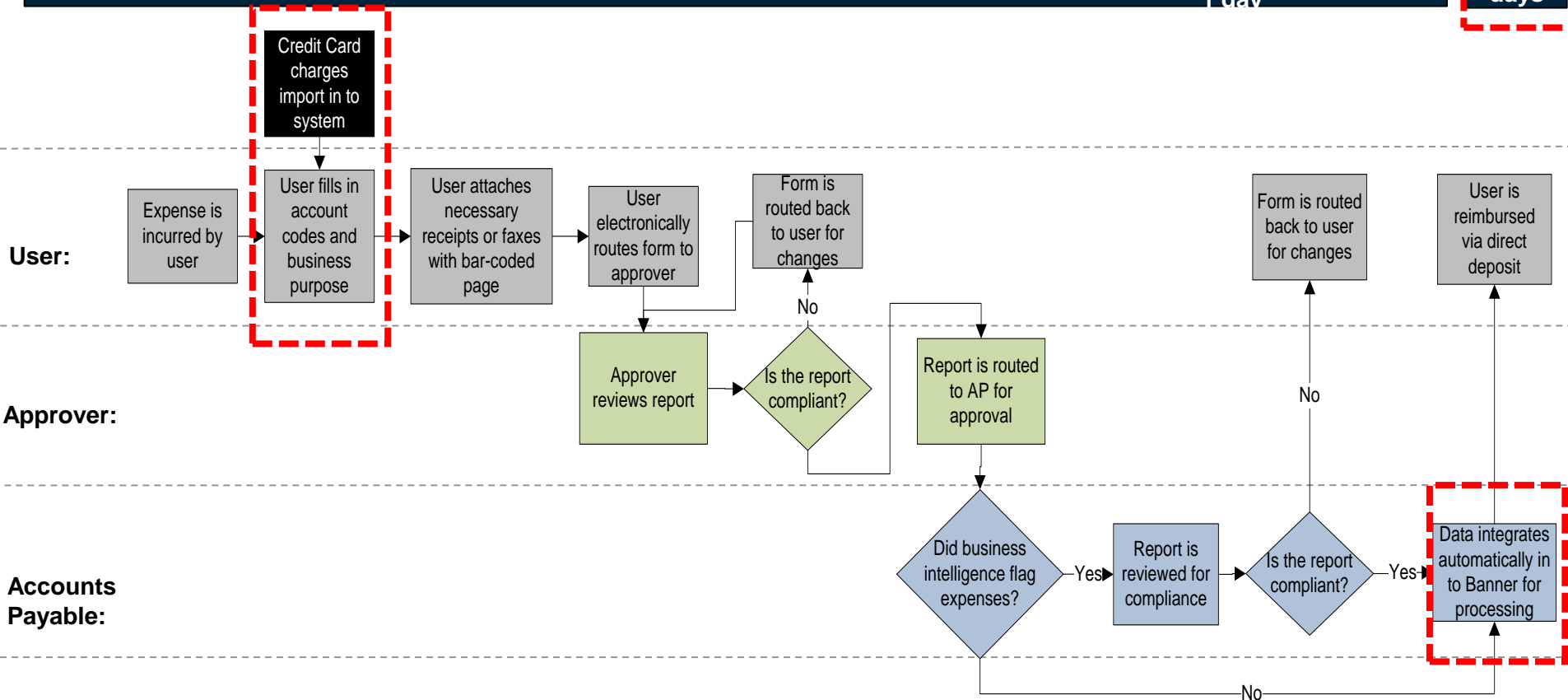


In a potential future state of expense management, total direct processing time per report is reduced from 78 minutes to a conservative average of 47 minutes. Back office efficiency is increased by an estimated 75%.

Expense Management

Future State Assessment – Example

Avg. Activity Time	~21 mins / report	~4 mins / report	~7 mins	~15 mins	Total Range ~47 min	
Elapsed Time	Immediate	Immediate	Immediate	1 day	Immediate, 1 day	1 – 3 days



Business Case

Market Landscape and Vendor Analysis Snapshots

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Online Booking Market Landscape

Utilizing industry guides and market research, Huron surveyed the landscape of vendors offering online booking.

Open Agency	Market Presence	Includes Agency	Market Presence
C.ncur click, done. Concur is the only vendor currently offering end-to-end booking and expense management	Higher Ed: University of Michigan, University of Colorado System, University of Chicago, St. Louis University, UNC-Chapel Hill, Lehigh, University of Miami Corporate: Dow Chemical, Lehman Brothers, United Healthcare, Morgan Stanley, Hewlett Packard, EMC, Time Warner, FedEx, Honeywell		Higher Ed: Cornell University, University of Pennsylvania, NYU Corporate: Thomson, Fluor, BAE Systems, KPMG, Johnson & Johnson
G Software	Higher Ed: University of Texas System, Drexel Corporate: Citigroup, Northrop Grumman, Bank of America, General Motors, Oracle, Motorola, Intel, UPS	EGENCIA AN EXPENSE AND TRAVEL	Higher Ed: Boston College, Northeastern, USC, Harvard, Tufts, University of Minnesota system, Purdue, Bentley, Johns Hopkins University Corporate: SAP500, NASDAQ, LG, Nikon
AMADEUS The technology partner	Higher Ed: No U.S. presence Corporate: Siemens, Proctor and Gamble, Medtronic, BearingPoint, Pfizer, Nestle	travelocity	Higher Ed: Rush University Corporate: Aetna, Lockheed Martin
trx	Higher Ed: Michigan State University, Portland State University, University of Tennessee, Clemson, University of Washington Corporate: Cargill, UPS, Caterpillar, AllState, Boeing	ORBITZ THE EXPENSE	Higher Ed: Yale University, Indiana University Corporate: CareerBuilder.com, Ace Hardware, Fidelity, Tribune Company, Verizon Wireless.
REARDEN	Higher Ed: No presence Corporate: GlaxoSmithKline, ConAgra Foods, Pepsimart		
nuftravel Traveling Better	Higher Ed: No presence Corporate: Partners Healthcare, FUJI		

All efforts focused on tools where Anthony Travel would be the sole agency of record within the product.

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Online Booking Vendor Analysis

The following process allowed Huron and the core team to narrow down the market landscape to a short list of four vendors for further analysis.

- Determined High Level Fit with Notre Dame**

 - Explored University of Notre Dame's vision for travel program
 - Gathered high level requirements
- Conducted Requirements Gathering and Validation**

 - Using best and industry standard practices, Huron created an inventory of requirements for online booking functionality
 - Huron and the core team met with the following groups to validate the list of requirements and add any additional requirements not previously captured:
 - Finance – Business College
 - OIT – College of Arts and Letters
 - Athletics – International Development
 - Investments – Anthony Travel
 - College of Engineering – Admissions
- Analyzed Factors to Determine Best Fit**

 - Huron and the core team analyzed the following factors to determine best fit:
 - Higher Education presence
 - Corporate presence
 - Integration with expense management tool
 - Fit with Notre Dame's requirements

- The following vendors only offer full agency solutions not compatible with Anthony Travel and were not analyzed further:
 - C.ncur
 - G Software
 - EGENCIA
 - ORBITZ
- Huron distributed critical requirements to vendors
- Vendors were asked to respond to the following categories:
 - Support: Identified whether support for the requirement was present
 - Date of Availability: Identified in what time frame the support for the requirement was available
 - Type of Availability: Identified whether support for the requirement is standard, available with configuration, attainable through some form of product modification or development, or not attainable at all
- Four vendors were picked for further analysis and ROI calculation:
 - C.ncur
 - G Software
 - trx
 - AMADEUS

Note: Vendor analysis in exhibits

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Expense Management Market Landscape

Utilizing industry guides and market research, Huron surveyed the landscape of vendors offering online booking.

Supplier	Market Presence	Supplier	Market Presence
C.ncur click, done.	Higher Ed: University of Michigan, Yale, University of San Francisco, Penn State, University of Colorado, University of Chicago Corporate: Citigroup, Northrop Grumman, Bank of America, Honeywell, Pepsi Co		Higher Ed: University of Oregon (development partner) Corporate: N/A
LynFD	Higher Ed: UCLA, BYU Corporate: Thomson, SAIC, Merck, GlaxoSmithKline	JDSU	Higher Ed: No presence Corporate: ConAgra Foods, JDSU
DATABASICS	Higher Ed: Morehouse College, Duke University - Corporate Education, Stanford Research Institute Corporate: XM Satellite Radio, Sony BMG, American Council on Education	Spendvision	Higher Ed: In Europe, Australia, New Zealand Corporate: HRG, Cummins, Air New Zealand, Diner's Club
IBM	Higher Ed: St. John's Corporate: Eli Lilly and Co., Intel, Chevron, Johnson and Johnson, Lockheed Martin	CyberShift	Higher Ed: No presence Corporate: RR Donnelly, 3M, Fox Entertainment, Toronto Public Library, Air Canada, New York & Co, NYC Department of Education
eXspend	Higher Ed: No presence Corporate: Unknown	expensewith.com	Higher Ed: Detroit Institute of Art Corporate: Abebooks.com, Calypso, Baker Communications, Gaming Laboratories International
V	Higher Ed: No presence Corporate: GNC, AmeriCold, Petco, RadNet		

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Expense Management Vendor Analysis

The following process allowed Huron and the Core team to narrow down the list of vendors to focus on four for further analysis.

- Determined High Level Fit with Notre Dame**

 - Explored University of Notre Dame's vision for expense management
 - Gathered high level requirements
- Conducted Requirements Gathering and Validation**

 - Using best and standard practices, Huron created an inventory of requirements for online booking functionality
 - Huron and Procurement met with the following groups to validate the list of requirements and add any additional requirements not captured:
 - Finance – Business College
 - OIT – College of Arts and Letters
 - Athletics – International Development
 - Investments – Anthony Travel
 - College of Engineering
- Analyzed Factors to Determine Best Fit**

 - Huron and the core team analyzed the following factors to determine best fit:
 - Higher Education presence
 - Corporate presence
 - Integration with online booking tool
 - Fit with Notre Dame's requirements

- All 11 vendors met high level requirements
- Huron distributed requirements to vendors
- Vendors were asked to respond to the following categories:
 - Support: Identified whether support for the requirement was present
 - Date of Availability: Identified in what timeframe the support for the requirement was available
 - Type of Availability: Identified whether support for the requirement is standard, available with configuration, attainable through some form of product modification or development, or not attainable at all
- Four vendors were picked for further analysis and ROI calculation:
 - C.ncur
 - LynFD
 - DATABASICS
 - IBM

Note: Vendor analysis in exhibits

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Business Case

Vendor and Return Analysis

Vendor and Return Analysis

Inflow/Savings Summary

Inflows / Savings Summary			Assumptions	
Annual Savings by Tool	"Hard" Dollar Savings	"Soft" Dollar Savings	Total Savings	
Online Booking				
Strategic Sourcing and Increased Utilization	\$877,880		\$877,880	
Transaction Fees	81,400		81,400	
Visual GUI	96,600		96,600	
Lowest Logical Fare Selection	96,600		96,600	
Policy Enhancement	96,600		96,600	
Front Office Time Efficiency		173,440	173,440	
Online Booking Subtotal	\$1,050,080	\$173,440	\$1,223,520	
% of Total	89%	14%		
Expense Management				
Back Office Efficiency and Accuracy	\$110,070	\$110,070	\$220,140	
Credit Card Utilization	116,110		116,110	
Imaging	7,880		7,880	
Front Office Efficiency and Accuracy		126,620	126,620	
Expense Management Subtotal	\$234,060	\$236,690	\$470,750	
% of Total	80%	80%		
Total Savings	\$1,284,140	\$410,130	\$1,700,280	
% of Total	79%	24%		

- Strategic sourcing savings calculated on air, hotel, and car only
- Savings estimates for air, hotel and car are concurrent with Phase 1 business case, including visual GUI, lowest logical fare selection, and policy enhancement
- Sourcing savings calculated as not starting until year 2
- Did not account for increased savings in future years due to additional efficiencies in strategic sourcing

IMP_OB	%	Year 1				Year 2				Year 3			
		Year 1 Q1	Year 1 Q2	Year 1 Q3	Year 1 Q4	Year 2 Q1	Year 2 Q2	Year 2 Q3	Year 2 Q4	Year 3 Q1	Year 3 Q2	Year 3 Q3	Year 3 Q4
Online Booking	89%	\$0	\$13,541	\$27,082	\$107,584	\$125,981	\$159,799	\$245,006	\$276,845	\$292,014	\$307,383	\$307,383	
Expense Mgmt.	80%	\$0	\$105,921	\$105,921	\$105,921	\$105,921	\$117,689	\$117,689	\$117,689	\$117,689	\$117,689	\$117,689	
TOTAL	80%	\$0	\$119,461	\$133,002	\$213,505	\$239,902	\$277,488	\$362,692	\$394,534	\$409,703	\$425,072	\$425,072	

Vendor and Return Analysis

Outflow/Cost Summary

Cost Estimate			Assumptions	
COSTS	Est. One Time Costs	Monthly	Est. Annual Recurring	
Online Booking				
Amplitude	\$16,000	\$13,337	\$162,000	
Concur	11,000	15,250	183,000	
GetThere	16,000	9,729	116,750	
TRX	11,000	6,167	74,000	
Expense Management				
Concur	\$47,000	\$19,500	\$234,000	
IBM	50,000	6,000	72,000	
Infor - SaaS	150,000	6,167	74,000	
Databricks	26,000	5,168	61,900	
Combined - Concur	\$60,000	\$25,000	\$300,000	
Travel FTE			\$60,000	

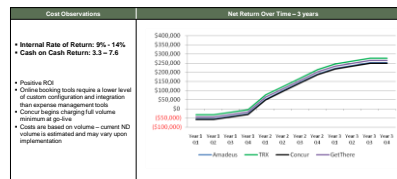
- After Year 1 Q2, 90% adoption for four quarters followed by 100% adoption ongoing
- Pre-production estimates are 6 months for both tools
- Concur - pre production costs are charged in Q1 and then full fee applies
- Sourcing/Travel Management FTE is estimated at 70% for separate implementations and 100% for concurrent implementation
- FTE would be managing implementation, conducting strategic sourcing, and managing ongoing data from systems

Quarter of Rollout	Q1	Q2	Q3	Q4	Q5	Q6
Procurement Services						
Implementation - IT						
Implementation - Functional Travel Management - FTE						
Controller's Office						
Strategic Oversight						
Functional Lead						
Implementation IT						
Implementation FTE						
Anticipated Workload	8-15%	20-5%	51-7%	16-10%		

- ROI does not measure effort of current FTE's devoted to implementation
- Internal FTE estimated at approximately 4 total for a 3-6 month duration

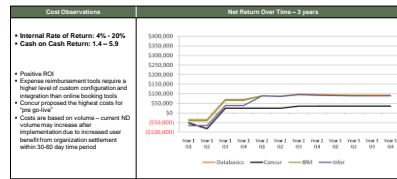
Vendor and Return Analysis - Cost Considerations

Separate Implementation - Online Booking



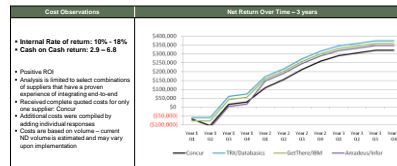
Vendor and Return Analysis - Cost Considerations

Separate Implementation - Expense Management



Vendor and Return Analysis - Cost Considerations

Best Practice - Concurrent Implementations



Options Summary for Travel and Expense Tools

Options and Factors for Consideration

Option	A	B	C	D
Key Assumptions for Implementation Success	Online Booking & Expense Management Concurrently	Expense Management followed by Online Booking	Online Booking followed by Expense Management	Increase Travel Cost Utilization
Speed/Visibility in the next 6 months	Based on mandate within ERM tool, visibility will increase	Based on mandate within ERM tool, visibility will increase	Speed/visibility delayed until expense management implementation	Based on strongly encouraged utilization, visibility will increase
Sourcing Savings Achieved and Accessible	Registered contracts are accessible to users. Sourcing savings insights at implementation. Limited data.	Users must access registered contracts through Anthony Travel. Gathering data for complete registrations.	Users must access registered contracts through Anthony Travel. Gathering data for complete registrations.	Users must access registered contracts through Anthony Travel. Gathering data for complete registrations.
Implementation Efforts	PE: 3 FTE C: 3 FTE OT: 1 FTE	3-6 Months PE: 1 FTE C: 1 FTE	4-8 Months PE: 1 FTE C: 1 FTE	4-9 Months PE: 3 FTE C: 3 FTE OT: 3 FTE
Change Management for Users	One event of complex change management	Two separate events of change management	Two separate events of change management	One event of non-complex change management
Impact on Anthony Travel	Integration with online booking tool fluctuation in volume/type of business	Integration with online booking tool fluctuation in volume/type of business	Integration with online booking tool fluctuation in volume/type of business	Potential increase in volume due to card utilization

Business Case

Program Management Snapshots

Program Management

Perspectives on Rollout – Integrating T&E with Online Booking

Best practice is end-to-end integration.

Few schools have “completed the circle” of integrating T&E with Online booking. Universities with complete end-to-end integration, are all using Concur. However the market is constantly evolving and more suppliers have experienced integration points.

Functionality End-to-End Value Proposition:

- Two-way matching between online booking expenses and final expenses
 - Value is limited as many expenses are not the same as booked (hotel, car rental, etc.)
- Online booking information feeds to expense management tool and creates a framework date range for generating an expense report
- Provides tracking of which travelers booked through the online booking tool vs. independently
 - Leakage can occur if the online booking site is down

Implementation End-to-End Value Proposition:

- Implementation efforts are lower when doing a procurement
- Change management
- Requirements
- RFP process
- Users experience
 - Easier for user
 - More efficient
 - University is seen as end-to-end solution

Online booking / expense management system integration is relatively receiving maximum value out of either of the tools, but concurrent

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Program Management

Change Management

Change management will be central in achieving adoption of the online booking and expense management tools, which in turn will affect the ROI ultimately achieved. The following are strategies to drive adoption of both tools:

Essential	“Pulls”	“Pushes”
<ul style="list-style-type: none"> Ensure executive support 	<ul style="list-style-type: none"> Notre Dame pays for settlement of travel card 	<ul style="list-style-type: none"> Mandated use of solution
<ul style="list-style-type: none"> Provide extensive communication – one time and recurring 	<ul style="list-style-type: none"> Implement an expense management tool that incorporates P-Cards for one-stop settlement 	<ul style="list-style-type: none"> Require usage of corporate credit card
<ul style="list-style-type: none"> Provide comprehensive training (courses, FAQ’s, Help Desk etc) 	<ul style="list-style-type: none"> Automatic approval and payment if the transaction is within policy 	<ul style="list-style-type: none"> Return expense out in the new tool
<ul style="list-style-type: none"> Utilize feedback mechanism and improvements measure to ensure process is user friendly and efficient 	<ul style="list-style-type: none"> Time savings on report creation (assuming corporate card usage) and approval 	<ul style="list-style-type: none"> Provide lost savings departments
<ul style="list-style-type: none"> Ensure that travel policy is easily accessible and incorporate policies into the solution 	<ul style="list-style-type: none"> Department savings by using preferred vendors, when cheapest 	<ul style="list-style-type: none"> Incorporate soft flag reports
<ul style="list-style-type: none"> Provide ability for reporting solution at a department level 	<ul style="list-style-type: none"> Pre-trip approval for department managers where visibility and control is desired 	<ul style="list-style-type: none"> Track and report users
<ul style="list-style-type: none"> Ensure Procurement Services and Anthony Travel are viewed as a strategic partner across campus 	<ul style="list-style-type: none"> Promote the “go green” aspects of the solution 	<ul style="list-style-type: none"> Deny reimburse made outside of

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Program Management

Data Management

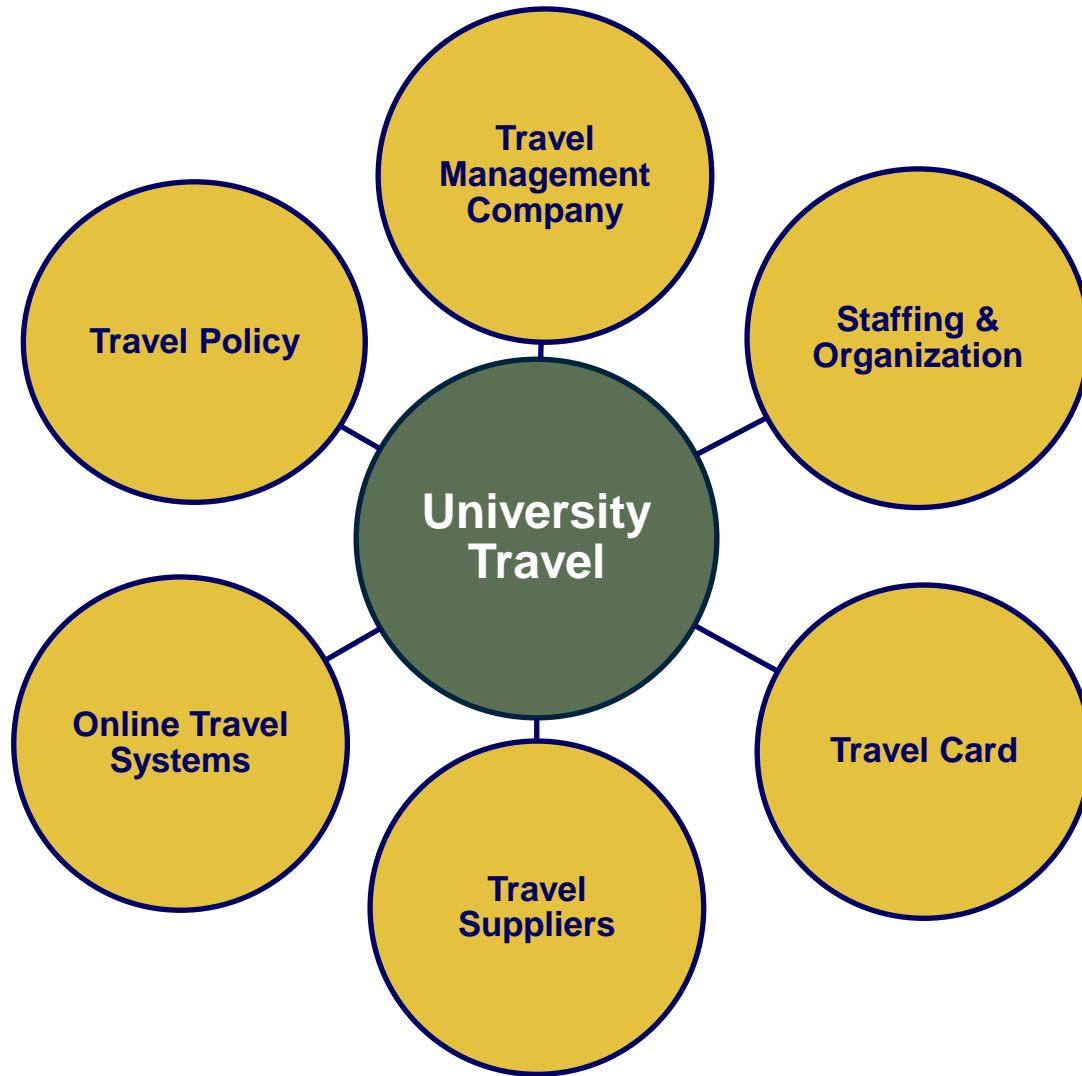
The adoption of these tools will require strong management of data, utilization of reporting, and communication of data to end users and stakeholders.

Component	Description
Oversight of expense spend data	<ul style="list-style-type: none"> Develop regular reporting to gain insight into spend patterns Determine if travel policy is achieving cost savings goals Determine new areas for vendor negotiations
Oversight of online booking data	<ul style="list-style-type: none"> Back office function will need to be developed to ensure negotiated rates are loaded in to the system Plan for the end user impact of negotiated rates that may not be accurate and are not presenting the best price
Measure KPIs	<ul style="list-style-type: none"> Establish a set of KPIs that will allow for monitoring of various facets within a travel program and develop strategies to improve metrics <ul style="list-style-type: none"> End user adoption rates Cost savings/cost avoidance Compliance to air travel policy Booking methods used Percent out of policy
Data Communicated to End Users	<ul style="list-style-type: none"> Frequent communication regarding negotiated vendor rates, current airline changes and other pertinent booking and travel information Posting of the travel policy within the solution and on a website will be vital to ensure travelers are informed Improvements to the solution will occur on a yearly basis and need to be tested and communicated to the end user community

A Procurement Services FTE should be added to ensure value is derived from the tools.

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Implementation and Current Status



Lessons Learned

1. Seek first to understand (the data)
2. Executive support and input are indispensable
3. Travel program elements are strongly interconnected
4. Traveler satisfaction is paramount (even over the savings)
5. Change management and communication can not be overemphasized

