Administration: Incentives, Efficiencies and Effectiveness

CHARGE: The task group will seek broadly considered incentives and efficiencies for units and individuals in administrative operations that can lead to reduced cost and improved services.

Task Group Members:

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STATUS REPORT OF THE TASK GROUP ON ADMINISTRATIVE INCENTIVES, EFFICIENCIES, AND EFFECTIVENESS
Report to the University Senate Executive Committee
March 2, 2004

TASK FORCE MEMBERSHIP

The Task Group on Administrative Incentives, Efficiencies, and Effectiveness is comprised of the following members: Norma Allewell (Life Sciences), Linda Clement (Student Affairs), Joel Cohen (University Senate), John Garland (Graduate student), Stephen Halperin (Computer, Mathematical and Physical Sciences), Larry Leckonby (Intercollegiate Athletics), Edward Montgomery (Behavioral and Social Sciences), John Porcari (Chair; Administrative Affairs).

CHARGE

The Task Group on Administrative Incentives, Efficiencies, and Effectiveness is charged with seeking broadly considered incentives and efficiencies within administrative operations that can lead to reduced costs and improved services. The recommendations from the Task Group are listed in priority order.

INTRODUCTION

Initial brainstorming on potential efficiencies was done by campus leaders during the President’s Cabinet Retreat last August, and the effort proved to be an effective launch pad for the work of the Administrative Efficiencies Task Group which began meeting last September. Additional ideas were widely solicited from a variety of campus sources through the summer and fall of 2003, by the Vice President for Administrative Affairs, and by members of the Administrative Task Group.

Formal and informal feedback mechanisms included customer service visits by the Vice President for Administrative Affairs with each of the deans, online “chat room” discussions designed to solicit feedback from campus employees, input from leadership within some of the colleges, forums conducted for Administrative Affairs employees, and individual ideas submitted by unit managers and employees.
All ideas were collected and catalogued, screened for redundancy, refined and researched, and ultimately narrowed from 64 ideas to five major initiatives that became the focus of the Administrative Task Group’s efforts. Most of the remaining 45 ideas were determined to be within the purview of Administrative Affairs, and as such, were delegated back to divisional units for further study and implementation, as appropriate. That work is presently underway.

**EFFICIENCY INITIATIVES**

**Recommendation #1: Integrate the Academic Resource System (ARS) appointment process with the institutional Payroll-Human Resource System (PHR) to streamline the appointment process and ensure more reliable/predictable and timely data, and capture all standard data at one source for workload and other reporting.**

ARS and PHR are two systems that serve similar but fundamentally different functions as part of the appointment process:

**ARS** is predominantly the appointment “routing and approval” system used by Academic Affairs for faculty and exempt staff appointments, and it collects critical data pertaining to faculty appointments not found in other systems. ARS can be considered the electronic “front end” of the appointment process for Academic Affairs, and it is the sole mechanism for securing the requisite approvals within the division to appoint faculty and exempt staff. Once approved, ARS appointments are then manually entered into the “back end” PHR system (with some of the same data previously captured in ARS) in order to place an employee on the University’s payroll. The redundancy between the two systems results in a significant degree of administrative burden on college and unit staff, and creates potential for out-of-sync data between the two systems. Units outside of Academic Affairs do not use the ARS system.

**PHR** is the University’s human resource information system, the first phase of which was developed and implemented on the campus in 2001. It is the system of record for all University employee data, and its electronic timesheets are the official time and attendance records for nonexempt and exempt staff. PHR’s second phase – the gross pay module – is currently being developed. Once gross pay is implemented on the campus, PHR will trigger pay transactions for all University employees without the numerous paper forms and pay cards.
that are currently required, and without manual intervention by a departmental payroll clerk.
An ARS/PHR interface project group comprised of academic, administrative, and technical stakeholders has been formed; they are charged with scope, timelines, and specifications of the ARS/PHR interface. This group has met weekly since December and has begun assessing the host of technical issues that must be resolved between the two systems (such as the synchronization of salary encumbrances between academic and fiscal years). In order to interface ARS with PHR, the project team’s workplan includes:

- Identify the data elements that should be loaded into PHR from ARS.
- Determine which ARS-created data cannot, as a matter of policy, be updated in PHR.
- Identify and resolve any “translation” issues between data definitions and formats in ARS versus PHR.
- Create a “translation table” that will transform a nightly feed of ARS-approved appointments into PHR appointments.
- Develop electronic edits and exception reports that will assure the accuracy of the ARS/PHR interface.
- Develop and implement a method to test and validate the ARS/PHR interface.
- Test the interface; modify as necessary. Implement the interface.

The ARS/PHR project team is working to define more precisely the scope and interface specifications. As their work evolves, timelines will be defined, including a projected implementation date.

Recommendation #2: Develop 9½-month appointments to offer staff under certain circumstances, resulting in salary savings for the department. In addition, offer flexible work schedule options for staff, as appropriate, with the goal of reducing the amount of unscheduled leave, and increasing staff productivity.

The proposed 9½-month appointment type for staff would be well suited to units that experience a lull during the summer months – particularly in Academic Affairs and Student Affairs units. The 9½-month appointment type would be available on an individual and voluntary basis to staff employees only after the unit head has determined that such an appointment type is suitable and appropriate based on the unit’s mission and consideration of operational needs. As an example of the potential salary savings, consider an exempt employee appointed on a 12-month basis who earns an annual salary of $55,000. The employee indicates an interest in converting to a 9½-month basis, and the unit
head determines that this is appropriate for this employee’s particular position. Once the employee converts to a 9½-month appointment, the salary changes to approximately $43,450 annually (exclusive of fringe benefits), paid over 12-months. The department would save approximately $11,550 on this one appointment.

As the study of this idea began, important potential regulatory obstacles were identified. One of the immediate considerations was whether 9½-month staff would be eligible to file for unemployment insurance (“UI”) during the summer months as their appointments end at the end of the academic year due to a lack of summer work, making these, in effect, “temporary layoffs.” (It is important to note that faculty are treated differently under the law and are by definition ineligible to draw UI benefits.) This temporary layoff issue had the potential to impact the University’s UI experience, and ultimately rates. However, in the last several weeks, the University received favorable interpretive advice from Maryland’s Office of Unemployment Insurance indicating that 9½-month staff employees will be ineligible to receive UI benefits when there is a reasonable likelihood of re-appointment at the beginning of the next academic year. The Maryland State Retirement Agency has also indicated support for this type of staff appointment.

It is recommended that the 9½-month faculty appointment type serve as the model for structuring the 9½-month staff appointment. Accordingly, it is recommended that 9½-month staff be treated the same as 9½-month faculty for the purposes of leave accrual. This means that, in following the faculty model, 9½-month staff would earn 15 days of sick leave during their 9½-month appointment, but they would be ineligible to receive annual leave or personal leave. This will require modification to several Board of Regents policies (pertaining to sick leave, annual leave, and personal leave for staff). The University System of Maryland office has indicated that they would support these changes to current policy in order to facilitate this new type of staff appointment.

It is further recommended that, as a requirement of this appointment type, the 9½-month salary must be paid over 12 months (for staff only) in order to assure smooth continuation of benefits during the summer and, in the event the staff employee does file for UI benefits, to support the University’s assertion that there is a reasonable likelihood that the staff employee will be re-appointed.
In addition to the 9½-month staff appointment type, the “UM-Flex” program has been developed to provide schedule flexibility to staff in circumstances where the arrangement would enhance or sustain a staff member’s performance of their position, and when it can be done without causing undue inconvenience to students, faculty, staff, or the public. UM-Flex components are available under current policy and include schedule flexibility within established core hours, compressed workweek options, “teleworking,” and job sharing. These options will be available at the discretion of the unit’s management, but if these tools are used appropriately, they have the potential to increase employee productivity, reduce unplanned leave usage, and reduce campus traffic at peak times. UM-Flex pilots are currently underway in several departments including Procurement and Supply and the Office of Research Administration and Advancement.

**Recommendation #3: Develop web-based system for searches – including approval, submission, and review of applications and hiring, resulting in less administrative burden.**

A “Search and Hire” subgroup has been formed and is evaluating the potential for efficiencies in current University hiring processes. The goals are to leverage technology to the extent possible to reduce redundancies, eliminate unnecessary forms and “touchpoints,” shorten cycle times, and to improve outcomes.

The Search and Hire subgroup has had a presentation on the merits of the recent CIO search, which was developed as a fully web-based process, with search committee members logging into a secure site to review search documents. Though administratively burdensome at the outset, CIO search committee members found the process easy to use and extremely flexible. This search process will serve as a model for other Exempt-level searches at the University – specifically, Exempt positions where it is unlikely that an applicant would lack access to the technology required to submit an electronic resume package. In its final report, the Search and Hire subgroup will recommend that the Office of Information Technology be charged with developing a web-based search process web template to be available for utilization by departments conducting searches.

Additionally, the Search and Hire subgroup has begun a review of the hiring process for Exempt and Non-Exempt positions by examining flowcharts that detail steps, approval requirements, and necessary forms. The flowcharts
(Attachment A) also highlight the areas that could be enhanced with an investment in technology. As part of this process review, the group is also considering the role of Equity Administrators (“EA’s”) in the various types of searches to evaluate whether their efforts are appropriately aligned with defined EEO outcomes. For example, EA’s review hiring requisitions for some Non-Exempt positions, but not others. The Search and Hire subgroup will recommend that Equity Administrator review of Non-Exempt hiring requisitions be tied to specific campus and/or unit EEO goals which should be evaluated and refined periodically in order to ensure that this remains a value-added touchpoint within the hiring process.

**Recommendation #4: Delegate authority for selected campus renovation projects to the colleges.**

Several colleges and departments have expressed an interest in managing some or all of their small, simple capital construction projects, in order to save time and money. These projects are currently managed by Facilities Management.

Two task groups have been formed, one to explore the initiative and define the parameters of a delegated construction pilot project in Life Sciences. This task group is presently working to understand procurement and basic capital construction project management process so that a project threshold can be established, and so that regulatory matters pertaining to inspections, building code compliance, etc., receive the appropriate attention. As part of this work, they will define a project scope as precisely as possible to improve communication between the College, the contractor(s), and Facilities Management, thereby reducing the potential for cost over-runs associated with multiple change orders. And finally, this group will establish objectives and project benchmarks that will be used to measure the success of this delegated construction pilot project in the College of Life Sciences and in the College of Behavioral and Social Sciences.

The second task group is evaluating existing processes in order to position Facilities Management to respond to campus requests more quickly and with a competitive pricing structure. Additionally, this group is reviewing existing contracts and expanding the on-call contractor list and identifying design firms that are willing to take on small renovation projects.
**Recommendation #5:** Increase the flexibility of catering options offered to departments, and change policies as necessary to allow broader authority in procuring food and food services from non-Dining Services vendors when better service and/or reduced costs can be realized.

Current UMCP Policy VIII-6.00(D) “UMCP Policy and Procedures Concerning Food Purchases for Purposes Other than Employee Travel and Resale” (1992), requires departments to utilize Dining Services when it is necessary to purchase food or catering services in support of University functions. Though Dining Services should remain the preferred provider of food and catering services for University functions, a policy change is recommended to allow departments to utilize outside vendors to meet special needs and/or when a vendor can provide catering services for a more competitive price. A new policy has been drafted (Attachment B) for consideration by the University Senate.

Under the proposed policy, departments contracting with non-University caterers will bear the full responsibility for assuring that food vendors meet certain requirements such as possessing applicable permits required by the Prince George’s County Health Department and with verifying that the vendor carries liability insurance. Departments utilizing non-University caterers will also be required to meet certain requirements such as verifying vendor license numbers, documenting the purpose of the event, annotating the attendees, ensuring compliance with all University policies pertaining to the service of alcoholic beverages, soft drinks (in compliance with the Pepsi contract), and snack foods (in compliance with the Frito Lay contract), and ensuring the proper clean-up/disposal of trash from the event location. Furthermore, non-University caterers will not be authorized to use production facilities, kitchens, or pantries furnished/managed by Dining Services. Non-University caterers may not provide, sell, or serve alcoholic beverages anywhere on campus.