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AGENDA  
UAF STAFF COUNCIL MEETING #94  
Wednesday, November 5, 1997  
8:30 - 10:25 a.m.  
Wood Center Ballroom

Time	Item	Length of Time
8:30	I Call to Order - P. Long	10 Min.
	A. Roll Call	
	B. Approval of Minutes to Meeting #93	
	C. Adopt Agenda	
8:40	II Vice Chancellor for Administrative Services Remarks - M. Rice	10 Min.
8:50	III Chancellor,s Remarks - J. Wadlow (Attachment 94/1)	15 Min.
9:05	IV Governance Reports	
	A. Faculty Senate - M. Schatz	5 Min.
	B. ASUAF - S. Nuss	5 Min.
	C. Staff Alliance - M. Scholle	5 Min.
9:20	V President,s Report - P. Long	5 Min.
9:25	VI BREAK	5 Min.
9:30	VII Committee Reports	
	A. Elections, Membership & Rules - L. Bender	5 Min.
	B. Rural Affairs - B. Oleson	5 Min.
	C. Staff Affairs - N. Murawsky & L. Harris	15 Min.
	1. Motion to approve Leave Share Program (Attachment 94/2)	
	2. Discussion on UA Police Advisory Board (Attachment 94/3)	
	D. Staff Training - D. Powell & K. Dufseth	5 Min. (Attachment 94/4)
	E. Picnic Committee - I. Downes	5 Min.
	1. Motion to Change Meeting #100 from June 5 to May 29 (Attachment 94/5)	
10:05	VIII OTHER BUSINESS	
	A. Motion to approve 1998-99 Staff Council meeting calendar (Attachment 94/6)	5 Min.
	B. Ad Hoc Committee on Banner (Attachment 94/7)	5 Min.
10:15	IX Comments and Questions	5 Min.
10:20	X Announcements	5 Min.
	A. November Meeting Schedule (Attachment 94/8)	
10:25	XI Adjournment	

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ATTACHMENT 94/1

UAF STAFF COUNCIL #94  
NOVEMBER 5, 1997

COMMITTEE ON REDESIGN OF THE SYSTEM OFFICE

## Possibilities for Additional Savings Methodology

### TASKS, ASSUMPTIONS AND PRINCIPLES

On July 22, 1997, the President announced the establishment of the committee now known as the Committee on the Redesign of the System Office and Campus-Based Administrative Savings. The committee was charged in an August 26, 1997, letter addressed to the University of Alaska community to:

1. "Recommend potential savings through changes in the role and mission of the System Office and campus administrative processes" and
2. To conduct "a more thorough examination in the potential savings through greater centralization or decentralization of administrative procedures."

Though the committee took comfort in the comment made by George Kaludis to the BOR Planning and Development Committee that "we are not a wasteful" university, the committee tried to find \$6 million dollars in administrative cost savings over a three year period. The committee assumed that it should try to come as close as possible to this figure in view of BOR discussions in August and because more savings in administrative costs would mean fewer cuts in academic programs. Another assumption was that recommendations should achieve both cost savings and better services; these became twin principles which guided the deliberations of the committee. As another guideline, the committee used the recommendation from the 1992 Kaludis Report which called for a "lean, core executive function of the Statewide Administration which separated the executive and service functions financially."

The committee also assumed that the changes should take into account and benefit from the current experiences of other universities and businesses. We found from an analysis of the structure of other systems that there was not a single trend for organizing systems. The committee did not find any one system which compared well with the UA system and not one of the systems studied placed as much emphasis on saving money as we were instructed. In fact, none of the systems studied reported immediate cost savings due to their restructure. Accordingly, the committee pressed hard to find other innovative ways to do business.

In reviewing practices elsewhere, the committee also found that many management and cost containment ideas have been implemented while others are currently being considered by different UA campuses. The overriding conclusion of the committee is that the current structure and management philosophy have been and continue to be deterrents to change. The committee believes these recommendations will change this state of affairs. These recommendations are based on the assumption that the University needs a management and operating philosophy which stresses service and simplifies transactions while sharpening accountability.

### STRENGTHENING THE PRESIDENCY THROUGH A REDESIGN OF THE SYSTEM OFFICE

The committee recommends a refocusing of the role of the Presidency which places more emphasis on developing and presenting the strategic visions of the University and relations with the Board of Regents as well as even stronger representation of the University in the state and nationally. A shifting of most administrative functions to the campuses will allow more Presidential time for strategic priorities. The core Executive Council would consist of the President and the three campus Chancellors who would now have University-wide responsibilities along with their responsibilities as campus CEOs. Such a change is consistent with Dr. Peter Magrath's recommendations at the BOR retreat in 1994. Dr. Magrath, President of the National Association of State Universities and Land-Grant Colleges, recommended support

Statewide Academic Council (SAC) which is comprised of the three chief academic officers and the Statewide Financial Council (SFC) which will include the three chief financial officers and the University Comptroller. Operating as an executive team, the Executive Council would concentrate on implementing BOR priorities and UA strategic objectives. Since these objectives would be developed jointly by the President and the three Chancellors, there would be improved communication and coordination between the Statewide office and the campuses, a subject of concern to the committee and others. By formalizing the role of the Chancellors as members of the President's team, it also clarifies the cross-university responsibilities of the Vice Chancellors/Provosts and frees more of their time to spend on achieving effective coordination among the MAUs, including better communication with their campus constituencies.

#### FUNCTIONS WHICH WILL REMAIN IN THE STATEWIDE OFFICE

The committee recommends that the following functions remain in the redesigned Statewide office: Legal services, auditing, labor relations, Regents' affairs, budgeting, public/governmental affairs, land management, planning and academic support, institutional research and system governance. While these functions would be centralized at the Statewide office, none need to be headed by a person at the Vice Presidential level.

All other service functions will remain at or shift to the campuses or will be transferred to jointly managed Service Centers.

#### SERVICE CENTERS

Service Centers are jointly managed entities dedicated to providing commonly required functions in timely, effective, and efficient modes. These user friendly Centers are responsible to the customers they serve, especially university students. They provide avenues for input about the quality of service received while maintaining institutional accountability. A change to a Service Center model is a fundamental shift from a control to a service orientation.

A director or similar position would be responsible for the operation and functioning of each Service Center. The directors would be accountable to a Joint Management Council (JMC) comprised of the three Statewide Academic Officers working with the three Statewide Financial Officers and the University Comptroller. The Joint Management Council would be responsible for implementing policies and pursuing goals established by the Board of Regents and the Executive Council.

Funding for the Service Centers would be derived from existing Statewide resources for each of their identified functions and would flow from each individual MAU and Statewide on an agreed upon formula for the services received. This would require an apportionment to the MAUs of Statewide resources net of initial savings from restructuring. The Service Centers are envisioned to be highly responsive, accountable, and service oriented in approach. It is also expected that the Service Centers will utilize whatever delivery methodologies are appropriate to provide the highest level of service at the least cost. Services provided will be compared to national performance standards.

#### UA INFORMATION TECHNOLOGY SERVICE CENTER (ITSC)

##### I. Mission

The mission of the University of Alaska Information Technology Service Center (ITSC) would be to efficiently and effectively deliver information technology services to the University of Alaska in support of academic, teaching, research, student affairs, and AO DficE-15( responsible leanc1( academic,)-62( tE)-331( The

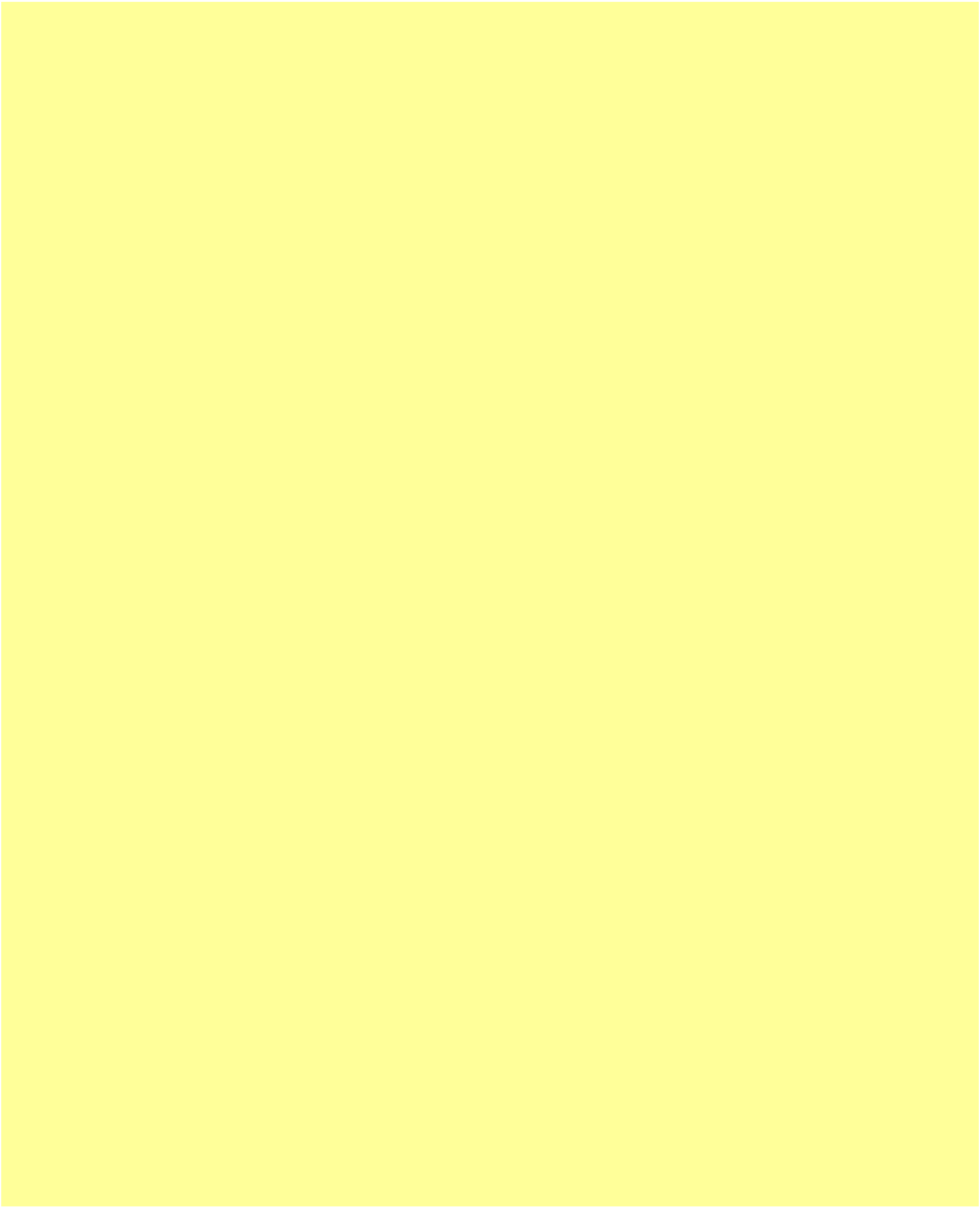
- checks, forms, etc.
- E. Data warehousing and management (particularly in support of institutional research)
- F. Technical support of distance delivery and educational technology applications
- G. Wide area network
- H. Support of library systems

### III. Savings and Service

Savings are derived from levels of accountability to the users, streamlined processes, completed migration away from the IBM platform, full implementation of the BANNER system, reevaluation of audio and video conferencing, and selected outsourcing and partnering. Service would be enhanced by significantly increasing the level of accountability to those receiving the service and by funding the service center through the MAUs and Statewide.

### IV. Timetable for Implementation

- December 1997 Formulate the Joint Management Council
- February 1998 The Joint Management Council:
  - \* Appoints an interim director
  - \* Reviews and refines functions of center
  - \* Defines the permanent director's position
  - \* Identifies specific FY1999 savings
- April 1998 The Joint Management Council begins formal recruiting for a new director
- July 1998 The Service Center begins operation by June 30, 1998
- July 1998 The Joint Management Council employs a new director



response to a new research climate. The Research Foundation would be incorporated as a 501(c)(3) nonprofit corporation as a vehicle to promote development and implementation of sponsored research, and to create an administrative structure that ensures maximum benefit to the University and the research enterprise as a whole.

### I. Mission

The mission of the Research Foundation would be to serve the University, its public constituents and its faculty, staff, and students by aiding the development, administration, and promotion of sponsored research and other scholarly activities essential to the University in the attainment of its research, teaching, and service goals including technology transfer initiatives.

Facilitation of sponsored research would include all research administrative functions from pre-proposal through post grant/contract accountability including all business office functions of research institutes, indirect cost recovery cost accounting, management of grants and contracts, and other administrative support functions required to support the research enterprise and other sponsored programs.

### II. Functions

The Research Foundation would include the following research functions. These functions could be outsourced to a Service Center or to the private sector.

- A. Human resources involved in funded research
- B. Research project accounting and project management
- C. Project accounts payable
- D. Project accounts receivable
- E. Project invoicing
- F. Property accountability
- G. Intellectual property management
- H. Recharge center administration
- I. Project cost accounting
- J. Indirect cost recovery management
- K. Project payroll services
- L. Report and proposal preparation including budgetary and supporting documents
- M. Publication production
- N. Graphics production

### III. Savings

Savings from a Research Foundation would include campus savings (most at UAF) from restructuring services, savings from streamlining processes and possible revenue enhancements from increased flexibility. The first step in the development of the Research Foundation would be the consolidation of the UAF research business offices including contract administration and pre-proposal functions.

#### Timetable for Implementation

- July 1, 1997 Planning for UAF Business Office Service Center begins.
- January 1, 1998 UAF Research Business Office Service Center for research organizational plan completed. Implementation planning begins.
- July 1, 1998 UAF Research Business Office Service Center operational. Provides all business services for UAF organized research activity.
- September 1, 1998 Planning for UA Research Foundation begins with small blue-ribbon committee, includes all members of the Joint Management Council.
- July 1, 1999 Interim plan with timelines completed.
- January 1, 2000 Planning completed - requires BOR approval to charter corporation.
- July 1, 2000 All sponsored research activities integrated into Research Foundation - pre-proposal through grant management, including cost accounting functions and technology transfer.

## SUMMARY OF COST SAVINGS IN STATEWIDE ADMINISTRATION AND THE CAMPUSES

The committee expects to save \$4 million in administrative costs if its recommendations are implemented. Most of these savings consist of direct cuts in Statewide administrative costs together with an assessment on the three main campuses which additionally must absorb and perform more essential functions. Most savings will be realized after three years.

### Savings Estimates and Explanation

#### 1. Statewide Office savings ----- \$3 million

Substantial components of these savings come from reductions in finance, information technology and related functions, offset by up front costs of a pay differential for Comptroller. Other reductions include cuts in human resources in addition to reductions in information systems and networks offset by up front costs of hiring a chief information officer. Finally, the elimination of the vocational education council whose function will be undertaken by campus-based councils to get local input coordinated by the SAC.

#### 2. Campus Administrative savings ----- \$1 million

An additional cut using the FY1998 budget of the MAUs:

UAF ----- \$537,000  
 UAA ----- \$378,000  
 UAS ----- \$85,000

Outsourcing possibilities will account for some savings by comparison, the system and service centers. The committee learned that 54% of colleges and universities in a recent survey indicated that the use of contract services was expected to increase nationwide.

Following are a list of areas that will be reviewed for outsourcing:

1. Food contracts UA-wide
2. Custodial services
3. Garbage collection
4. Sewer
5. Book store operations
6. Printing and duplicating management
7. Snow removal
8. Police and security services
9. Campus power generation
10. HVAC maintenance
11. Payroll preparation
12. Transportation/bus services
13. Window washing
14. Mail services (note impact on student jobs)
15. Enrollment services (selected)
16. Land management
17. Claims administration
18. Wide area network
19. Telecommunications
20. Grounds maintenance (note impact on student jobs)

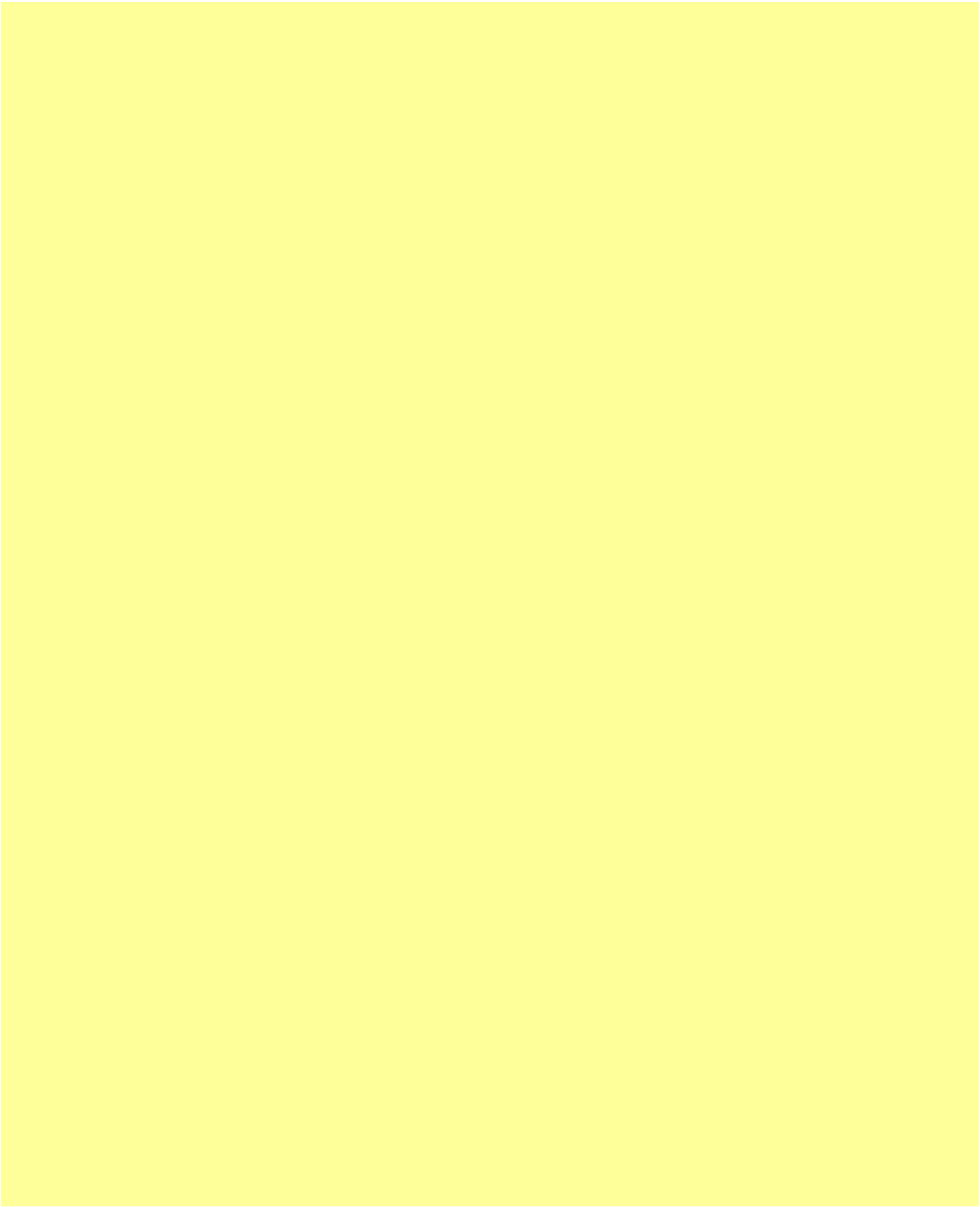
#### 3. Administrative Cost Savings-----up to \$1 million

A. A portion of this additional \$1 million will be realized at the end of FY2000 when UA no longer pays employer contributions to the 1996-97 RIP retirements. Only the RIP positions in administrative service positions are calculated for this savings.

B. A second source of savings will come from the establishment of a University Research Foundation.

C. The committee recommends exploring the following current administrative cost expenditures for potential savings: (1) cost reductions by partnering with other entities, such as the state, in performing specific UA-wide functions; (2) reducing the administrative costs in the system office of statewide governance considering the recent changes in labor relations that reduce the scope of subjects that faculty and staff address through shared governance; (3) savings through UA-wide Enrollment Services (early discussions with Kaludis and Associates indicated the possibility of savings through some consolidation, but reference materials needed





planning/management, purchasing, research management, enrollment services, institutional research, external and legislative affairs, legal services, and information technology (computing/networking).

Ideas received from the University community were considered when writing the preliminary report. Comments were requested from the entire University community through the establishment of a bulletin board, a request for letters to the committee as well as a statewide audioconference called to hear suggestions from the non-committee members.

In all, over 80 different suggestions were received. The individual comments are included in Appendix D.

For basic information about administrative costs at the University of Alaska, the committee prepared a common set of institutional data listing specific administrative functions at the Statewide Office and the three main campuses and the costs associated with each of these functions. Both personnel and non-personnel costs were identified. The committee concentrated its efforts on functions rather than on individuals.

The committee is not addressing administrative costs at rural sites and it has not included Enrollment Services in its data set. The committee did take into consideration unique Alaskan elements which guided discussions as to whether certain recommendations could work in Alaska. The elements are included in Appendix E.

The committee has met face-to-face in Anchorage and Fairbanks six full days and has supplemented these sessions with a number of audioconferences. Three subcommittees held additional meetings as well. The subcommittees are: Finance - Mike Rice, Bill Rose, Carol Griffin, Stan Vaughn; Information Technology (including networking) - Frank Williams, David Creamer, Bill Rose, Carol Griffin; and Human Resources - John Pugh, Don Behrend, Carol Griffin.

Submitted by the RSO Committee:

Joan Wadlow, UAF and Chairperson  
David Creamer, UA, Statewide  
Michael Rice, UAF  
Carol Griffin, UAS  
William Rose, UAA  
Frank Williams, UAF  
John Pugh, UAS  
Donald Behrend, UAA

Executive Staff:  
John Leipzig, UAF  
Stan Vaughn, UAA

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FEEDBACK

This will mean that new employees will have a total waiting period of 180 days (equal to the 6 month probationary period).

MEMBERSHIP

Membership in the Bank will commence by submitting a completed membership form to Personnel Services during the initial membership drive. Membership forms will be distributed to new employees by Personnel Services at initial orientation. Upon set-up of the program, membership in the Bank will be offered in tandem with the short-term disability insurance during open enrollment in November. Membership for those employees joining the program during open enrollment in November will commence January 1 of the following year.

Employees electing not to join the Sick Leave Bank during the initial membership drive will not be eligible for membership until the next open enrollment.

The Bank shall be administered through the same administrative channels and regulations as for sick leave except as noted in this Article.

LEAVE CONTRIBUTIONS

Contributions of leave to the Bank constitutes one (1) day of annual leave and one (1) day of sick leave at the time of membership and an additional one (1) day of sick leave each January thereafter as long as you remain a member.

The Sick Leave Bank Committee will consist of one (1) member from Personnel Services, one (1) member appointed by the Staff Council, and one (1) member at large from the Bank membership, to be appointed by the Staff Council President and one (1) alternate from each designated group. The Committee will inform all members of the Bank if the Bank balance falls below a minimum level (to be determined by the Staff Council Staff Affairs Committee after the initial membership drive). The Committee shall be authorized to require additional sick leave donations to bring the balance up to the designated level.

At the time of termination, an employee may contribute up to 80 hours of accrued sick leave to the Sick Leave Bank.

Leave contributions to the Bank cannot be reinstated to the employee's personal accrued leave balance.

WITHDRAWALS

All accrued leave hours must be exhausted prior to utilization of Sick Leave Bank hours. Employees will continue to accrue leave while using leave donated from the Bank, but the employee's personal accrued leave during the pay period will be applied before Bank hours are used.

Requests for withdrawals from the Bank shall be reviewed and approved or denied by the Sick Leave Bank Committee within 5 working days from the receipt of the application for withdrawal.

Withdrawals will not be approved if the Sick Leave Bank balance falls below the ed by u will beheleduontll additional sick leaveirs donatel.

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520 hours.

APPLICATION PROCEDURE FOR WITHDRAWAL

- 1.) Request withdrawal form with accompanying envelope from your PPA.
- 2.) Fill out the form and attach necessary documentation.
- 3.) Seal the request in the envelope and forward it to the Governance Office.

GENERAL GUIDELINES

Special circumstances can be brought before the Committee.

Yearly review of the Sick Leave Bank shall be conducted by members of the Staff Council Staff Affairs Committee and a statistical report will be published and made available upon request.

Approval or denial of Sick Leave Bank requests by the Committee shall be final and not subject to the grievance procedure.

1. One student selected by the Dean of Students after consultation with ASUAF
2. One faculty selected by the Provost after consultation with the Faculty Senate
3. One staff member selected by Vice Chancellor for Administrative Services after consultation with Staff Council
4. One alumni selected by the Chancellor after consultation with the Alumni Association
5. One representative from a non-university law enforcement agency selected by the Chancellor after consultation with the Board of Visitors
6. Ex-officio: one representative each from UAF Police, Fire, and Risk Management departments and
7. Ex-officio: one legal counsel representative selected by the Chancellor

Members serve specific terms.

#### RESPONSIBILITIES

The board's responsibilities are to provide advice about UAF Police Department policies and operations in order to assist it in providing effective service to the university community and to provide advice on security and transportation policies at UAF. The chair is expected to be a member of the UAF Governance Coordinating Committee. The board reports to the Chancellor through the Vice Chancellor for Administrative Services who convenes meetings twice yearly and others as needed.

#### PARKING VIOLATION APPEALS

##### I. Appeals to the Administrative Officer

Appeals of citations for parking violations must be submitted to the administrative appeals officer in writing prior to the date when the fine is due. The citation being appealed must clearly state the reasons for the appeal. Appeals are handled by the administrative appeals officer as quickly as possible after arrival. If the appeal is approved, there is no further action.

##### II. Appeals to the Appeals Board

If the appeal to the Administrative Officer is denied, the complainant may appeal to the three-member Appeals Board which is appointed by the Chancellor. Appeals to the Appeals Board must be submitted in writing within 30 days of the date of the administrative appeals officer's denial. The fact that an appeal to the Appeals Board is pending does not relieve the appellant of the requirement to pay the fine when it is due. Appeals will be considered only on the basis of new evidence, arbitrary or capricious treatment or excessive sanctions. The board vernance wT On aparly through the soard's i1( for)-c1( tment)-systemtion. reqs the UAF and to Chancellor nrscbilversive

201 Natural Science Facility

November 3  
Grievance Process for Collective Bargaining

Instructor: Kathy Streight, Statewide Labor Relations Coordinator

Discussion of grievance and discipline processes for collective bargaining unit employees. This presentation will address grievance identification and investigation, as well as discipline issues including the Weingarten rule, just cause test, investigation and discipline decision process.

November 5  
Sexual Harassment

Instructor: Patty Kastelic, Executive Director, Statewide Human Resources

The newly adopted Policy 04.06.09 A, B governing discrimination and sexual harassment will be reviewed. New procedures will be explained along with a general discussion of sexually harassing conduct and how to prevent it and stop it when it does occur.

November 12  
Job Evaluation Form (JEF)

Instructor: Patty Kastelic, Executive Director, Statewide Human Resources

A general discussion of how to complete a job evaluation form and how the Hay tool is used to determine grade placement. Your

face-to-face meeting would also be able to attend the picnic. The change in meeting dates would also enable 9 month staff to attend the picnic prior to being off contract.

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ATTACHMENT 94/6  
UAF STAFF COUNCIL #94  
NOVEMBER 5, 1997  
SUBMITTED BY ADMINISTRATIVE COMMITTEE

MOTION

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NOVEMBER 26  
9:00 a.m. Administrative Committee - WCA

NOVEMBER 27 & 28 Thanksgiving Holiday