



Faculty & Staff Benefits Committee

DRAFT 3

Minutes

Tuesday, October 11, 2016

3:30pm to 4:30pm

Herzstein Latin American Reading room, Zimmerman Library

Attendees: (taken from sign-in sheet – for those who signed in)

Fran Wilkinson	Sr. Associate Dean, University Libraries
Dorothy Anderson	VP Human Resources
Elaine Phelps	Dir. University Benefits
Pamina Deutsch	Policy Office
Glen Effertz	UNM Retiree Association
Mark Maddaleni	Arts & Sciences
Shawn Berman	Anderson School
Marcia Sletten	Health Science Center
Emily Arzate	Biology
Condruta Soneru	Anesthesiology
Dennis Dunn	Office of University Secretary

Excused: Carol Bernhard College of Education

Absent: Theresa Ramos Faculty Contracts & Services
 Josie Ruybal Abeyta Payroll

Meeting called to order – 3:35pm.

Quorum was met.

Fran reviewed today’s Agenda for the Committee.

October 11, 2016 Agenda:

Approved, no abstentions.

September 13, 2016 Minutes:

Draft #3 approved, no abstentions.

Human Resources Update

Elaine Phelps & Dorothy Anderson

(Elaine presented the updates until Dorothy arrived from the Board of Regents Finance & Facilities meeting.)

FSA (Request for Purchase) RFP –



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Elaine reported that the award will not be made until next Monday, October 17, 2016. The search has been narrowed down to two vendors. When the vendor is announced an email will be sent out to the F&S Benefits Committee with the decision and announced at the next Benefits meeting.

Hiring Freeze & Compliance with FLSA Regulations –

Fran Wilkinson

Fran reported on President Frank's announcement of October 10, 2016, which stated that employees who will become non-exempt on November 12, 2016, will have one year to decide when they want to switch over from a monthly pay period to a bi-weekly pay period. Elaine explained that Dorothy Anderson can expand on this item when she arrives at the meeting.

Policy Changes –

Emily Arzate, Marcia Sletten and Pamina Deutsch

Emily Arzate reported that she went to a FLSA forum on North Campus this morning and a letter explaining the FLSA changes is being drafted and will be sent to all affected employees and offering two options. Option One is that in November the employee simply transfers over to bi-weekly. Option Two will be to defer transferring to the bi-weekly payroll and submit a monthly time sheet and for any overtime occurrence a payroll adjustment form will be submitted. If the employee does not choose either option, Option One will be chosen for them by Payroll. Marcia Sletten pointed out that when all the transitions have been accomplished employees who are transferring to non-exempt will be taking up to a \$700 loss in pay over a two-month period. Pamina Deutsch pointed out that the pay loss will be made up for the employee eventually over time although, as Fran pointed out, it may be when the employee retires. The committee will continue to watch this issue as it progresses.

Pamina was asked to report on the Board of Regents Finance & Facility meeting that she just returned from before the start of the committee meeting. She said a report AON created was discussed, regarding consolidating offices on both campuses, and that the handouts from this report will be posted on the President's Website (<http://president.unm.edu>). The proposed consolidation would affect Communications & Marketing, Budget, Strategic Planning, and Financial Services. IT was mentioned, but only in passing. In addition, certain positions will receive a pay cut, while others will be downgraded. It was reported that the total budget cuts for Main Campus will equal 5%, or \$9.8 million. This information on budget cuts can be found on the Board of Regents EBook (<http://regents.unm.edu>).

Report on the Board of Regents Finance & Facility Meeting (10/11/2016) –

Dorothy Anderson

Fran began this portion of the meeting by bringing Dorothy up to speed on what had already been discussed at today's meeting and specifically about points covered regarding the Board of Regents F&F Meeting. Additional points Dorothy covered:

- Dorothy distributed handouts from the F&F meeting that are a Summary of UNM's FLSA Compliance (*see attachment below*). She summarized the handout.



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- Overtime and comp time featured strongly in the handout, and it is in these areas that UNM is looking for savings. She noted that Regent Clifford is very interested in how UNM manages overtime.
- She reviewed the transition process for employees moving from exempt to nonexempt status. Emails are being sent out to all affected employees explaining the process, along

with the name of a contact person who will take employee questions and divide the questions up among HR employees who will then answer these questions for the employees.

- Dorothy pointed out that transitioning employees need to be aware that the first biweekly paycheck will only be for nine (9) days and that *all* benefits will be deducted from this paycheck. Primarily these changes will affect employees in grades 9 thru 12, and not, for the most part, UNM's low level employees.

Dorothy next handed out a summary of the AON report (*see attachment below*) which she summarized.

- The report lists the challenges AON faced in doing this report and how they collected this information.
- The report lists Strategic Planner Positions, of which there are seven (7). The Administration agreed with some of AON's suggestions. All proposed changes in the report are AON suggestions. Names of those employees affected are not listed in the handout, but are listed in the full AON report on the President's Webpage.
- Dorothy mentioned that retiring Budget VP, Andrew Cullen's position will not be filled, but his duties will be distributed throughout the Budget Office.
- Other areas are still being looked at for savings through automation and outsourcing.
- Faculty positions were not affected.
- Employee benefits were not affected.

Dorothy reported that an Education Retirement Board (ERB) meeting was held last week. At the meeting the return to work requirements were discussed.

Policy Changes (*Continued*) –

Pamina Deutsch

Pamina did not have much more to add to her presentation on Policy Changes. Fourteen (14) Policies have recently been sent out to the Faculty Senate, Staff Council and student groups for comments, which are beginning to arrive in her office. The process of fine tuning these policies has begun. These 14 policies, plus additional policies, will be posted for comments. Pamina will send Fran a link to these policies that can be shared with the committee.

VEBA Committee Update –

Fran Wilkinson

The committee has not met so there is not update.

Budget Leadership Team (BLT) –



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Shawn Berman

A meeting has not been scheduled so there was nothing to report.

Retiree Association –

Glen Effertz

Nothing to report.

Other Business –

None.

Next Meeting –

November 8, 2016

3:30pm – 4:30pm

Zimmerman Library, Herzstein Latin American Reading Room

Adjourn: 4:35pm

Attachments Below



Summary UNM's FLSA Compliance

UNM's APPROACH TO
FLSA COMPLIANCE FOR STAFF
FINANCE & FACILITIES
OCTOBER 11, 2016**A. INTRODUCTION**

In May 2016, the U.S. Department of Labor revised a regulation that increased the salary threshold where employees are eligible to receive overtime. The salary threshold increased from \$455 per week (the equivalent of \$23,660 annually) to \$913 per week (the equivalent of \$47,476 annually).

Exemptions: Faculty, coaches, and others with a primary responsibility of teaching and a reduced salary threshold of \$35,825.63 for Academic Administrative positions is also allowed.

Effective Dates:

- FLSA Compliance Date: December 1, 2016
- Transition from Exempt to Nonexempt: November 12, 2016
- Increase in Pay to remain Exempt: December 1, 2016

B. UNM'S APPROACH FOR COMPLIANCE

Convert all current exempt positions, grades 9-12 to nonexempt and keep grade 13 and above positions exempt. This will result in: 864 exempt positions becoming nonexempt and an increase in pay for 48 employees to remain exempt (approx. cost of \$141,500). Some exceptions for grade 12 positions.

C. COMMUNICATION, TRAINING AND TOOLS

1. Extensive targeted communication – beginning in May and on-going
2. Extensive training opportunities for both employees and supervisors.
3. Individual letters to employees and supervisors
4. *HR On-Line:* FLSA News – FLSA legislation & UNM information, FAQs, Presentation Slides, and Training
5. Payroll Calculator – a tool for employees to estimate paycheck when transitioning to nonexempt

D. POTENTIAL OVERTIME COST

As indicated above UNM will be changing the status of approximately 864 employees from exempt to nonexempt. If paid (and not opting for comp time) the annual cost for each employee to work one hour of over time every week is almost \$1.5M this equates to \$514,000 (HSC) and \$967,00 (Main & Branches).

E. COST MITIGATING STRATEGIES - Proactively UNM is doing the following to manage/minimize cost:

1. Evaluating organizational structures for possible reclassifications to exempt level positions
2. Evaluating positions against market data to ensure they are classified appropriately
3. Requiring prior approval for all overtime, approval only for critical needs
4. Creating overtime tracking
5. Flex and modified work schedules
6. Use of comp time instead of overtime pay

F. TRANSITIONING EMPLOYEES – PAY ISSUES

1. Employees may experience a short-term reduction in take-home pay. This is due to the one-week lag time when changing from exempt (salaried) to nonexempt (hourly). Employees will be paid for time worked, but due the lag time the pay is always one week behind. Employees changing to nonexempt may initially see a reduced take home pay amount due to this lag. It is important to realize this is not a reduction in pay, it is pay that will be received when the employee separates from UNM.
2. Pay issues resulting from the transition from monthly to bi-weekly pay periods:
 - The check issued on 11/30 will be for nine (9) work days and it will have full monthly deductions

10.3.16

- o The first bi-weekly paycheck on 12/2 and will be for ten (10) work days and the time worked is as a nonexempt employee
3. Example included below:

Monthly Comparison of Gross Pay – Annual Salary of \$42,000				
	Nov	Dec	Jan	3-Mo Total
Remained Exempt	\$3,500	\$3,500	\$3,500	\$10,500
Transitioned to N Ex	\$1,432	\$4,846	\$3,231	\$9,508
Difference	(\$2,069)	\$1,346	(\$269)	(\$992)

G. TRANSITIONING EMPLOYEES – APPROACH TO MITIGATE THESE ISSUES

1. Employees will be allowed to elect when they want the pay cycle (monthly to bi-weekly) transition to occur. The change may occur between October 2016 and October 2017 but it will default to bi-weekly in October 2017 if no election is made prior to this date.

H. HOW WILL A CHANGE TO NONEXEMPT STATUS AFFECT FORMER EXEMPT EMPLOYEES?

1. Eligibility for overtime pay/comp time for all hours worked over 40 in a standard workweek
2. May be subject to modified work week or work day based on department needs
3. Change in their pay cycle to bi-weekly instead of monthly
4. Change in work habits to minimize compensable time (travel, email or cell phone use after hours)

I. HOW WILL THIS CHANGE AFFECT SUPERVISORS?

1. Must consider the fiscal impact (usually unknown) due to potential overtime
2. Change the way they conduct business
 - o Modified work schedule dependent on business needs
 - o Monitor after hours work and travel due to new guidelines
3. Need to hire more exempt employees rather than nonexempt
4. Possible increase in workload for exempt and reduced workload for nonexempt

J. ADDITIONAL INFORMATION IS AVAILABLE ONLINE

On the HR website at <https://hr.unm.edu/flsa-update-overtime>


Details UNM's FLSA Compliance
A. INTRODUCTION

In May 2016, the U.S. Department of Labor revised a regulation that increased the salary threshold where employees are eligible to receive overtime. This was a major change to employee exemption criteria under the Fair Labor Standards Act (FLSA). The salary threshold which has been in place since 2004 increased from \$455 per week (the equivalent of \$23,660 annually) to \$913 per week (the equivalent of \$47,476 annually). Automatic increases of the salary threshold have already been established to occur every three years with the first one scheduled for 2020 at approximately \$51,168.

Faculty, coaches, and others with a primary responsibility of teaching are excluded from the FLSA salary requirement and will remain exempt. A reduced salary threshold of \$35,825.63 for Academic Administrative positions at UNM is also allowed for those positions with a responsibility of advising students with academic problems or advising students concerning degree requirements.

The regulations specify that the change in exempt to nonexempt status, based on the new threshold, must be in effect as of December 1, 2016. In response, UNM established an effective date of November 12, 2016 for exempt positions to be classified as nonexempt. An effective date of December 1, 2016 for any position receiving an increase to comply with the new threshold to remain exempt. These effective dates were selected to minimize the financial impact to employees and in consideration of year-end processing deadlines.

B. UNM'S APPROACH FOR COMPLIANCE

1. Convert all current exempt positions, grades 9-12 to nonexempt and keep grade 13 and above positions exempt. This will result in: 864 exempt positions becoming nonexempt and an increase in pay for 48 employees to remain exempt (approx. cost of \$141,500). Some exceptions for grade 12 positions have been approved to remain exempt for single incumbent positions, positions limited to a department/unit, positions with a minimum number of positions all already above the threshold and that do not cause equity issues with other positions in the job family.

Grades	Current Salary Range (Entry-Max)	After 12/1 Salary Range (Entry-Max)
Grade 9	\$25,750/\$51,500	No Change
Grade 10	\$28,329/\$56,659	
Grade 11	\$31,158/\$62,316	
Grade 12	\$35,835/\$71,662	
Grade 13	\$41,211/\$82,423	\$47,476/\$82,423
Grade 14	\$47,476/\$94,792	\$47,476/\$94,792

C. COMMUNICATION, TRAINING AND TOOLS

1. Launch communication effort to include Staff Council (8/2), FSBC (8/9), Campus Announcements (5/25, 7/27, 8/11, 8/12, 8/18), President's Weekly Perspective (8/15), Budget Leadership (8/2), HR Processor Meetings (8/9 and 8/11) and numerous departmental meetings. Communication is on-going.

2. Extensive training opportunities for both employees and supervisors (6 sessions each) scheduled sessions, online recorded sessions and other training, as requested.
3. Individual letters to employees and supervisors beginning 9/16 informing them of changes to their position.
4. *HR On-Line*: FLSA News – various links to FLSA legislation and UNM information, Extensive FAQs, Presentation Slides, and Training Opportunities.
5. Payroll Calculator – a tool for employees to estimate paycheck when transitioning to nonexempt. This includes a “How To” document to calculate the nine working days on the November 30th paycheck.

D. POTENTIAL OVERTIME COST

As indicated above UNM will be changing the status of approximately 864 employees from exempt to nonexempt. If paid (and not opting for comp time) the annual cost for each employee to work one hour of over time every week is over \$1.5M this equates to \$514,000 (HSC) and \$967,00 (Main & Branches).

E. COST MITIGATING STRATEGIES

Proactively UNM is doing the following to manage/minimize cost:

1. Evaluating organizational structures for departments with high OT usage for possible reclassifications to exempt level positions
2. Evaluating positions against market data to ensure they are classified appropriately
3. Requiring prior approval for all overtime, approval only for critical needs
4. Creating tracking reports to assist supervisors/departments in monitoring overtime on a monthly/quarterly basis
5. Encouraging flex and modified work schedules, when/if possible
6. Encouraging the use of comp time instead of overtime pay

F. TRANSITIONING EMPLOYEES – PAY ISSUES

1. Employees may experience a short-term reduction in take-home pay. This is due to the one-week lag time when changing from exempt (salaried) to nonexempt (hourly). Exempt employees are paid monthly and receive their check on the last working day of the month – payment for that full month. Nonexempt employees are paid bi-weekly and there is a one-week lag time from time worked to when they receive pay. This lag is needed to allow time for employees to submit actual time worked and to have it approved by supervisors. Employees will be paid for time worked, but due the lag time the pay is always one week behind. Employees changing to nonexempt may initially see a reduced take home pay amount due to this lag. It is important to realize this is not a reduction in pay, it is pay that will be received when the employee separates from UNM. The amount will vary for each transitioning employee and is dependent on the employees’ benefits, voluntary deductions, and hourly rate of pay.
2. Pay issues resulting from the transition from monthly to bi-weekly pay periods:
 - The check issued on 11/30 will be for nine (9) work days and the time worked is as an exempt employee (Nov. 1- Nov. 11). It will have full monthly deductions such as parking, United Way, Annuities/Retirement (403B & 457B) and Health Benefits.
 - The first bi-weekly paycheck will be 12/2 and will be for ten (10) work days (Nov 12 - Nov 25) and the time worked is as a nonexempt employee. On this check the employees’ deductions will change from a monthly rate to a biweekly rate. From this point forward, employees will continue to be paid bi-weekly.

3. Example included below:

Monthly Comparison of Gross Pay – Annual Salary of \$42,000				
	Nov	Dec	Jan	3-Mo Total
Remained Exempt	\$3,500	\$3,500	\$3,500	\$10,500
Transitioned to N Ex	\$1,432	\$4,846	\$3,231	\$9,508
Difference	(\$2,069)	\$1,346	(\$269)	(\$992)

G. TRANSITIONING EMPLOYEES – APPROACH TO MITIGATE THESE ISSUES

1. Employees will be allowed to elect when they want the pay cycle (monthly to bi-weekly) transition to occur. The change may occur between October 2016 and October 2017 but it will default to bi-weekly in October 2017 if no election is made prior to this date.
 - o Monthly – no change in current pay cycle or deductions; however, overtime pay will be calculated and paid on a separate check rather than part of their monthly check. Employees will need to waive their right to University Administrative Policy 3200: Employee Classification that requires UNM pay non-exempts bi-weekly.
 - o Bi-Weekly – change in pay cycle to every two-weeks will result in a one-week lag and a change in deductions including a full month’s deduction on November 30th but with no deductions on the December 30th pay. Overtime worked will also be included in their regular pay check.

H. HOW WILL A CHANGE TO NONEXEMPT STATUS AFFECT FORMER EXEMPT EMPLOYEES?

1. Eligibility for overtime pay/comp time for all hours worked over 40 in a standard workweek
2. Must now account for time on an hourly basis, clock-in/out or complete a timesheet (dependent on time reporting system)
3. May be subject to modified work week or work day based on department needs
4. Change in their pay cycle to bi-weekly instead of monthly
5. Change in leave accrual based on revised pay cycle
6. Change in work habits to minimize compensable time (travel, email or cell phone use after hours)
7. Possible impact to morale – no longer considered “professional”
8. May require training on the conditions that apply to working in a nonexempt capacity

I. HOW WILL THIS CHANGE AFFECT SUPERVISORS?

1. Must consider the fiscal impact (usually unknown) due to potential overtime
2. Change the way they conduct business
 - o Modified work schedule dependent on business needs
 - o Monitor after hours work and travel due to new guidelines
 - o Need to hire more exempt employees rather than nonexempt
3. Possible increase in workload for exempt and reduced workload for nonexempt
4. Issues with compression
5. Possible morale issues with employees newly classified as nonexempt
6. May require training on the conditions that apply to their employees now working in a nonexempt capacity

J. ADDITIONAL INFORMATION IS AVAILABLE ONLINE

On the HR website at <https://hr.unm.edu/flsa-update-overtime>

Detail for example provided above in item F3:

FLSA Exempt to Non-Exempt Gross Pay Transition Example - Annual Salary of \$42,000

1	Current \$/Month		NOV	DEC	DEC	DEC	JAN	JAN	TOTAL
2	3,500	Pay Period	11/1-11/11	11/12-11/25	11/26-12/09	12/10-12/23	12/24-1/6	1/7-1/20	
3		Pay Date	11/30	12/02	12/16	12/30	1/13	1/27	
4	Exempt								
5	Salary		1,432						
6	Nonexempt								
7	Hourly Rate			20.19	20.19	20.19	20.19	20.19	
8	# Hours			80	80	80	80	80	
9	Pay Period Total			1,615	1,615	1,615	1,615	1,615	
10	Total Gross Pay (Exempt to Nonexempt)		1,432	1,615	1,615	1,615	1,615	1,615	9,508
11	Total Gross Pay (Remained Exempt)		3,500			3,500		3,500	10,500

Organizational Alignment: Main & HSC**A. INTRODUCTION**

1. Challenging project due to:
 - a) Complexity of the organizational structure with academic and health organizations
 - b) Financially challenging environment
 - c) High level positions and often high performing, critical to each organization
 - d) Lack of clarity in reporting/supervisory relationships
 - e) Partial reporting relationships across numerous supervisors
 - f) Inaccurate job descriptions, sometimes due to roles and responsibilities evolving based on skills and interest of employees.
2. Context: A recent change by the Board of Regents reconstituted the HSC Board of Directors and made the UNM President ultimately responsible for both Main Campus and HSC.
3. Project Objective: To determine how Strategy, Communications & Marketing, and Finance can operate as "One UNM" to a greater extent moving forward.

B. ESTABLISHING CURRENT STATE

1. Population: Strategy Positions (7), Communications & Marketing (4), and Finance (11)
2. Data Collection:
 - a) Individual interviews
 - b) Detailed role profiles
 - c) Spans and layers (Comm/Marketing & Finance)
 - d) Customized follow up questions
 - e) Ad hoc interviews with ISS, Government Relations, and UNM Hospital
 - f) Executive interviews with President, Chancellor, Provost and Executive VP

C. SUMMARY STRATEGIC PLANNER POSITIONS (7)

1. Positions – agreement from Executive Leadership
 - a) Strategic planners leveraged advanced skills to deliver significant accomplishments.
 - b) Going forward strategic planners can achieve even more with increased position clarity: titles, descriptions, org charts, and supervisory responsibility.
2. Governance – agreement from Executive Leadership.
 - a) Align and coordinate with tight integration of leadership and organizational alignment
 - b) From a governance perspective use a five step process to clearly define a system wide Strategic Governance Council and Charter.
3. Structure Changes – from Aon
 - a) Strategic Planner to Provost – retitle the position and standardize the functions/responsibilities of the team reporting to this position. Look for opportunities to automate, standardize and manage demand.
 - b) Chief Strategic Advisor (18) to Chancellor – better alignment by changing reporting structure of the HSC web and communication positions to HSC Exec Dir of Comm/Marketing. Appropriate retitling to Strategic Planner (16).
 - c) Chief Strategic Advisor (18) to Executive Officer Finance & Administration – streamline support of Government Relations by moving this position under Main Campus Government Relations;

however, should remain focused on HSC initiatives. Recommend retitling to a Legislative Analyst (Gr 16).

- d) Strategic Planner to Law School – needs further evaluation with similar positions in other colleges. Recommend no title change at that time but further evaluation to ensure better alignment across academic units.
 - e) Establish a single strategic lead over all strategic functions across both campuses. Based on existing skill set this may be an internal promotional opportunity and not require a new position.
4. Structure Changes – from Executive Leadership
- a) *Strategic Planner (16) to Provost – agree with the recommendation to retitle the position at the same grade and salary but to better reflect primary duties of this position. All current responsibilities of this position will remain within the Provost Office but may be reassigned internally.*
 - b) *Chief Strategic Advisor (18) to Chancellor – agree with the recommendation regarding change in reporting of web and communications to HSC Exec Dir of Comm/Marketing. Recognize a need to retitle this Strategic Planner more appropriately to an Executive Project Director (Gr 17) with no change in pay or reporting structure.*
 - c) *Chief Strategic Advisor (18) to Executive Officer Finance & Administration – eliminate current position and laterally transfer incumbent into Chief Budget & Facilities Officer/HSC (Gr 18) with no change in pay. Position will support UNM Government Relations, as needed with HSC initiatives.*
 - d) *Strategic Planner (16) to the Law School – executives agree with recommendation.*
 - e) *Establishing a single strategic lead responsible for oversight of all existing strategic responsibilities needs further evaluation to determine how this is achieved with no additional cost or decrease in service to senior level positions.*

D. SUMMARY COMMUNICATIONS & MARKETING

- 1. Governance – agreement from Executive leadership
 - a) For web scope a committee focused on brand standards, unique requirements, and IT platform using a three step approach: share information, define standards, and improve results.
 - b) Once web committee is fully established, it can expand into a broader communications and marketing scope.
 - c) Media relations should be seamlessly integrated into Communications & Marketing.
- 2. Structure Changes – from Aon
 - a) The Director of Media Relations should report to Chief Univ Mktg & Comm Officer.
 - b) A lead over two similar Communications & Marketing departments to ensure consistent messaging across both entities.
- 3. Structure Changes – from Executive Leadership
 - a) *Director of Media Relations – agree with new reporting structure of the Director of Media Relations to Chief Univ Mktg & Comm Officer. This change, in addition to changes in reporting of the web and communications staff from HSC Chief Strategic Advisor to the HSC Exec Dir of Comm/Marketing will result in better alignment and more similar organizational structures.*
 - b) *Support the concept of a single lead over both Communications and Marketing functions; however, concerned with creating a new VP title. Alternative is to form a Communications Committee with co-chairs operating under the oversight of the Chief of Staff to the President.*
 - c) *Additional recommendation – retitle the two highest level positions to a new title at the same grade (17). This change will result in an increase in pay for the current Chief Univ Mkt & Comm Officer and a decrease in pay for the current Ex Dir, Comm & Mktg/HSC effective July 1, 2017.*

E. SUMMARY FINANCE POSITIONS

1. UNM has achieved significant integration in Finance across Main Campus and HSC. Ten (10) financial functions already integrated under the oversight of the Controller.
2. Outsourcing opportunities should be evaluated knowing that transactional areas are top candidates for outsourcing. Agreement from Executive Leadership; however, this needs additional review and discussion with detailed cost analysis.
3. Structure Changes – from Aon
 - a) Budget function:
 - o Better align by creating a single lead to oversee both budget areas and reporting to Executive VP for Administration; or
 - o Chief Budget & Facilities Officer can be separated into two functions with the budget function reporting to Chief Financial Services Officer and creating a lower level position focused on HSC Capital projects but reporting to ISS.
 - b) Retitling of Executive Project Director at Main Campus (Grade 17) to University Treasurer (Grade 17) same pay. Working titles for other main campus finance positions to better define their roles/responsibilities as they relate to “system” support.
 - c) Evaluation of Executive Officer Finance & Administration for better alignment with senior level finance position, the University Controller with main campus.
4. Structure Changes – from Executive Leadership
 - a) *Budget function: Internal transfer of Chief Strategic Advisor (Grade 18) to the Senior Exec Officer/HSC to Chief Budget & Facilities Officer (Grade 18) position with no change in pay. Position will provide support to Government Relations Office for HSC initiatives.*
 - b) *Retitling of Executive Project Director (Grade 17) at Main Campus to University Treasurer (Grade 17) same pay. Working titles for other main campus finance positions to better define their roles/responsibilities as they relate to “systems”.*
 - c) *Evaluation of Executive Officer Finance & Administration salary for better alignment with senior level finance position, Controller, at main campus. In order to ensure enhanced communication and coordination, this position will have a dual reporting relationship to the Chancellor and the EVP for Administration.*

F. IMMEDIATE COST SAVINGS FROM REALIGNMENT

- Eliminate Chief Strategic Advisor (Gr 18): (\$152,000)
- Eliminate Marketing and Media Director/HSC (Gr 16): (\$88,807)
- Eliminate Assoc VP, Planning, Bdgt & Analysis (Gr 18): (\$174,620)
- Reduction in pay for Exec Officer Finance and Admin (Gr 99): (\$25,136)
- Reduction in pay Ex Dir, Comm/Marketing Dir/HSC (Gr 17): (\$5,000) (effective July 1, 2017)
- Increase in pay for Chief Univ Mktg & Comm Officer (Gr 17): \$5,000
- Internal transfer Chief Budget & Fac Officer/HSC (Gr 18): (\$7,806)
- Recurring Savings: (\$448,369)

G. GOING FORWARD STRENGTHS

1. The Regents are supportive of a transformational agenda
2. A “One UNM” strategy leverages the best across the university
3. There are strong strategists on Main Campus and HSC
4. Marketing has strong potential to develop brand and web presence
5. UNM is making strong progress to unify Main Campus and HSC
6. The finance function has achieved strong centralization

H. SUGGESTED NEXT STEPS

1. Evaluate recommendations and options across each of the areas: Strategy, Communications & Marketing, and Finance
2. Determine desired organization structure for each one then establish reporting lines, titles and salaries based on leveling of roles regardless of entity
3. Confirm no opportunities to standardize or optimize within the finance function
4. Evaluate the cost/benefit for outsourcing some aspects of finance
5. Continue formal evaluation of other areas for consolidation and alignment, such as Policy Development, Safety and Risk, and Academic Officers in the colleges

I. DETAILED PRESENTATION FROM AON IS AVAILABLE

On President Frank's website at <http://president.unm.edu/administrative-function-review/index.html>



Faculty & Staff Benefits Committee