Committee on Efficiency and Entrepreneurship

Below is a summary of the items presented by working group chairs at the May 4th Steering Committee meeting.

Planning and Real Estate Development - presented by Thea Berkhout

- <u>College Avenue Housing Conversion</u> – revenue generating project achieved through the conversion of highly underutilized houses along College Avenue. These houses, which currently serve as offices, would be converted into rental properties for members of the university community. After incorporating costs such as renovation and the relocation of staff, the return is calculated to outweigh the costs within four years.
    - ***Path***: *A full proposal has been developed by real state staff and endorsed by the committee. To move forward, the conversion plan and a policy for vacating the houses through attrition (in which once a house is vacated, no other staff or departments can make a claim on the space) must be approved and backed by senior administration.*

- <u>Asset Management Plan</u> – the development of an asset management plan to enable the university to make the most of its physical assets. The subcommittee recommends principles including: developing closer ties between academic and physical planning; reviewing of current uses to consider for leasing out, strategic acquisition, and land swaps; consistency of approach for all three campuses; and considering making better use of in-house expertise.
    - ***Path:*** *The initiative has been endorsed by senior administration and the appropriate staff must now determine who will development the plan (internal staff, Ayers Saint Gross, etc.) and the specifics of the plan (phases, etc.)?*

Energy Policy, Conservation, and Sustainability - presented by Gene Vincenti
These initiatives are apart of on-going savings efforts within University Facilities.

- <u>Lighting Retrofits</u> – retrofitting of lighting across all of the major campuses with energy efficient products. The initiative encompasses a total of 45 state buildings representing 3,013,000 square feet of space. The yearly energy savings for these projects average 14 million KWH. This represents a $4.25 million yearly savings and a 13% reduction of costs across all campuses.
    - ***Path***: *This initiative is underway. Staff will continue to track and monitor savings and report back to the committee.*

- <u>New Brunswick Cogeneration</u> – the production of electricity and heat at the university's cogeneration facility instead of buying from the market. Savings are estimated at $5.2M over ten years.
    - ***Path***: *This initiative is underway. Staff will continue to track and monitor savings and report back to the committee.*

- <u>High Temperature Water System</u> – improvements in the high temperature hot water underground heating lines. The project will be performed in four phases and completed by fiscal year 2009-10. Each phase will cost $2M with a total project cost of $8M. This project will result in an annual fuel savings of $2.52M per year when completed.

Path: This initiative is underway. Staff will continue to track and monitor savings and report back to the committee.

Business Processes and Organizational Structure – presented by Sandy Russell
- Integrated System – implement an integrative human resources/payroll system (continuation of Oracle implementation).   This would replace a manual and paper intensive process that generates 90,000 forms per year, eliminate redundant data entry into multiple systems, automate labor intensive manual processes and would provide a user friendly data warehouse for departmental decision making.
  Path: Senior Administration has stated their commitment to the acquiring of the Oracle system. The incoming Director of the Office of Information Technology will be charged with finalizing this acquisition, including timing and costs.

- Paper Reduction and Elimination - efforts include eliminating the printing of direct deposit stubs, the direct deposit of TABERS (as well as other refunds to students and employees), enhancing centralized digital imaging, and developing contracts with vendors for standardizing purchase of digital equipment.
  Path: The committee endorses this idea. Senior Administration has stated their support for the subcommittee to come back with more specific and modular proposals in this area.

- Clustering of Support Staff/Shared Business Services - investigation of clustering of support staff servicing small departments. Data has shown a number of schools successfully implementing this model primarily for business and IT support. Also in discussion is the elimination or combining of certain administrative departments for more cost-effective approaches (reduction in management layers).
  Path: The committee endorses this idea. Senior Administration has stated their support for the subcommittee to come back with more specific and modular proposals in this area.

- Market and Staffing Evaluation – evaluation of human resources market study indicates that the university is at or above regional market rate (both public sector and private) in compensation (for most job titles). The Committee has been reviewing the structure of many departments with an eye towards standardizing support positions. Preliminary data shows great variance, which may indicate overstaffing in certain areas.
  Path: The committee endorses this idea. Senior Administration has stated their support for the subcommittee to come back with more specific and modular proposals in this area.

Other items that President McCormick has asked the subcommittee to investigate include outsourcing, the reduction of mail delivery and the updating of the university's phone system. The latter will likely entail the addition of an individual to the Committee from the Office of Technology.

Academic Efficiency - presented by Michael Beals and Joseph Seneca (additional recommendations have been discussed with the Committee beyond those presented here).

- Academic Space – review and update the university's space audit. A preliminary faculty survey show a need for more large classrooms (500 seats) in New Brunswick and Camden (100 seats) and that academic space be allocated with more attention to research performance (research $ per square foot) in appropriate schools and

disciplines. The space audit would be made in conjunction with the efforts of the Real Estate subcommittee.

> *Path: Review previous space audit and comparative analyses with peer institutions and ensure all new building design incorporates classroom size and research space needs. Determine if update of space audit is needed to assess current relative standing and benchmarking with peers.*

- <u>Academic Compensation</u> – Proposed that all academic compensation be determined by merit. Secondary component – review merit system to encourage best practices of units that use rigorous and thorough merit review.

> *Path: Executive VP for Academic Affairs to discuss with provosts and deans. Review data on merit awards by unit and identify best practices. Discuss best practices at Deans Council meetings on all campuses and encourage USE of best practices in all units. Consider increasing merit percentage as goal of current round of bargaining.*

- <u>Eliminate Paper Processes and Reduce Time Consuming Personnel Processes</u> – Eliminate, wherever possible, paper processes – this issue overlaps with recommendations and work of other subcommittees. There are many examples in the academic area (course rosters, signature requirements on summer salaries on grants, PTL appointments). Also, contractually stipulated processes (e.g., FASIP, promotion, grievance) are enormously time consuming, repetitive, paper centric, and inefficient in terms of administrator, faculty, and staff time.

> *Path: For paper processes-coordinate with appropriate administrative units (e.g., Registrar, Grant Accounting, etc., and via EVPAA Office indicate all paper processes so identified will now be conducted only on-line.*
>
> *Path: Outreach to AAUP to review all non-monetary process items and do so outside collective bargaining process with a mutual goal to reduce and/or eliminate time and paper process inefficiencies of FASIP, promotion, and possibly grievance. E.g., reduce information for promotion to Prof I., align Form 1 with annual faculty data reporting requirement.*

Academic Entrepreneurship - presented by Marc Holzer

- <u>University Entrepreneurial Model</u> – a university wide survey to faculty and staff on risk taking in entrepreneurial activities.

> *Path: President McCormick requested that the working group shift its efforts and perform a direct inquiry on the most successful models of entrepreneurship at other universities and how to implement such activities at Rutgers. These efforts include: increased continuing education, certification and professional education courses and programs, expansion of on-line courses; increase in winter and summer session offerings; and more aggressive patenting efforts.*

Purchasing - presented by Kevin L. Lyons

- <u>Expand Existing Contracts University-wide</u> - Analyze, Develop and Consolidate University-wide Contracts (including Off-Campus and NJ Higher Educational Purchasing Cooperatives) in such areas as: office supplies, furniture, leasing, IT, Computers, Recycled Copy Paper, and HVAC.

> *Path: Currently reviewing available contracts through NJ State and E&I to assess and make use of best contract in each commodity for incorporation into the Rutgers purchasing system.*

- <u>Rutgers Cooperative Purchasing Partners Program</u> – initiatives through which the Purchasing Department identifies and makes specific contracts available to pre-selected purchasing partners. These partners include higher education institutions, townships, and municipalities. Rutgers and its partners save as a result of leveraging the cooperative purchasing power of the various organizational bodies. This program is also being used to increase the participation and use of 'green' or 'environmentally responsible' products and services at competitive costs.

     Path*: This pilot program is already underway with formal plans to enlarge the current scope to include dozens more entities. Finalizing contract negotiations with vendor to allow cooperative partners use of Rutgers contracts as well as NJ State and E&I contracts.*

- <u>Using RIAS to Full Capacity and Implementing the eCommerce (cXML) Electronic Ordering Deliver System</u> – potential significant savings through the implementation of the direct RIAS-to-Order entry portion of the Oracle system with our contracted suppliers.

     Path*: Program will be installed during the current ORACLE General Ledger implementation project in order to utilize the existing ORACLE/Rutgers project resources. We expect that we will go live with this concept during Fall 2007.*