MANAGEMENT REPORTS VS ACCOUNTING

One thing that surprised me somewhat when I arrived here from the University of North Texas was our lack of management reports. Sure, we certainly don’t suffer from a lack of paperwork production and NMSU generates reams of raw data, but sometimes it seems to me that NMSU is more concerned with counting beans and preventing personal use of a bean than with the management of the beans we have or the propagation of more beans. We’re even centralizing bean counting so that the bean traders can be in the same room.

Sometimes analysis is worthwhile and preferable to simply counting.

Last time we talked about turnover, and I mentioned that we have some initiatives to reduce the churn. Turnover is costly, and not just financially. This time I wanted to show you something else that we monitor as well to provide a little historical budget information.

Consider that NMSU has a pay grade table ranging from entry level through maximum for each grade, and what we do in practice when hiring staff is to generally hire above entry when the qualifications warrant. Up until last month, when someone quit, retired, or otherwise moved on, the administration took the difference between what we were currently paying and entry level. We would then offer above entry again and fund that difference through operating funds. This certainly helped with short-term university budget problems, but over the long haul, precious dollars slowly migrated from operating budgets to salaries to central administration in the absence of any other action. That’s not always obvious at first, nor when it takes place in small departments, but at some point, operating budgets begin to suffer.
Facilities and Services

We monitor this percentage because what we want to see is about 60% payroll and 40% materials. If the salaries start increasing as percentage, we have a lot of people running around slapping bubblegum on leaky pipes because we can’t afford materials. Or, perhaps the staff in the office has a hard time buying supplies. It may sound counterintuitive, but the solution to this is to forfeit a position, except that savings from central were being swept.

The tables below are for just our trades’ shops. We are able to supplement this funding with BRR, fortunately, or we would be having real problems. Also, note that we are essentially provided with $7.3 million and have to “earn” another $3.8 million through billable work – or about 53% OF OUR BUDGET.

<table>
<thead>
<tr>
<th>FY19 prelim</th>
<th>Recovery</th>
<th>Salary</th>
<th>Other</th>
<th>Salary + Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Mechanics</td>
<td>(225,418.00)</td>
<td>169,573.00</td>
<td>50,398.00</td>
<td>219,971.00</td>
</tr>
<tr>
<td>Custodial</td>
<td>(1,025,062.00)</td>
<td>2,343,086.00</td>
<td>375,992.00</td>
<td>2,719,078.00</td>
</tr>
<tr>
<td>Electricians</td>
<td>(758,576.00)</td>
<td>466,903.00</td>
<td>345,952.82</td>
<td>812,855.82</td>
</tr>
<tr>
<td>Grounds (need to filter)</td>
<td>(331,480.00)</td>
<td>681,923.00</td>
<td>446,062.00</td>
<td>1,127,985.00</td>
</tr>
<tr>
<td>Access Control</td>
<td>(155,731.00)</td>
<td>116,179.00</td>
<td>39,737.58</td>
<td>155,916.58</td>
</tr>
<tr>
<td>Sign Shop/Operations</td>
<td>(30,667.00)</td>
<td>32,528.00</td>
<td>19,974.00</td>
<td>52,502.00</td>
</tr>
<tr>
<td>Painters</td>
<td>(363,515.00)</td>
<td>350,001.00</td>
<td>50,427.00</td>
<td>400,428.00</td>
</tr>
<tr>
<td>Plumbers</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mechanical</td>
<td>(411,031.00)</td>
<td>577,403.00</td>
<td>410,191.00</td>
<td>987,594.00</td>
</tr>
<tr>
<td>Structural Maintenance</td>
<td>(528,823.00)</td>
<td>562,514.00</td>
<td>160,385.00</td>
<td>722,899.00</td>
</tr>
<tr>
<td>Solid Waste/Recycling</td>
<td>(28,813.00)</td>
<td>86,216.00</td>
<td>24,659.00</td>
<td>110,875.00</td>
</tr>
<tr>
<td></td>
<td>(3,849,116.00)</td>
<td>-53%</td>
<td>74%</td>
<td>26%</td>
</tr>
</tbody>
</table>

In addition, for these shops, we receive $168,000 less for materials, $1,173,000 less for salaries, and have to earn $532,000 more from billable work than we did seven years ago.

<table>
<thead>
<tr>
<th>FY12</th>
<th>Recovery</th>
<th>Salary</th>
<th>Other</th>
<th>Salary + Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>(3,317,426.09)</td>
<td>-38%</td>
<td>76%</td>
<td>24%</td>
</tr>
</tbody>
</table>

We certainly understand the reductions because of the enrollment decline, but the building square footage remains the same except for Regents Row. This is why it’s essential to vacate Dan Williams when the Art Department relocates to Devasthali Hall.

Now that we are past move-in and the start of school, it is back to business. We have an informal, internal group built around sharing management information and mentoring, and the other day we discussed “FS Budget 101.” You will see more about the budget in the future because we believe that good budgeting should drive desirable behavior, and ours encourages the seeking of billable work instead of performing maintenance.
Facilities and Services

I do need to give credit, as our recovery burden was lowered a little this year and we appreciate it. The salary sweep is now based on mid-point instead of entry, and the waiver process has been ended.

These are much needed positive moves.

**Christmas Comes the Same Time Each Year...But a Reminder in September?**

To some degree, our business of higher education is cyclical, inherent with supporting the academic mission. Many tasks in Facilities and Services are built around the school year; Environmental Health Safety and Risk Management has the fall safety blitz, and Project Development and Engineering receives bond money in July and times projects around Winter Break and Summer School to be ready for the opening. Business Administration starts working on Plant O&M in August and Facility Operations has meetings with Building Monitors and conducts light walks with staff and students after school starts.

Many of my reminders are thus “repeats.” Last year, I advised that “Remember that a few groups across campus are still reorganizing as part of the Transforming Process, so leave time for delays. ICT and the Central Business Center are still pending.” Well, these same groups are still reorganizing a year later.

Sometimes change is the only constant.

I first sent this reminder in 2014 at the first of October, and these last four years I have moved it up a little each year as the end of the calendar year still seems to sneak up and come as a surprise. Pardon the thinking ahead about the rest of the fall activities and the holidays, but 2019 will arrive before we know it, and I thought I’d go ahead and mention this now. I think it’s important for all of us to plan ahead and not get caught in a last-minute rush.

As this is being written, there are around 16 weeks and 80 business days left in 2018. One of those is the short week at Thanksgiving and the other is the week before Christmas – so really, 14 weeks and 73 working days. The end of the year comes upon us so fast that we usually are surprised, even though we know that Christmas comes this time each year.

Think about it in these terms: if you had to get an A/E proposal, a design, a bid, a PO, and a Notice-to-Proceed (NTP) – it’s just about too late for holiday projects if you have not already started. One thing that helps me: devote a little each time each day to long-range goals by setting aside time on the calendar.

Please consider:

1. We had numerous metrics as goals for last year; pull out your annual evaluation and check your progress. How are we doing on Customer Service goals? Employee Engagement survey discussions? Time to close on work orders?
2. Who will cover your unit at Thanksgiving and Christmas? Who is planning to be in town and who isn’t?..?
3. Who will compile the project and activity list for the holidays?..?
4. Do you have all your work pre-planned? Are you asking for quotes so that you can have purchase orders in place to avoid the crunch at Procurement Services?
5. Remember that groups across campus are reorganizing, so leave time for delays.
6. No sooner than we come back in January, annual evaluations are due; consider using this time to get your staff to do the self-evaluations in advance if you use those.
7. Look over the goals of your subordinates to see how they’re doing so that there are no surprises.

HIRING PRACTICES AND ACCELERATION
We track every aspect about positions as people are the lifeblood of our organization, and I met with the supervisors last Wednesday to get everyone’s commitment to accelerate our hiring. Like with Procurement Services (or us, for that matter), there are numerous rules, regulations, and best practices that must be followed to remain compliant, and there is no point in wringing our hands or complaining about the process. Following the rules is just good business as well as “the law.”

Besides, when we put timelines on the activities from vacancy to posting to interviews to selection, the problem is US. We know you’re shorthanded, and you’re going to see some changes that will allow us to fill the positions more quickly.

PROCUREMENT
Since I’m on the subject, pretty much the same thing holds true in Procurement. The policy is to have purchase orders in place before a service provider starts work, and our expectation is that everyone will follow it. Procurement Services is always willing to authorize emergency purchases when circumstances warrant, even on weekends.

NATATORIUM LOCKER ROOM PRIVACY PARTITION REPLACEMENT
Rey Ramirez and his crew completed this installation this week, and the work has received many compliments. Rey suggested replacing the deteriorating privacy partitions with ones that could handle the wet and humid environment and took it upon himself to identify funding and oversee the work. Great job everyone!
Ethical behavior is the responsibility of every NMSU employee.

Each one of us has a personal obligation to report any activity that appears to violate applicable laws, regulations, rules, policies, and/or procedures.

Ethics and Reporting

This is sort of turning into a compliance newsletter, but what with the start of a new school year, that is probably a good thing.

This is also a repeat but anytime is a good time to remind everyone that NMSU has chosen Ethicspoint® to provide an anonymous and confidential reporting tool to communicate misconduct and promote a positive work environment. Addressing misconduct and other concerns in the workplace early on will help minimize negative morale issues and financial impact to the University and its employees.

We have an open-door policy in FS and encourage you to report inappropriate behavior through established channels whenever possible; however, we recognize that there will also be situations when you may not feel comfortable or secure doing so; Ethicspoint provides a mechanism to report concerns in order to catch problems/issues early, before they grow into large liabilities. Ethicspoint® ensures that your report gets to the appropriate people.

https://ethicsreport.nmsu.edu/

Our Values

- A Safe Environment
- Professional Organization
- Integrity and Accountability
- Open and Respectful Communication
- Teamwork and Partnership
GOODBYE TO OLD FRIENDS

When the site visitation team was here for the APPA Award for Excellence, they told us that no school had arranged a meeting for them with the Foundation, and they had never heard the foundation speak well about facilities. That probably had more to do with Andrea than us, and we offer our best wishes to Andrea S. Tawney, Ph.D.

Texas Tech’s gain is our loss.

We certainly wish we could say that all our visits with Dr. Lauri Millot were because an air-conditioner was stolen or we were both at an athletic event, but while we have much more need for OIE’s services than we should, we have always been treated equitably and with respect. We wish her well as she departs for Truman State.

Finally, we will present a gift or two to Dr. Bernadette Montoya tomorrow depending on what’s laying around. Some of you know I am writing a somewhat fictional novel about life in higher education, and one of the most hilarious episodes ever is the one about the red peanuts in Ed Services at Christmas (although it wasn’t at the time). That tale has to be presented as fiction because no one would believe it, and if you come to the reception and we’re lucky, Katrina will re-tell it.

PROMOTION AND SERVICE

The good news about turnover and change is that many positions will open for advancement, and FS is committed to hiring from within.

If I can brag for a moment, though, we have three Ph.D.’s in our organization; Katrina Doolittle, Ph.D., Executive Director for Environmental Health, Safety, and Risk Management; Dale Harrell, Ph.D., P.E., University Engineer, and Patricia Hartell, Ed.D., Executive Director of Administration. Dale is also a licensed electrical engineer. Heather Zack Watenpaugh, AIA, NCARB, AUA, University Architect and Campus Planning Officer is a registered architect, studied in Europe, and has a Master of Architecture (MARCH) in architectural design and a graduate degree in historic preservation.

Alton Looney, Executive Director, Project Development and Engineering has nearly forty years of experience in the construction industry with both public and private firms. Tim Dobson, EFP, is also an engineer and has overseen maintenance at the White Sands Missile Range prior to joining NMSU. NMSU Fire Chief Johnny Carrillo retired from the City of Las Cruces with over 25 years of experience, and his Deputy Fire Chief, Louis Huber, has 35 years of experience with numerous agencies.
In short and perhaps different from some other areas on campus, our leadership team consists of professionals who are in their role because their training and career experience more than qualify them for their position, and they have all been leaders in their field for quite a while. That is our philosophy in FS and will continue to be, at least for as long as I am here, which may be a potential subject for a future newsletter (ambiguity intended).

If you have the opportunity for professional development, I encourage you to take advantage of it. Our leadership team is also willing to spend time mentoring.
Facilities and Services
Have a great Labor Day weekend unless you made other plans..!

Glen

Associate Vice President for Facilities
One Team / One Goal

Our mission is to efficiently provide a safe, well maintained, and environmentally sustainable university community...

...and it takes each and every one of you.

And as always — thank you for all that you do!