

## Minutes of May 6, 1998 meeting

2:30 p.m., Union Room 404 A/B



### **Present:**

Julie Andrews, Cynthia Baskett, Michael Boone, Woodson Boyden, Connie Braseth, Dennis Bullard, Amy Burrow, Onice Carter, Gloria Carothers, Mary Chrestman, Buster Clark, Thelma Curry, Sondra Davis, Alice Frison, Mary Harrington, Willie Hilliard, Floyd Klepzig, Theresa Knight, Barbara Leeton, Jonnie Manning, Traci Mitchell, Jerry D. Moore, Conny Parham, Donna Patton, Lucienne Savell, Calvin Sellers, John C. Stone, Steve Stricker, Doug Stuart

### **Excused:**

Charlene Baker, Judy Fos, Sherry Wall

### **Unexcused:**

David Blackmarr, Byron Buford, David Elmore, Sue Hodge

1. President Jonnie Manning called the meeting to order at 2:30 and introduced Ms. Marti Ryan from MS Blood Services. Ms. Ryan thanked everyone in advance for participating in the Staff Blood Drive on Tuesday, May 12 from 11:00-4:30 and on Wednesday from 7:30-4:30. She stressed the importance of this event and the impact it has on many lives. She concluded by presenting Lucienne Savell with a plaque in appreciation of her years as chairperson of the Blood Drive.
2. Jonnie introduced Mr. Rex Deloach, Interim Vice Chancellor for Administration and Finance who presented an update on the re-engineering process as follows:  
Phase I included an assessment of the University's processes as they are currently; recommendations to improve the processes; and the costs involved in making those changes. Mr. Deloach stated that the Phase I process comes close to being a failure in that the report submitted by KPMG Peat Marwick did not produce the expected analysis; it does not give a road map; it has errors; and other problems. The Operation Group has almost finished its review of the report, and it is finding that the cost of implementation of the suggested changes are far beyond reason and beyond what the University can support. Interviews with Arthur Andersen will be held on May 18 and 21 to decide whether to employ them instead of Peat Marwick for Phase II. Mr. Deloach stated that in the beginning, the IHL Board had decided that since Mr. Deloach had been employed by Arthur Andersen, it would be a conflict of interest if the University had hired them initially. Since Mr. Deloach's tenure as Interim Vice Chancellor will end of June 30, that conflict of interest will not longer apply.

Mr. Deloach stated that the above-stated problems presented a setback as far as time is concerned but that the University is moving forward with process re-engineering and gave the following examples:

*Grounds Maintenance.* The director retired; the deputy director position was left unfilled and the duties were absorbed by the current director. The campus was divided into 3 zones and 4 sub-zones; and 3 teams which will cover these zones; new equipment has been ordered for the workers; and most of the employees received a 20% pay increase.

*Custodial Services.* Restructuring plan is nearing completion and will be announced within the next few days.

*Human Resources.* Similar plan is in progress.

*Information Technology.* We are moving ahead rapidly to get in shape to do the migration from legacy systems

to modern systems. Mr. Deloach said that the staff are to be congratulated because they have really worked hard to get I.T. in shape and there will be good news from that area in the coming months.

## Questions and Answers

**Q:** *What happens when an employee is put into the re-engineering pool?*

**A:** You work on the re-engineering team at whatever assignment might be made for you. It's your job to find a suitable position within the University over the next couple of years. It is the University's job to give you the training to acquire the skills so that you could successfully fill that position.

**Q:** *What about salary? Would you have to take a cut in pay?*

**A:** The job would have a salary. You would make the decision whether or not that's the job you want to seek. While you are in the re-engineering pool, you continue to draw the same compensation you had been previously.

**Q:** *Is there a limit to the time you are given to find another job?*

**A:** I would say the re-engineering process fundamentally will take two years and would think that at the end of that two years you would need to have found another job. I would be surprised if anybody didn't.

**Q:** *Are there services available through the University to help deal with problems such as having to take a cut in pay?*

**A:** I would hope you wouldn't take a cut in pay.

**Q:** *How does the process affect the Morris Study?*

**A:** Well, so far, we haven't done anything with it. I think that study has got to be re-worked to address whatever the new jobs are. This is just my view--no decision has been made on that. I think it's got 700+ classifications for staff out of, I guess, 1,700 or 1,800 staff. You have a classification for every one or two people. Seems to me that there is something wrong with that. I think it will need a major re-working.

**Q:** *What about individuals who were promised raises in the Morris Study?*

**A:** I didn't know that anybody was promised raises, and I didn't know about anything being given in writing. I haven't seen it but if you have something in writing, please come forward with it and let's address it. Were there promises made? **Response:** Target salaries were set and given to employees.

(Mr. Deloach) That's a lot different than making a promise and I think the University, if they did make a promise, would keep it, but where are we going to get the money? I'm going to come back and speak to salaries in a few minutes.

**Q:** *These people who are put in this pool--what are they going to do?*

**A:** I don't know.

**Q:** *Are they just going to draw a salary while they sit there?*

**A:** No, that's not fair. They will have a job. There is a ton of work to the re-engineering processes. There will be plenty of work for everyone. No one will be sitting there looking at the walls.

**Q:** *What if I'm one of the people whose job is done away with, and I'm put in the re-engineering pool. What do you do with me?*

**A:** I would look at your skill set and what kinds of things you're interested in.

**Q:** *What if there are no jobs for my skill set?*

**A:** You will need to learn a new skill set. Surely there are some things you are interested in learning--operating a computer, etc.

**Q:** *Once this laying off, excuse me, not laying off...once this downsizing takes place, what happens then?*

**A:** First of all, we're not going to lay anyone off. I never said we were going to get rid of people. I said we may have fewer jobs here when we are through but we are not running off anybody. I cannot believe that there is anyone here who is not intelligent or energetic enough to learn some other skills.

**Q:** *As a member of the Staff Development Committee, to say that it has been an uphill battle to find funding for staff training activities is an understatement. Where will the resources for the training come from?*

**A:** In fiscal year 1997, this university spent \$1,155,000 for staff and some faculty (primarily staff) to attend various seminars that claimed to be training. That was 1997; I'm sure more than that was spent in FY 98. Can we find resources? Sure. As a community, we can solve these training issues.

**Q:** *What is your position on outsourcing?*

**A:** My position on outsourcing has not changed since day one. If we can't do it as efficiently and at approximately the same cost as an outsourcing could, then we ought to consider outsourcing.

**Q:** *Is it true that the faculty were not re-engineered?*

**A:** That's absolutely true.

**Q:** *Ok. Then why are faculty members on the Operation Committee and there is no staff representation on those committees?*

**A:** Faculty representation is on every committee as is staff representation--it is a joint committee. I would hope we could get rid of this business of them/us; faculty/staff because we are in one business and that is to provide service to students, their parents, and alumni, and do it better than everybody else. I hope we get over that. Now, why weren't the faculty/academic side re-engineered? Because I didn't have the guts to tackle that one.

**Q:** *What did you want out of the re-engineering plan?*

**A:** You have to look at how we do business here. When a student comes here, the first group of people they come to are the recruiters. The recruiters hand them over to the Registrar. Registrar hands them over to Financial Aid. Financial Aid sends them over to Bursar, Housing, etc. And somewhere in there, they go to class. All of which we have to have a reconciliation. These processes need to be streamlined through the use of technology so that there is one system. I don't see any reason why any student can't go to one place to get registered, obtain housing, etc. We lose between \$50,000 and \$250,000 a year in Financial Aid because we can't reconcile between the Financial Aid books and the general ledger book. That ought not to happen.

That is the kind of outcome we wanted from the report. I did not get any in-depth analysis. I don't think they really understood the process that we need to have. They are a world-wide, capable firm. Why didn't they do that? The reason they did not do it is not from lack of intellectual capability and professional talent. They did not pay enough attention to this job. For example, their manager was supposed to be here four days a week and just about every week this happened: We would have a 2:00 meeting and I would receive a call saying that the plane was delayed and they needed to change the meeting to 3:00. Well, I would have a meeting at 3:00--can we meet from 4:00-6:00? No, I can't meet at 4:00 because I have to catch a plane back out of Memphis at 7:00 so we blew \$2,000 on a plane ticket and \$1,500 or so on top of a consultant fee that day. We just didn't get the kind of service or the end product we needed. We may give them another chance to look at it if they want to guarantee us some results.

**Q:** *Was there any sort of penalty clause in the contract to cover this sort of thing?*

**A:** No, we did not have one in the contract. When you deal with professionals, you don't expect to have that. But I will say that I'm negotiating a penalty clause.

**Q:** *How will people in the re-engineering pool compete with others at the University who might be more qualified / already have the skills for positions that become available? How will this play into the Affirmative Action guidelines?*

**A:** If the more qualified person moves into a different position, that leaves the first position vacant.

**Q:** *Can you tell us how some positions are filled on campus without advertising, such as Leone King's*

*replacement? Does the Chancellor not think there is anyone on this campus qualified to work for him?*

**A:** I don't know what took place with the process there; whether rules were followed or not. The Chancellor has done enough for this University--you ought to cut him some slack. The man has brought in \$175 million to this campus and for the first time has put significant money into raising salaries. I think we ought to support him. I believe in that particular case, he followed the rules as they are written.

**Q:** *In the future, will vacant salary money be allowed to be utilized to restructure other departments and that money be retained in that department?*

**A:** This is not just in the future, but now. We encourage any particular organizational unit that if they can figure out a way to operate more efficiently or save money, as long as it is not abusive to the people, to raise the compensation up to what the market level is for that job.

The plan is not to lay off a bunch of people. I don't want to mislead you. At the end, if we're successful, there will be fewer jobs but we're not going to fire anyone to get there. We will let turnover, retirement, attrition take care of it. Jobs should be more challenging and better paying. If they are not, we have failed.

**Q:** *After June 30, will you remain at the University in a consulting capacity?*

**A:** I have told Chancellor Khayat that if he and my successor want me to help with this process re-engineering, I would be willing to do that.

**Q:** *How did the VCP money figure into the amount of raises given this year?*

**A:** The money was divided basically proportionally between units. When I say units I mean Business School as a unit; Pharmacy School as a unit. Exceptions were that there were \$500,000 more given to the College of Liberal Arts because salaries there were lagging disproportionately behind the market. There was either \$150,000 or \$200,000 additional money given to the School of Education because of the need for more teachers that you have been reading about. The leadership of those units assigned that money as they saw fit. The Board of Trustees of Institutions of Higher Learning mandated that compensation be applied on the basis of merit and performance and not any across-the-board increases.

Mr. Deloach stated that Mr. Johnny Williams would become Vice Chancellor for Administration and Finance on July 1. He thanked the Council for allowing him to provide this update.

3. Jonnie reminded everyone of Staff Appreciation Week activities next week and announced that **NO ONE WOULD BE ALLOWED TO EAT AT THE PICNIC WITHOUT THEIR TICKET**. No exceptions. She also asked that no one ask for seconds until after 12:30 so that everyone can be served.
4. Traci Mitchell asked that anyone who can meet in the Grove at 8:00 a.m. on Friday, May 15 to help the Physical Plant set up tables and chairs. We also need volunteers to help clean up at the end of the day on Friday.
5. Staff Appreciation Week T-Shirts will be sold for \$5.00. A table will be set up after the awards ceremony on Wednesday and again at the Picnic. Proceeds from the sale of the T-shirts will be placed in an account to be used for Staff Development.
6. Jonnie introduced Dr. Ken Roberts, Dean, School of Pharmacy, who is chairing the NCAA Self Study Steering Committee. Dr. Roberts stated that there are four subcommittee working on the self study: Equity (Gloria Kellum, Chair); Fiscal Integrity (Rex Deloach, Chair); Governance (Bob Weems); and Academic Integrity (Faye Gilbert). A representative from NCAA and from SEC visited the campus and met with the committee members. Dr. Roberts said that if there are things not being done that should be done, we need to have a plan to correct that. Drafts of self study documents will be put in the Library and maybe on the WWW. There are three possible judgements: Certified; Certified with Conditions; and Not Certified. Of course, we want to be Certified.
7. Buster Clark made a motion that the slate of officers for 1998-99 be accepted by acclamation. The motion carried.  
The officers are as follows:

President: Onice Carter  
President-Elect: Traci Mitchell  
Treasurer: Conny Parham  
Secretary: Donna Patton  
Past President: Jonnie Manning

8. Jonnie referred to a handout which contained a proposed amendment to the By-Laws regarding speakers to the Council meetings. The By-Laws currently read:

*Items for the agenda must be submitted to the president one week prior to the meeting. Additions to the agenda will be permitted by a vote of two-thirds of the members present.*

The amended By-Laws would read:

***Items for the agenda must be submitted to the president at least ten days prior to the meeting. Additions to the agenda will be permitted by a vote of two-thirds of the members present. Persons who wish to address the Council shall either meet with the Executive Committee at its regularly-scheduled meeting one week prior to the Council meeting or provide the Executive Committee with a written statement containing the topic of the address and any background information or reasons for the request at least 10 days before the regularly-scheduled Council meeting. The President will inform the person making the request of the Executive Committee's decision at least five days prior to the Council Meeting.***

The amendment was approved unanimously.

There being no further business, the meeting was adjourned.

/s/Donna Patton, Secretary

/s/Onice Carter, President-Elect

/s/Jonnie Manning, President