FM Changes for FY12

University of Minnesota
Driven to Discover SM
What We Know

- Planning for budget cuts of 10%
- New assignments for some FM staff
- Moving to a 3D configuration
Administrative Cuts

- Reduce management costs 10%
- Shrink FM’s planner/scheduler group
- Reduce training & travel budgets
Maintenance Reductions

• In-sourcing WBOB
• Fire alarm testing RFP
• Reduce staffing to match reduced PMs
Current Custodial Program

- 11M cleanable square feet, $30M budget; 477 budgeted positions
- Campus bid to geographic areas primarily assigned to 1 person who completes all routine custodial tasks
- 3 shifts (10% day; 70% evening; 20% nights)
- Average of 17% of workforce not at work each day
Guiding Principles

• **Clean & Safe Environment**
  Maintain a healthy indoor environment using sustainable products and methods

• **Consistent Service**
  Set clear expectations and deliver consistent service quality

• **Cost-effective Process**
  Deploy resources and equipment in the most effective and efficient way
Clean & Safe Environment

• Healthy environment for students, staff, and visitors
• Required standards for clinical procedures, research, and safety
• Welcoming atmosphere for students (both current and prospective), staff, patients, parents and university visitors
Consistent Service Standards

• Routine cleaning services (in O&M cost pool)
  – Public Space – daily service
  – Classrooms – daily service
  – Clinic Space – daily service
  – Research Space – 3x per week
  – Office Space - 1x per week

• Project renewal cleaning
  – Semi-annual or annual based on traffic volume

• Policing to maintain quality standards
  – Daily in high-volume, public areas
Challenge - Customer Feedback Indicates Inconsistent Service

Source:
Sightlines FY10
Customer Survey
Challenge - Training

- FM has not had an ongoing, structured training program for custodial staff
- Only new employees received formal training
- The need exists for ongoing, standardized training to ensure staff is using equipment and supplies safely and efficiently
Challenge - Budget

- University requirement to meet a 10% departmental budget reduction
- $3.1 million reduction target for custodial function ($50k/FTE)
Challenge –
Benchmarks to Industry/Peers

<table>
<thead>
<tr>
<th></th>
<th>FM (FY09 avg. office buildings)</th>
<th>Peers (Sightlines)</th>
<th>Industry (IFMA)</th>
<th>Private (Office Bldgs - MSI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custodial Cost - $/CSF</td>
<td>$2.80</td>
<td></td>
<td>$1.43</td>
<td>$1.26</td>
</tr>
<tr>
<td>Cost $/GSF</td>
<td>$2.10</td>
<td></td>
<td>$1.07</td>
<td>$0.98</td>
</tr>
<tr>
<td>Productivity GSF/FTE</td>
<td>32,000 (4,500/hr)</td>
<td>41,000</td>
<td>36,000</td>
<td>45,000 (6,000/hr)</td>
</tr>
</tbody>
</table>

Source: Office building examples include Morrill Hall, Donhowe, Mondale, WBOB (MSI), U Office Plaza (MSI)

<table>
<thead>
<tr>
<th>School</th>
<th>Sq ft / hour</th>
<th># of Students</th>
<th>Cleanable Sq Ft</th>
<th># of Custodians</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Michigan</td>
<td>6,735</td>
<td>37,197</td>
<td>13,000,000</td>
<td>386</td>
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<tr>
<td>University of Washington</td>
<td>6,106</td>
<td>38,000</td>
<td>10,900,000</td>
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<td>University of Illinois</td>
<td>4,630</td>
<td>36,738</td>
<td>9,400,000</td>
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<tr>
<td>University of Minnesota</td>
<td>3,766</td>
<td>60,000</td>
<td>11,100,000</td>
<td>421</td>
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<tr>
<td>University of Wisconsin</td>
<td>3,571</td>
<td>41,219</td>
<td>10,000,000</td>
<td>400</td>
</tr>
</tbody>
</table>

Source: Sightlines FY09 report and information obtained directly from peer institutions
Feedback From Custodial Staff

- ‘Can’t continue to extend areas’ – there is too much work for too few people
- We need a model that reduces services to match staffing levels when there are vacancies
- We are at a ‘breaking point’ where something needs to be done
Goal:

• Institute a New Custodial Program, that
  – Responds to changes in cleaning needs and to staffing fluctuations with a smaller workforce
  – Adopts best practices
  – Improves consistency through standardized equipment and cleaning methods
  – Maximizes service standards with smaller budget ($3.1 million) while emphasizing targeted areas (clinics, research, public areas)
  – Increases efficiency of staff time and equipment
The New Program - Includes

Solve by:

• New equipment
• Custodial closets/PAR levels
• New chemical contract – fewer
• Increased focus on continuous consistency and productivity
• Accurately allocate costs to Fairview lease
Energy Goals

1. Reduce energy 5% = $2 M
2. It all adds up campaign
Questions?
3D Configuration