

CPPM BRIDGE GROUP
PRESENTATION
MAY 18, 2010

UNIVERSITY OF MINNESOTA
Driven to DiscoverSM

Restructuring Objective

To restructure Capital Planning & Project Management functionally and financially enabling it to sustainably meet the needs of the University community system-wide for a period of 3-5 years assuming the realities of the current economic environment.

Plan Goals

- Restructuring Objectives
 - Cost control
 - Healthy partnerships
 - Leadership consistency
 - High performance teams
 - Continuous improvement
- Service
 - Understand the academic/physical plant enterprise
 - Strengthen our knowledge of our customers and their needs
 - Continue delivering cost efficient development services

Plan Goals (con't)

- Accountability
 - Deliver the approved product, on time and within budget
- Stewardship
 - Sustain and preserve the University's building and infrastructure assets
 - Assume the long term viability of the University is both a personal and CPPM responsibility
- Partnership
 - Build a strong network of internal and external partners
 - Continue building and nurturing partnership initiatives with innovative leading edge organizations that effectively model best practices

Why Restructure

The economic reality is that CPPM – like the rest of the University of Minnesota needs to be smaller.

Drivers

- Project volume is down significantly
- Project values are smaller
- FM Construction is now functional
- Our project backlog is maturing
- Although we received HEAPR/Stimulus funding most of those projects are already assigned
- The new rate model revenue impact is uncertain

What do we want to accomplish?

The restructuring of CPPM will make for a stronger organization over the long term.

- Accountability – we will create a structure that will hold everyone accountable for their individual actions and for the success of the organization
- Stability – We will create a structure that will be stable over the next three to five years
- Focus – We will create a structure that will help us focus our efforts, our resources and our vision for the coming years

Timeline

- Announcement to CPPM Employees May 17th and 18th, 2010
- Effective Dates
 - Civil Service – Wednesday, June 30, 2010
 - P&A – Wednesday, August 18, 2010

What Does This Mean For Us

- Change the way we do business
- Carefully evaluate what we do and what we don't do
 - Stop doing some things
 - Do less of some things
 - Do some things differently
- Need to work smarter and harder
 - Everybody needs to be more hands on
 - Do more with less

What Does This Mean For Us Con't

- Need to be more practical and more nimble
- Plan carefully before we act
- Search for efficiencies
- Learn from our mistakes
- Partner creatively

What Does This Mean For You

- Our services will not change, but we need to:
 - Become more efficient
 - Become more planful and less reactive
- We will need to charge for all of our time
- Overall project management costs could be reduced
- There will be a learning curve that we need to work through
- The plan has minimal project management impact
- We will need to partner more effectively

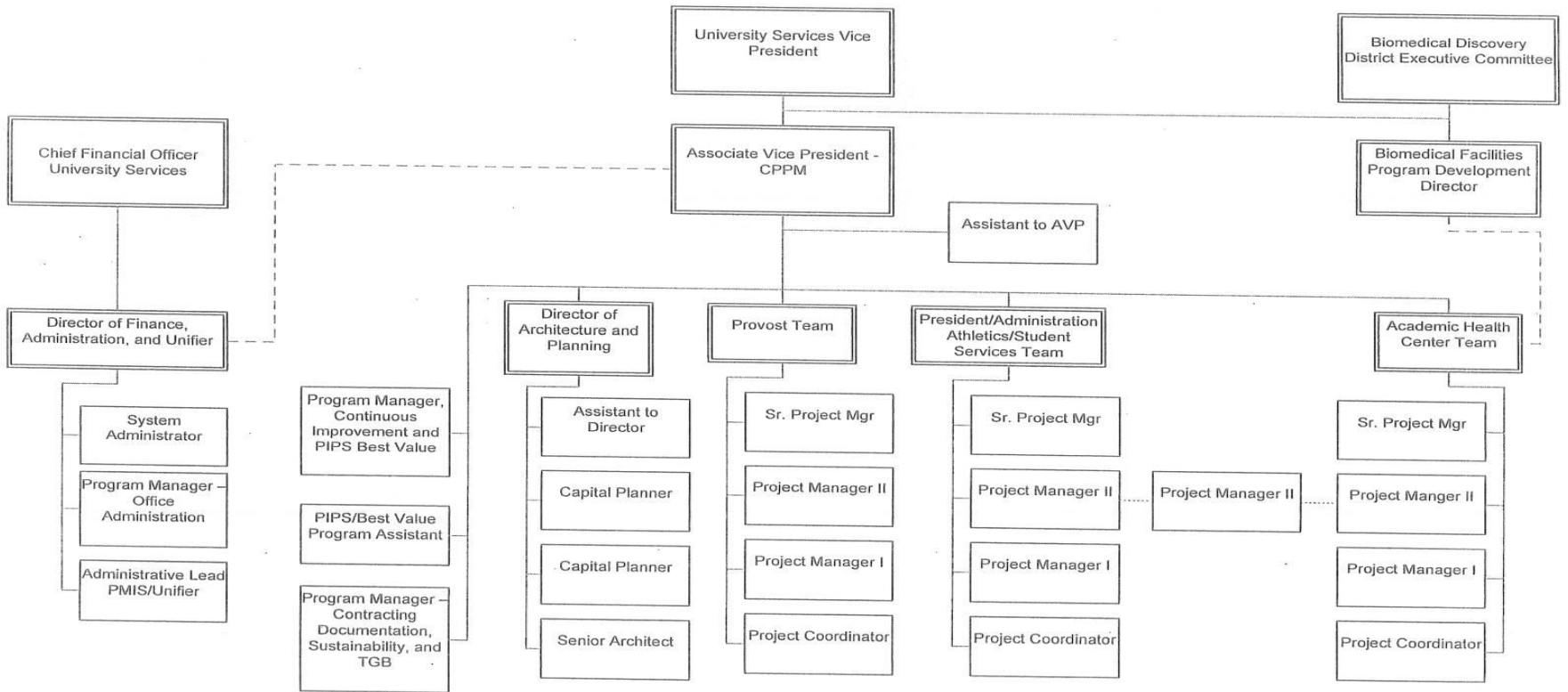
Reduction Summary

Reduction Type	Leadership Team	Architecture & Planning	Project Delivery	Business Services	CPPM Overall
Staff FTE's	3	1	9	3	16
Staff Reduction %	60%	20%	41%	33%	37%
Cost Reduction %	55%	18%	38%	41%	40%

Positions Subject to Future Evaluation

- Eight additional positions
- During FY2011
- Positions
 - Administrative Lead PMIS/Unifier
 - Program Manager – Continuous Improvement/Best Value
 - Program Assistant – Best Value
 - Program Manager – Contracting, Sustainability, TGB
 - Capital Planner
 - Senior Architect
 - Project Managers (2)
- Evaluate For:
 - Position Need
 - Combination/Efficiency
 - Possible enhancement

Proposed CPPM Org



QUESTIONS?