

APPENDIX — Summary of Oral Report by External Reviewer Gary Schultz

Before visiting campus, Mr Schultz was provided with a copy of the March 1998 FUS Self-Study and a draft of the Review Committee's Report. In addition, the external reviewer submitted to FUS a request for follow-up data in the form of questions. These were based upon and followed the organizational scheme of a draft of the Review Committee's final report. This draft had by then been circulated to FUS for accuracy checking and to University President Coleman. Mr. Schultz characterized the response by FUS to his request as both comprehensive and timely. The unusual availability of the draft report allowed him to focus his analysis in an efficient way. [The Review Committee did not receive a copy of the follow-up data but did learn of their general thrust from Schultz' oral report. The Review Committee's final report is changed but little from the earlier draft.] Mr. Schultz praised the FUS leadership with whom he met (17 February 2001) as well prepared, open, cooperative and helpful.

Mr. Schultz stated that in general he concurred with the recommendations in the draft (and the final) report. Given that accord, this summary of his oral report discusses mainly those issues where his opinion differs from the Review Committee's or where it provides additional weight and/or insight. Mr. Schultz approved of the Review Committee's emphasis on recommending changes in processes. He was entirely in sympathy with the general praise of FUS operations that was stated at the end of the History section of the report.

In discussing the draft recommendations with FUS personnel, Mr. Schultz learned that many of the issues raised had been addressed already in the normal course of FUS internal operations. He attributed this to the unusually long time span of this review. Among the new features of FUS operations that he felt were likely to impact issues raised in the draft review are the centralization of HR activities in the new University Services Building and the relatively recent reorganization of the Facilities Services Group. He was told that both events would improve efficiency and collaboration within FUS.

Mr. Schultz portrayed several aspects of the report (Planning recommendations 1-4, Communication recommendations 1 and 2) as illustrating a basic problem in communication. He recognized that communicating effectively is not a trivial issue and emphasized the necessity for FUS to do a better job. As an example, he noted that VP True is attending some meetings of the Campus Planning Committee. He suggested that, when sensitive issues are on its agenda, some mechanism for executive sessions or informal communication with the committee leadership might provide a way to get the appropriate feed back from faculty before public announcements were made. His impression was that FUS/FSG personnel were receptive to implementing more effective communication.

In respect of Planning recommendation 2 and other comments about giving Operations and Maintenance (O&M) greater deference, Mr. Schultz noted that O&M benchmarks of performance seemed approximately in line with those recommended by APPA (Association of Physical Plant Administrators). Among twelve benchmark universities selected by FUS, rated low = one and high = twelve, the University of Iowa ranked eighth in amount of expenditure for O&M per square foot. This value probably does not reflect any backlog of deferred maintenance but such backlogs are typical of universities, in his experience. There was some question whether the O&M numbers include major items like roof replacement or just custodial and other day-to-day services. He was told that there is a \$2.5 million item for major maintenance in the university's operating budget; other maintenance projects are lumped into capital projects. Mr. Schultz

commented that in the next 10 years many buildings built during the late 1960's and early 1970's would exceed thirty-five years of age when they would typically require substantial attention to continue being useful. Thus, deferring maintenance now would likely exacerbate problems in the not too distant future. If there are a large number of such buildings, planning should begin now for a substantial increase in maintenance costs.

Given the interval since the uncomfortable transition to the PeopleSoft system, Mr. Schultz reckoned, there seemed no point in dwelling at length on it now. Any mistakes in preparing for the transition that were made would be worth analyzing extensively only if there were near-term plans to adopt yet more PeopleSoft systems — for example, student financial aid, etc. He was informed there are no such current plans. He also pointed out that the transition to the new software was made more stressful by concurrent changes in business processes, changes that are still continuing but largely complete. Undertaking the business process changes during the PeopleSoft implementation may well be an advantage in the long run, in Schultz's opinion.

In discussing moving the administration of Recreational Services from FUS to Student Services Mr. Schultz learned that, despite his initial view that this was not unreasonable, FUS generally has no sympathy for the recommendation. FUS personnel told him that, given upcoming financial constraints on Student Services, the future of Recreational Services would be less secure were it moved.

In respect of the Committee's recommendations for Staff Size, Mr. Schultz found general agreement concerning the desirability for cross-training. After analyzing the present salary structure for FUS, he concluded that, on the average, compensation is in line with the local cost of living, although there may be pockets where increases would be appropriate. The numbers of support staff seem near to averages for comparable research universities with medical centers, but on the lean side. Mr. Schultz noted that he had not seen data that would be helpful in evaluating the issue of the balance between work and management personnel (Staff Size recommendation 2).

The area of Labor Relations (Delivery of Services recommendation 1) is recognized by FUS leaders as an area needing attention. Mr. Schultz noted the difficulties inherent in managing relations with certain labor unions. Previous difficulties with Immigration Services, acknowledged by HR leaders, seem to have eased with recent staff reorganizations and further revisions may not be necessary, Mr. Schultz was told. Data supplied in response to his request suggest that career development opportunities are increasing, especially for workers on the second and third shifts. HR leaders noted that such opportunities might have been a problem earlier, when interviews in connection with this review began, but their availability now represents a formal indicator of progress in the university's strategic plan.

Mr. Schultz was informed by FSG leadership that over time and mainly through attrition, the number of maintenance personnel had decreased to a level consistent with continuing needs but not sufficient to staff large renovation or construction projects. These are now being managed by outside contractors. Mr. Schultz agreed with this strategy and concluded that overall there are sufficient permanent craftsmen on the FSG staff and appropriate funds budgeted for routine maintenance.

During discussions with FSG personnel, Mr. Schultz was assured there were no policies that would cause errors in billing for Design and Construction services that were described to the Review Committee.

After reviewing a 1996 analysis done by FUS staff provided in advance of the visit and discussing the Laundry Services with FUS staff, Mr. Schultz concluded that the cost/benefit of the Laundry Service was favorable. However, given the Hospital's dominance of the Laundry workload, he advised that organizing the Laundry under the UIHC was reasonable to consider.

Mr. Schultz agreed with recommendations under the category of Measurement, as did FUS leaders. A user survey in 1998-99 was provided to Mr. Schultz prior to the visit and future user surveys are planned. More data were presented to him on the subject of managing employee performance reviews. There are policy statements available on the world wide web concerning the desirability of performance reviews as well as formats and guidelines for conducting these reviews but follow up is apparently still insufficiently effective. He was told that such reviews are now used as an indicator of performance in the FUS strategic plan.

As mentioned above, improving communications is a high priority throughout FUS. Publicizing its strategic plan should be an early step in a general program to enhance communication with users of their services.

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