

PROGRAMS / COMPACT INITIATIVES

CAMPUS ENTERPRISES

New Division: Incorporated new division comprising Dining, Bookstores, and Student Affairs support operations. Ended fiscal year with cash increase of \$334K for Dining and \$134K for Bookstores. Examined feasibility of merging Dining and Bookstores HR/financial functions. **Talley Center and Atrium**: Identified renovation projects as top priorities for 2009-2010.

CENTENNIAL CAMPUS

Economic Development: Participated in re-visioning the organizational structure of Centennial Campus, including the Economic Development Portal; restructured the leadership structure to promote greater coordination in driving economic development. **Business Plan**: Prepared Trust Fund Business Plan. **Building Projects**: Obtained proposal and prepared reports for legislature and Board of Governors on Conference Center-Hotel project. Participated in planning efforts for Hunt Library. **Property**: Continued to influence policy regarding the possible disposition of Dix property. Continued efforts to secure the Counsel and Cherry Buildings in the Spring Hill precinct. Facilitated change in City ordinance to eliminate requirement to place restrictive covenants on state land. **Events**: Participated in planning for 25th Anniversary celebration. Created calendar of events for website posting with 30-35 large events scheduled for 2009. Developed fee for service model for events and green space. **Leasing**: Secured MeadWestvaco lease to ensure the financial viability of CRI Building and continued research partnering relationships; completed negotiations of a GMP for expansion of the building. Completed land lease and planning for Centennial Science Center Building. Developed database of partner prospects used for N4 and Science Center partner recruiting. Maintained occupancy rate over 98%; revamped system to assess partner viability and rate partners. Established basis for costing model for operating and leasing Centennial and Centennial Biomedical Campus buildings. **Lonnie Poole Golf Course**: Completed construction of golf course. Continued fundraising efforts, including in-kind support for maintenance operations. Planned Jimmy V Tournament and LPGC grand opening.

ENVIRONMENTAL HEALTH AND PUBLIC SAFETY

Safety/Security: Developed critical environmental and life safety processes together with Facilities Services. Integrated security application programs into Environmental Health and Public Safety. Facilitated Responsible Behavior Initiative for students. Updated website with new information on nanotechnology safety and controlled substances. Completed over \$800,000 in security application and technology work, including 43 security projects with over 600 cameras and 700 card access points. Implemented service agreement for EH&S safety processes for Kannapolis tenants. Modified protocols to capture health and safety information relevant to researcher hazard exposure. **Emergency Preparedness**: Facilitated electronic interface with State Emergency Operations Center for UNC System schools. Outfitted NCSU Emergency Operations Center. Expanded emergency communication to include notification tools such as Facebook and Twitter. Conducted 16 active shooter training exercises with 790 participants. Conducted 25 functional disaster exercises with critical administrative business units. Electronically stored and updated over 400 unit Business Continuity Plans. Received no findings by State Auditor in audit of Business Continuity Program. Provided input to Congressional committee rewriting bill to amend proposed Department of Homeland Security Chemical Facility Anti-Terrorism rules for campuses. Implemented MarketPlace monitoring system designed to preclude purchase of chemicals and hazardous materials of Department of Homeland Security concern. **Transportation/Parking**: Implemented North Campus reverse shuttle buses. Launched Wolfprowl service. Completed 2009-2014 Transit Development Plan process and documentation. Replaced lighting on Dan Allen deck with LEDs, saving over 30% in energy bills. Sold 285 permits for the \$99 commuter lot out of 300 allocated spaces. **Risk Management**: Implemented Risk Assessment Case Management Program. Added new business travel insurance policy available for foreign travel purchase. Secured insurance for 1,552 buildings/contents, with a total insured value of \$3,871,014,421. Experienced a 15% reduction in OSHA total recordable cases.

FACILITIES

Construction: Completed the 2000 Bond Program within budget, ahead of schedule, and with no outstanding contractor claims. Closed out 18 Bond projects this year for a total of 40. The FCAP Office hosted the State Construction FCAP Team for its 4-year evaluation cycle. DCS design project managers supported and managed formal projects including the design of a \$3.5 million dollar LEED certified silver Conference Center for the Eastern 4H Environmental Education Center,

renovations to the Sertoma and Betsy Jeff Penn 4H camps, and the Renovation of the Wayne Day Family Field at Carter Finley. CPM led the effort to organize and then implemented centralized filing system for the four capital departments.

Operations: Added building maintenance services for SAS Hall, Park Shops, Daycare, and 2200 Hillsborough. Added housekeeping services at athletics facilities and several other locations across campus. Entered into a maintenance agreement for the Kannapolis campus. Initiated natural gas hedge strategies to reduce risk exposure to gas price fluctuations. **Sustainability and Environment:** Created and launched a sustainability website. Created “S.E.E. NC State Series” to raise environmental awareness. Established role for CEST in sustainability goals. Significantly expanded Earth Week activities. Selected an Energy Service company to perform Energy Performance Contract for 10 buildings. Installed E85 tank and pump for flex fuel vehicles; Facilities Operations currently has 40 alternative-fuel vehicles. Achieved “Energy Star Partner” designation from the US EPA. Completed an Air Quality Master Plan for 3 campuses. **Team Excellence:** Continued “Team Excellence” activities including quarterly meetings, High Noon lunch, newsletter, recognition luncheon and other year round activities to reinforce the Division core values and promote continuous quality improvement. Added job shadowing exercise in which leadership team members paired off to shadow each other for one day. Re-implemented Facility Focus Work Management System, migrating to a web-based system. Implemented Employee Computer Access Kiosk Program for University Housekeeping, Grounds Management, and Fleet Services. **Volume of Activity:** See Attachment A – “Facilities Division 2008-2009 Volume of Activities.”

FINANCIAL SERVICES

Transaction Processing: Implemented online systems including a close-out system for contracts and grants, travel authorization system, and automated file for State Auditors at year-end. Increased student refunds processed by direct deposit from 49% to 58%. Further integrated MarketPlace use into normal campus purchasing processes. Implemented Oracle/Peoplesoft Student Billing Module, substantially completing Records/Student Financials implementation. **Internal Controls:** Implemented second phase of State Controller’s EAGLE internal controls program. Coordinated the UNC FIT Program. **Compliance:** Received no major or minor State Audit findings. Implemented Federal regulations governing the identification of identity theft. Jointly developed a proposal with AVC for Research to provide for monitoring and negotiation of analysis and testing agreements.

HUMAN RESOURCES

Childcare: Opened the University's first campus childcare center. **EPA Comp Study:** Conducted NCSU's first comprehensive study of 1000+ EPA professional (non-faculty) positions; developed a proprietary online tool for job descriptions and established market-defensible ranges of compensation. **Contract Review:** Conducted review of all employment contracts since 2002; led subsequent task force resulting in 38 policy/procedure recommendations. **JCATS:** Proposed a job-classification taxonomy being implemented UNC system-wide; made case-by-case JCAT assignments to 3300+ positions to date. **RIF Management:** Developed integrated, high-touch, Reduction-in-Force/Separation support resources, featured as UNC system "best practice;" assisted 40+ impacted employees to date. **Furloughs:** Rapidly modified payroll, benefits, & leave systems and developed campus communications to successfully implement a late-year furlough mandate. **Work Comp:** Implemented proactive claims- management, resulting in \$500K (est.) cost avoidance. **HR System:** Implemented PeopleSoft modules for (a) Faculty Events and (b) E-Learning Training Administration, to enhance tracking history, compliance, and reporting. Consolidated summer school payrolls, populated all employee business email addresses and "reports-to" relationships, created comprehensive HR system testing scenarios, conducted substantive data cleanup; implemented document scanning. **Employment Services:** Automated applicant screening, keyword search, social-network recruiting, outsourced international education verifications, and background checks of campus-affiliated volunteers. Developed process to quickly create and fill positions anticipated under federal "stimulus" funding. **Executive Search:** Conducted successful recruitments for 10 high-level campus positions at fraction of cost of external search; excellent feedback from hiring units and national candidates. **403(b) Plan:** Proposed and helped implement UNC system-wide 403(b) retirement plan, reducing vendors (from 50+ to 2) and centralizing administration for efficiency/ effectiveness. **Healthcare:** Moved 1250 employees from 90/10 PPO to 80/20 plan, due to SHP program discontinuation. **Data Discussions:** Collaborated with UPA, Faculty Senate, Academic Affairs, and Budget Office on issues of institutional data quality, utilization, and reporting. **Employee Relations:** Resolved 75% of reported workplace concerns/complaints at first point of contact. Helped employing units administer defensible disciplinary actions (90% were not appealed, internally or externally). **Professional & Organizational Development:** Requests for custom organizational consults, strategic planning support, and team effectiveness initiatives doubled. 75+ campus staff participated in HR Academy. Hosted no-cost professional development conference for 100+ campus HR liaisons. **Campus Support**

Initiatives: Served on the core team for a possible campus in South Korea. Designed automatic faculty tenure-clock extension process. Enhanced one-stop website for leave information (e.g., FMLA, military leave, family illness, disability, work comp). Provided new electronic tax prep service for foreign employees & students. Provided 3,500 free flu shots to employees & dependents. Implemented formal work/life program and piloted first initiative, ShapeU, in collaboration with campus dining, gym, and recreation services and a grocery chain. Collaborated with UPA on Chronicle of Higher Ed's national survey of "Great Colleges to Work For." **UNC-GA Support Initiatives:** Participated in Ernst & Young institutional-capacity study, and payroll-transition project from State central payroll to Banner. **State (NC) Support Initiatives:** Participated on advisory committees on Workers' Comp and NC Flex; consulted on statewide tax protocols for foreign nationals. **Volume of Activity:** See Attachment B – "Selected HR Activity Volume."

RESOURCE MANAGEMENT

Budget: Prepared and submitted 2009-11 Continuation Budget and Expansion Budget information. Participated in Provost's task force on decentralization of summer session. Worked with Facilities, the Office of Information Technology, and Financial Services to rewrite CAPS, WESLI, and the Budget Management System. Increased the development of reduction/reversion allocation options, monitoring expenditures, and Facilities' special requests to the State Budget Office in response to the State budget crisis. Received clean audit as a result of work in all Finance and Business units. Achieved all monthly deadlines for monthly certification. Met all deadlines for capital improvements. Created and maintained Budget Central website, the primary communication vehicle on budget reduction information for campus. Expanded the depth and scope of the auxiliary review process. Focused on cross-training and broader knowledge base for all Budget Office associates. **Trademark Licensing:** Allocated \$513,732 to athletic and academic scholarships from licensing revenues. Transferred \$280,793 in licensing revenues to the University Endowment Fund. Approved 2,571 logo and trademark designs for products.

TREASURER'S DIVISION

Foundations Accounting and Investments: Received no major findings from any audits of the eight foundations, Alumni Association, four LLCs, or the NC State Investment Fund. Managed \$450 million total net market value of assets.

Transitioned NC State Investment Fund to the UNC Management Company and changed custodian to BNY Mellon. Began processing year-end close and audit for Alumni Association. Due to stresses in the financial markets, performed a huge volume of special analyses for underwater endowments and the impacts on spending budget estimates, allocation methodology for the Chancellor's special scholarship fund, operating cash lockups, liquidity projections and future operating budgets. **Strategic Debt Management**: Issued over \$93 million in bonds in order to position the University favorably for volatility in the credit markets in late 2008. **Auxiliaries**: Reached \$16.6 million in total net sales in University Bookstores with a net income of \$926,000. Increased Bookstores' on-time adoptions to 81% compared to 67% for fiscal year 2008. Increased buyback and expanded used textbook availability, resulting in a 4.8% decline in average textbook costs to students in fiscal year 2009. **Real Estate**: Handled over \$8.8 million in purchases and sales transactions. Acquired a key Hillsborough Street property across from the Bell Tower.

DIVERSITY

Human Resources: Expanded voluntary life insurance plan to cover domestic partners. Worked with job clients from organizations that support underserved populations (e.g., Jobs 4 Life, Habitat for Humanity, Vocational Rehab); participated in minority career fairs. Provided OSP with race/gender adverse-impact analysis of Career Banding implementation; no substantive concerns identified. EPA Study provided race, gender, and comparative compensation data to deans and division heads for planning consideration. Several HR managers & professional staff served on university-wide diversity committees/task forces. Held foreign-language benefits enrollment session for 10 French-, 1 Chinese-, and 27 Spanish-speaking employees. **Facilities**: NCSU joined the United Minority Contractors of North Carolina and was represented at the 39th Annual national conference. The Capital Project Program Manager held 39 meetings with minority firms to discuss business opportunities with NC State. Within the Facilities Division, 69 staff members participated in ESL, 109 in Unlawful Workplace Harassment, and 114 in OEO-NCBI "Building Bridges" program. Resource Management: Two vacant positions in the Budget Office were filled with minority candidates.

STAFF

Centennial Campus: Associate Vice Chancellor Bob Fraser received the Finance and Business Award for Excellence. Barbara Creech completed the Pathways leadership program. **Environmental Health and Public Safety:** Tina Nelson was hired in the newly created position of Risk Assessment Case Manager. **Facilities:** 14 staff members became US Green Building Council LEED Accredited Professionals. Five staff members completed the Pathways Leadership Development Program. J.C. Boykin is serving a two-year term as the Second Vice-President of SEANC, the North Carolina State Employees Association. Charlie Marshall and Jake Terrell received their PE License. Rachel Miller received her architectural degree from Florida International University. David Hatch received certification as a Qualified Trainer of APPA's Supervisor's Toolkit Training Program. Alan Daeke and Albert Scott graduated from the APPA Institute for Facilities Management. Alan Daeke and Allen Boyette earned the designation of Certified Educational Facilities Professional from APPA. Joy Holland and Rob Yaeger were selected as winners of the Finance & Business Awards for Excellence. **Human Resources:** Jill Guzman, Mgr, Internat'l Employment, was featured content expert on national webcast. HR's article on the University's experience with E-Verify (Guzman, Lambert, Carroll) published nationally (*CUPA-HR Journal*). QuickStart program (Rice, Carroll) featured in national newsletter (*HR on Campus*). Certifications: SPHR (L Textor); PHR (H Holland, H Hundley, M Ballard, J Wood; L Bireline, re-cert); Mediation (D McClure). **Resource Management:** Tina Quiller-Morgan was hired as Associate Director, Budget Office. Barbara Moses was nominated for University's Award for Excellence. Tina Quiller-Morgan was selected by Cambridge Who's Who - Branding Executives, Professionals, and Entrepreneurs as an Outstanding V.I.P. Member of the year in her field. **Treasurer's Division:** Margaret Holder, CIA, CPA was hired as Foundations Controller. Debby Coe and Jill Tasaico received F&B Awards for Excellence. Richard Hayes was elected Chair of the ICBA. Tabitha Groelle chaired the Finance and Business Awards for Excellence program committee.

RECOMMENDATIONS AND CONCERNS FOR THE FUTURE

Campus Enterprises: Significant resources will be required to roll out the Talley Center student campaign and select the architect; a delay of student fees for Talley may affect Atrium financing plans. **Centennial Campus:** The pedestrian crossing on Western Boulevard and financing of The Shores residential complex are concerns. **Environmental Health and**

Public Safety: A complete funding model and organizational structure with planned phase-in of services to support building security is needed. **Facilities**: Current concerns are (1) challenges faced in meeting President's Climate Commitment and energy demands of an expanding campus, (2) transition of Utilities Services to an enterprise system to allow for long range planning of capital needs, (3) the long-term impact of budget reductions on facilities' condition, (4) arbitrary "budget freezes" that decrease process effectiveness and efficiency of creating and maintaining a physical environment that advances the University, and (5) loss of capital funding for roof replacements and other deferred maintenance will result in poor building performance, loss of property and negative health problems. **Financial Services**: Reduced staffing at a time when workload is greater will be challenging, particularly with significant increase in financial reporting and monitoring required by UNC FIT and EAGLE. Budget cuts will require the reduction of options for more efficient and effective purchasing models. **Human Resources**: During times of severe budgetary retrenchment (as well as the subsequent recovery periods), the need for HR capacity and expertise rapidly *increases*. Events like furloughs, layoffs, RIF priorities, salary cuts, hiring freezes (on state money), urgent hiring (on federal stimulus money), benefits changes, staffing reorganizations, and temporary staffing needs, all require increased HR capacity. Beyond the added administrative logistics, HR plays a critical role to triage the inevitable manifestations of increasing tension and decreasing morale throughout the organization: increased employee complaints & grievances; increased employee absences & workplace conduct issues; increased workers comp & disability claims; increased potential for organized labor activity; increased scrutiny by the media; legislative mandates, demands for public records, and threats of litigation and even workplace violence; increased flight risk of the organization's top talent to refuge in less-stressed or earlier-recovering employment environments; increased challenges to successfully recruit & hire top new / replacement talent (who can't sell houses elsewhere or find spouse employment here); decreased likelihood that lower-quality performers will exit the organization voluntarily; increased complexity in the employment of foreign nationals. This is a time to fully protect – and even increase -- the resources committed to the University's HR function to the extent possible. On other notes, HR-related IT system activities – both within the University (e.g., PeopleSoft implementations and upgrades) and external to it (e.g., State BEACON and ORBIT systems, UNC Banner systems, and UNC-CH's PeopleSoft implementation) will continue to require significant resources. As noted last year, OIT's capacity to support HR projects remains critically, and chronically, inadequate. The Office of State Personnel is under transition, with new leadership and unknown new perspectives. Efforts to create a substantially equivalent, but separate, personnel structure for the UNC

system seem mired again. **Resource Management:** Current concerns are (1) increased reporting/monitoring requirements due to current economic crisis, (2) ability to counteract morale issues if permanent sizable salary reduction is implemented, (3) ability to realize continued growth in licensing royalties due to the current state of the economy and struggling athletics programs, (4) continued resistance from colleges to a decentralized Summer Session model and the ability to re-energize enrollment in SS courses, (5) shift in campus mindset to charge differential tuition rates by discipline, (6) ability to realize budgeted tuition receipts, especially in non-resident tuition, (7) growth in the delivery of distance education and the relational impact on the regular term enrollment targets, (8) misuse of funding types to achieve programmatic objectives via trust funds or appropriated receipts, (9) availability of storage space for capital improvement documentation due to the fact that capital improvement budget codes no longer close in a ten-year period and the revised records retention policy that requires many capital improvement documents to be transferred to University archives five years after completion of the project. Current recommendations are (1) via PACE study, continue to provide recommendations to improve processes and streamline procedures specifically required of state agencies for capital improvement projects, (2) analyze the NC State definition of institutional trust funds to shift more of the University's receipt operations from appropriated receipts to trust funds, (3) consider including the Distance Education budget and programs within the colleges instead of as a separately funded and administered organization, and (4) increase the Administrative Service Charge from 0.6% to at least 3% requiring the affected organizations to reduce staffing and costs without increasing fees and charges; the \$3 plus million generated by this increase would help offset some of the state budget reduction in 2009-11. **Treasurer's Division:** Qualified employees remain our most important asset, and budgetary concerns will challenge our ability to retain, train and create an efficient workplace. "Special projects" control our time. Other challenges include: (1) protecting our credit rating in a volatile lending environment while balancing capital needs for borrowing and obtaining the lowest possible cost of capital, (2) our foundations' economic health is challenged due to declining revenues (endowment assessments, unrestricted giving, interest earnings, losses from Commonfund liquidations) and increasing expenditures arising from limited capacity of colleges to support costs from other sources, and (3) limited resources necessitate creativity in Hillsborough Street redevelopment, Kannapolis campus growth, South Korean initiative land agreements, Diocesan Master Plan and Centennial Campus expansion.