



UCDAVIS

**ADMINISTRATIVE AND
RESOURCE MANAGEMENT**

Annual Report
2010–2011

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ARM develops and maintains the campus as a model of sustainable practices and as an international destination for groundbreaking research and exceptional student experiences.

SUPPORTING A VISION OF EXCELLENCE

ADMINISTRATIVE AND RESOURCE MANAGEMENT

provides organizational leadership and stewardship of the diverse and complex resources needed to realize the UC Davis Vision of Excellence.

- We coordinate and manage the campus budget and statistical reporting and conduct the analyses required for strategy development and goal-setting—a pivotal role as the campus continues to respond to state funding reductions and considers an initiative to increase students and faculty.
- We account for all campus finances and materiel, fostering trust and confidence on the part of campus stakeholders through accurate and timely processing and payment, support for compliance requirements, and detailed reporting on the sources and uses of university funds.
- We plan, build, renovate and maintain the campus physical infrastructure, applying the highest standards of green and sustainable technology in alignment with the campus academic plan.
- We manage human resources, promoting consistent and fair employment practices while delivering integrated programs to attract and develop an engaged, professional workforce that is committed to the vitality and success of UC Davis academic and research programs.
- We provide for the health and safety of the campus community and its guests, working to prevent injury, mitigate risk, ensure regulatory compliance and reduce costs.
- We develop and maintain the campus gardens and lands, reinventing the campus as a model of sustainable practices and as an international destination for groundbreaking research, exceptional student experiences and education tourism.

In 2010–11, our second year as an operating unit, ARM continued to refine and streamline our organization. We are driven, in part, by severe budget constraints but more so by an awareness of the opportunity to be deliberate in shaping our organization and business processes around a new vision of the future.



We are driven by an awareness of the opportunity to be deliberate in shaping our organization and business processes around a new vision of the future.

This annual report highlights recent accomplishments and continuing initiatives which exemplify ARM's commitment to the UC Davis Vision of Excellence. It illustrates the dominant themes and strategies that characterize ARM's approach:

- Put clients first
- Adopt progressive business models
- Streamline operations
- Enable informed risk-taking
- Develop academic partnerships
- Support targeted growth in high priority areas

ARM BY THE NUMBERS

ARM expenditures for 2010–11

In 2010–11, ARM managed expenditures totalling \$213 million from a variety of sources. State General Funds continue to make up the largest single source, however, combined support from multiple external sources, including self-supporting and extramural activity, is the largest portion—58 percent—of ARM activity. (Table 1)

The \$112 million in self-supporting expenditures is the sum of many diverse activities, from Building Maintenance Services to Transportation and Parking Services, and it includes \$12 million from the Statewide Energy Partnership Program.

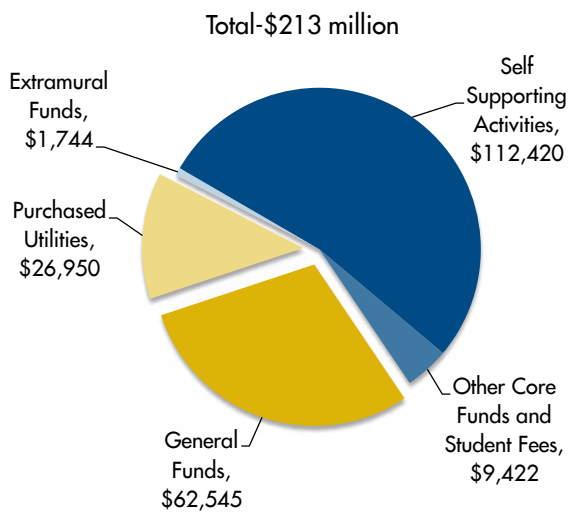


Table 1. 2010–11 expenditures by source (in \$000s)

Trends

Over the past four years, General Funds expenditures (excluding purchased utilities) have decreased by 23 percent (\$27 million). During the same period, actual staff salary expenses were reduced by 15 percent and other operating expenditures were reduced by 61 percent (\$11 million). These savings were partially offset by increased benefit costs. (Table 2)

ARM units have been aggressive in generating funds from outside of ARM, including departmental recharge and extramural funds, to ensure continued growth in campus programs. Self supporting activities have increased approximately 19 percent (\$18 million) since 2007–08, including the SEPP program. While extramural expenditures recorded in ARM remain relatively modest in dollars, ARM leaders have been pivotal in generating extramural awards related to West Village (which are recorded in campus academic units).

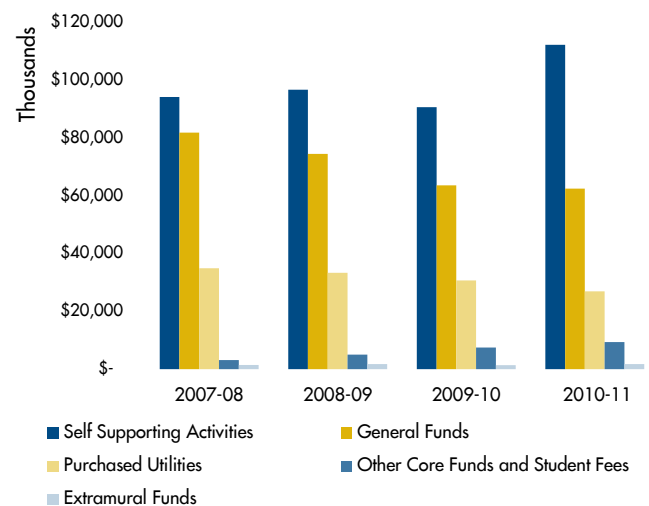


Table 2. ARM expenditures trends

ACADEMIC ENGAGEMENT INDICATORS

ARM is beginning to monitor certain indicators that demonstrate the degree to which we are directly engaged in advancing academic objectives. These indicators include:

Student employment

In 2010–11, ARM employed, on average, 258 students each quarter. Many students gain more than supplemental income. ARM offers them professional experience and mentoring as ARM staff guide them in the practical application of theory covered in their academic programs.

Applied research and academic partnership

ARM units are increasingly engaged with academic units in initiatives which advance both administrative and academic goals. Some examples:

- In October 2010, Campus Planning and Community Resources, with the Humanities, Arts and Cultural Studies departments, organized the first Arboretum GATEways Arts Festival to showcase visual and performing arts in and around the Arboretum. All UC Davis art departments participated, and the event set a precedent for using the campus landscape as a venue for student learning, expression and public engagement. Throughout 2010–11, the Arboretum continued its collaborations on teaching and research projects including programs with Wildlife, Fish and Conservation Biology, Civil and Environmental Engineering, Environmental and Resource Science, Environmental Education, Entomology and many others.
- The Putah Creek Reserve continues to serve as an on-campus natural research area. It hosted 15 active research projects during 2010 alone.
- Utilities has been working closely with academic partners and hosts a variety of pilot-scale demonstrations, such as the grant-funded operation of a renewable anaerobic digester (a.k.a. biodigester) at the campus wastewater treatment plant and several exterior lighting projects in support of the UC Davis California Lighting Technology Center.
- The West Village Energy Initiative is a partnership among several ARM operating units, the UC Davis Energy Efficiency Center, and the UC Davis Energy Institute.
- Repro Graphics is partnering with the Design Department on a student project to develop and merchandise products made from recycled vinyl and paper.
- Design and Construction Management is consulting with the College of Engineering on the enhancement of the campus infrastructure.

Researcher and employee training

The professional staff in Environmental Health and Safety are responsible for all PI and laboratory worker training relating to laser-, chemical-, radiation- and bio-safety. IACUC staff conduct the training for handling of laboratory animals. In 2010–11, EH&S and IACUC staff trained more than 7,000 faculty, students, staff and visiting scholars, in approximately 2,800 instructor-led and 4,200 online courses to ensure compliance with all research and general safety training requirements.

Staff Development and Professional Services, which develops and administers all required and optional employee training, including supervisor training, has established U-Learn, an extensive catalog of online courses available to any UC Davis employee at no charge. In 2010 there were 7,773 launches of U-Learn courses.

Extramural funding

Over the past 10 years, ARM has raised more than \$11 million in grant funding from federal, state and local agencies, private foundations and other external sources. Examples of projects supported by this funding include:

- California native plant garden and education
- firefighter hazmat training and equipment
- regional emergency preparedness training
- alternative fuel programs for Fleet vehicles
- landscaping with materials made from recycled tires
- bikeway and transit studies and physical improvements
- alternative transportation programs
- student child care and services to support breastfeeding mothers
- energy-saving upgrades to IT systems
- West Village Energy Initiative
- DOE funding to support LEHR oversight

Through ARM efforts, the campus has earned more than \$19 million in PG&E incentives by participating in the Statewide Energy Partnership Program.

Safety Services receives more than \$2 million per year in OP funds to support development of risk management-related IT services that benefit the entire UC system. The systems developed at UC Davis establish common processes for all campuses and can be deployed from a single sign-on, leading the trend for systemwide approaches that is gaining momentum in many administrative areas.

COMMUNITY

1

Fostering a Vibrant Community of Learning and Scholarship

...sustain the enterprise with a superior physical, financial and technological infrastructure...

ARM operating units provide an experienced team of skilled professionals and trades people who deliver on this dimension of the vision every day with high quality planning, design, renovation, custodial, maintenance and groundskeeping services.

As curator of the campus's capital plans and high-level design framework, ARM strives to align academic and capital planning, lower costs and become as nimble as possible in service delivery. For example:

- In 2010–11, Capital Resource Management and Campus Planning developed a template to more closely relate capital planning with academic planning. The template provides tools to assess facilities in terms of current programs and future aspirations, including projected research growth, increased enrollment and new majors. The template uses the "academic neighborhood" concept posited in the UC Davis Physical Design Framework as a model for co-locating similar activities, which would strengthen academic partnerships and create significant administrative efficiencies. With this template, plus high level building information and other data, each school, college and division can develop facility plans using the decision criteria most relevant to their program. Their plans will be incorporated into the UC Davis 10-Year Capital Plan.



ARM works to align capital planning with academic needs. The new Student Community Center was designed to promote student success by encouraging interaction among students, staff and faculty.

- Design and Construction Management has consolidated and expanded its internal resources to create an Architectural Design Group and an Interior Planning and Design Group. They now provide architectural, engineering, and interior space design services in-house when it is faster and more cost-effective than using external consultants. Using the Architectural Design Group to complete the \$15 million NIH-funded Respiratory Disease Center enabled the campus to meet the fast-track schedule required by the NIH grant. The Interior Design and Planning Group draws upon talent within DCM, Student Affairs Design Services, and the Materiel Management Furniture Program. Their work in 376 Mrak Hall attests to the quality and style that in-house resources can provide while lowering costs and reducing departmental staff time to coordinate renovation projects and office moves.

ARM's greatest challenge is to maintain existing facilities at the level that our students and faculty deserve when resources for operation and maintenance have diminished so dramatically.

ADDITIONAL HIGHLIGHTS FROM 2010-11

Stretching the maintenance dollar

Since 2004, UC Davis growth has outpaced building maintenance funding, because the state no longer provides funding for this purpose. Building Maintenance Services is currently maintaining 23 percent more space with 25 percent less funding per square foot than in 2004. (Table 3)

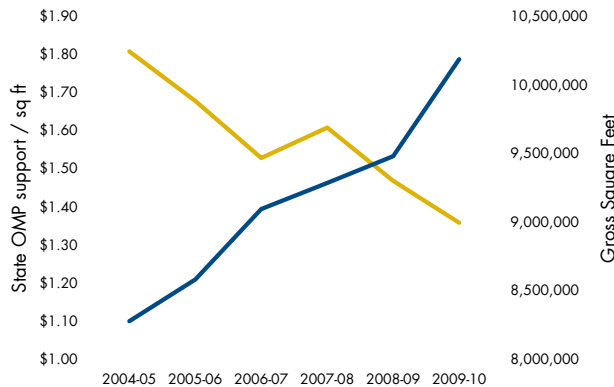


Table 3. Building maintenance expenditures vs. funding per square foot

Good news/bad news

UC Davis spends less per square foot for custodial services than any other benchmarked campus. Only three campuses spend less on maintenance. Our energy cost per square foot is comparatively higher than most campuses, although our energy costs are trending downward. During 2010-11, reductions were taken in supervisory positions in order to preserve frontline workers. Although we have touted our ability to do more with less and maintain acceptable service levels, funding for maintenance and custodial services is not adequate. To better serve our current students and faculty, support new research, and attract top students from around the world, we must develop new funding sources and strategies to prevent the deterioration of our asset base and minimize the risk of catastrophic systems failure. (Tables 4-6)

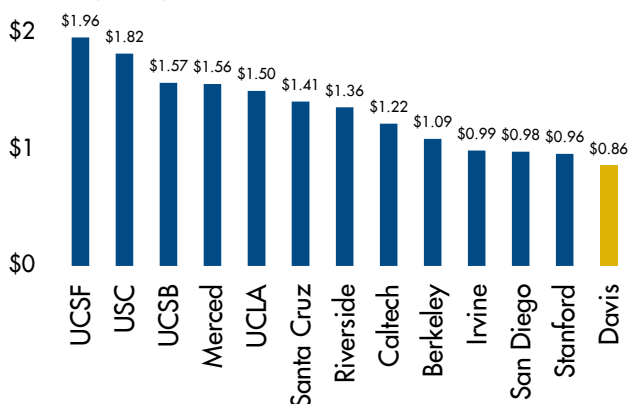


Table 4. UC Davis custodial expenses per Davis campus state supportable square foot 2010-11

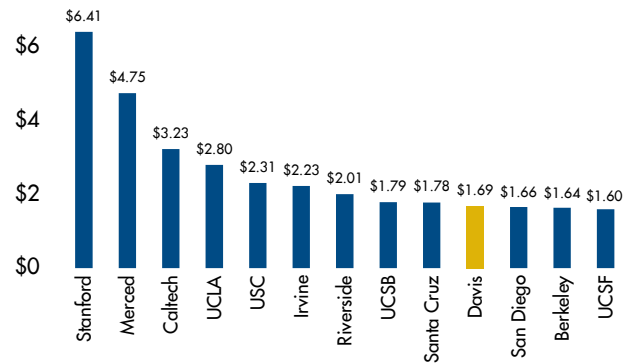


Table 5. UC Davis maintenance expenses per Davis campus state supportable square foot 2010-11

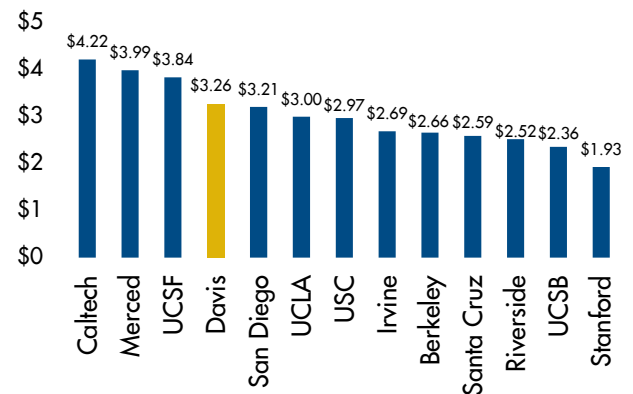


Table 6. UC Davis utilities expenses per Davis campus state supportable square foot 2010-11

Post-occupancy evaluations indicate high satisfaction levels

Design and Construction Management has initiated evaluations of all major new construction projects using the industry-standard UC Berkeley Center for the Built Environment Post-Occupancy Survey. For projects surveyed in the past year, the overall satisfaction rate reported by faculty and students surveyed averaged 91 percent.

Elevator permitting change will save \$70k a year

OSHA has granted the campus elevator maintenance program two-year permit status. Inspecting every other year, instead of annually, will save \$70,000 a year in inspection fees and staff time required to accompany an inspector for six weeks to all 196 elevators, wheel chair lifts, stage lifts and dumb waiters on campus. UC Davis is the first and only elevator program in the UC system to be rated so highly as to receive the two-year permit status on all its elevators.

Better quality control saves millions

By improving quality control in the preparation of construction documents Design and Construction Management is minimizing the cost of construction change orders. In 2010-11, this saved approximately \$5 million over the historical average for change order costs.

INNOVATION

2

Driving Innovation at the Frontiers of Knowledge

...create collaborative gathering places that promote both interdisciplinary discourse and a sense of a scholarly community...

...increase the efficiency and cost effectiveness of research and extramural accounting administrative systems...

ARM units provide supportive, connected, and sustainable places that respond to the specific needs of faculty and students. The mission of our planning, building and land management units is to create an optimal stage for scholarly, professional and personal growth while impressing the many stakeholders who support UC Davis.

For example:

- A new vision of the campus as a collaborative gathering place is taking shape within ARM's Campus Planning and Community Resources unit. With the goal of developing and promoting the whole of UC Davis campus as a public garden, CP&CR is restructuring to deliver on this concept. The Arboretum, Grounds and Landscape Services and the Putah Creek Reserve are being integrated as a single operating unit. This is more than an efficiency measure. It will enable the expansion of the campus GATEways (Gardens, Arts and The Environment) concept and lead to new academic engagement strategies that increase innovative teaching and learning opportunities in outdoor spaces on campus. In addition to academic engagement within campus, the GATEways program provides external funding agencies, philanthropists and volunteers a path to gain a sense of ownership with UC Davis. The Arboretum will build upon



Promoting the whole of campus as a public garden will lead to new academic engagement strategies, such as the 2011 GATEways Arts Festival, and will increase innovative teaching and learning opportunities in outdoor spaces.

and grow its already important role as a portal for connection and financial support to UC Davis.

- The new Student Community Center was designed to encourage interaction among students, staff and faculty, promote student success, and create pathways to post-graduate education, diversity, inclusion, community engagement, leadership opportunities and global citizenship.

Many ARM administrative units are, in effect, direct extensions of the research enterprise, such as Extramural Funds Accounting and Environmental Health and Safety, where we are strategically investing in order to support future growth in research and development activities.

ADDITIONAL HIGHLIGHTS FOR 2010–11

Animal care triumphs

As the administrative home to the Institutional Animal Care and Use Committee (IACUC) and the Attending Veterinarian, ARM provides oversight for the largest animal research program of any university in the U.S. As of 2010–11, the campus has seven staff veterinarians board certified by the American College of Laboratory Animal Medicine—more than any other research institution in California. A coordinated effort among our veterinary and IACUC staffs, Facilities Management and the vivaria facility managers resulted in the campus receiving full accreditation from the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) following our triennial accreditation review in October 2010. The reviewers were highly complementary of our veterinary and IACUC units.

West Village welcomes students as its first residents

The UC Davis West Village community transformed from two-dimensional drawings into a multi-dimensional reality during 2010–11. The first 315 units opened to students in early August 2011. The next phase of development—construction of 343 single-family homes for sale to faculty and staff—launched in May 2011 with a survey to assess faculty and staff housing preferences. As the largest planned zero net energy community in the U.S., West Village garnered praise from California Lieutenant Governor Gavin Newsom, who called it “the most significant project of its type anywhere in the United States of America.”

West Village embodies every dimension of the UC Davis Vision of Excellence. It is a vibrant community, built on principles of sustainability, that draws on campus research, supports economic vitality in our community, and makes campus life easily accessible to students, faculty and staff.



Extramural award activity

Accounting and Financial Services' productivity in processing extramural funds continues to increase. (Table 7) However, an analysis conducted by an external consultant in 2010–11 indicated that workloads in extramural accounting are not sustainable if the campus is to increase research funding to the billion dollar level. For this reason, A&FS has made priority decisions to protect Extramural Funds Accounting from budget reductions in 2011–12, and new positions are being created in support of campus research. In 2010–11, A&FS supported a 39 percent growth in gift and endowment income while sustaining a 20 percent budget reduction between 2008 and 2010.

	2008–09	2009–10	2010–11	3-yr change
Active sponsored projects	6,383	6,956	7,115	11%
Gift/endowment transactions	15,207	15,764	17,126	13%
Gift/endowment amounts	\$43,692,091	\$71,838,619	\$60,519,817	39%

Table 7. Extramural funding growth, 2008–2011

Transitioning Conference and Event Services to a self-supporting model

Conference and Event Services played a critical role in facilitating major campus events in 2010–11, including the Governor's Global Climate Summit 3. CES coordinated with multiple external agencies and production companies as well as internal stakeholders to elevate this event to the highest level in support of a key campus leadership initiative. CES's expert event support, plus their comprehensive and effective marketing program, contributed to an increase in facility rentals of nearly 11 percent in the past year. Although rentals were up, attendance at events declined significantly. Consequently, departmental income from facility rentals declined by 16 percent. (Table 8) CES will be transitioning to a 100 percent self-supporting model by 2012–13, and we will be evaluating these trends as we develop a new business model for CES that builds campus visitation and income for departments.

	2008–09	2009–10	2010–11	% change
Reservations	8,292	7,469	8,628	15.5%
Facility uses	39,861	\$45,803	\$50,632	10.5%
Estimated total attendance	4,226,632	6,770,461	3,317,793	-51.0%
Departmental earned income	\$985,151	\$1,509,730	\$1,266,667	-16.1%

Table 8. Space reservations, utilization, attendance and income, 2008–2011

SUSTAINABILITY

3

Nurturing a Sustainable Future and Propelling Economic Vitality

...emphasize sustainability in all its many forms and interpretations...

ARM is committed to sustainability in all its dimensions: environmental, economic and social. Our efforts to conserve energy and contain utility costs in 2010–11 exemplify this commitment. Cross-organizational collaboration, the use of progressive technology, and academic partnerships are core strategies in this endeavor.

Campus utility expenses continue to trend downward, and overall energy use has dropped 14 percent in the past five years. Collaborations that bring together academic and administrative units are the key to becoming more energy efficient and achieving our ambitious sustainability goals.

For example:

- ARM is engaged in \$26 million in new infrastructure projects to improve campus utility systems, from underground steam and chilled water pipeline improvements to building retrofits and utility metering. The campus has earned tens of millions in incentive funds through the Statewide Energy Partnership Program, which are reinvested in the program. Each project will pay for itself through energy cost savings while also reducing the campus's carbon footprint.
- We are increasing efforts to recover energy lost through existing systems. Presently, with Student Housing, we are studying the feasibility of capturing heat from the boiler stacks at the Central Heating and Cooling Plant and using it to heat the new 1,200-bed Tercero III residence hall. Preliminary evaluations show this project to have a relatively quick pay-back, given the proximity of the plant and the anticipated heating demands for Tercero III.
- The campus Smart Lighting Initiative is a collaboration of Facilities Management, Environmental Stewardship and Sustainability, Design and Construction Management and the UC Davis California Lighting Technology Center. This initiative, which received \$4 million from the Statewide Energy Partnership Program in 2010–11, will use new lighting technologies to reduce interior lighting energy by 60 percent. Exterior road and pathway lighting improvements will reduce exterior lighting energy by at least 50 percent. The Davis campus currently consumes approximately 250 million kilowatt hours per year for all its electricity needs, and about 73 million kWh of that—more than one-fourth of the campus's electricity consumption—is for lighting. A 60 percent reduction will demonstrate how sustainable approaches create significant cost savings while reducing the campus's carbon footprint.
- A Sustainability Map, which shows places and things related to the campus sustainability effort, launched in 2011. The map is a tool for helping the campus community see, experience and understand how UC Davis is working towards its sustainability goals. It is linked from the campus map online. In early July 2011, it came in handy for a cyclist with a flat tire who used the alternative transportation waypoints on the map to locate a bicycle tire pump.



ADDITIONAL HIGHLIGHTS FOR 2010-11

Campus greenhouse gas emissions down

The UC Davis Climate Action Plan provides a roadmap for achieving three key objectives of the UC Policy on Sustainable Practices: first, reduce greenhouse gas emissions to year 2000 levels by 2014. Second, reduce them to 1990 levels by 2020. Third, achieve climate neutrality, meaning a net zero impact on the Earth's climate. Because UC Davis has already made significant progress toward the first objective, the campus has articulated the more ambitious goal of exceeding the 2014 target for operations-related emissions by approximately 15 percent. (Table 9)

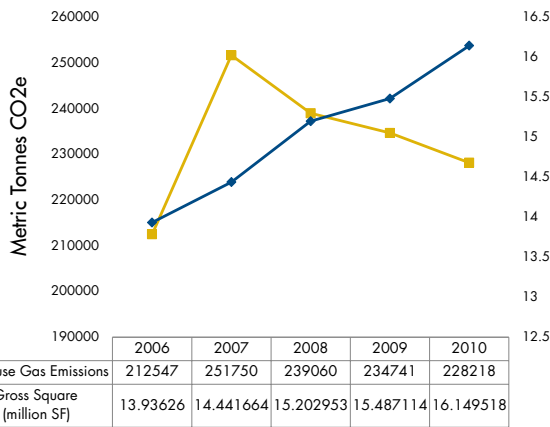


Table 9. Greenhouse gas emissions vs. outside gross square footage (verification pending)

Energy use and cost continue to trend downward

Campus utility expenses continue to trend downward, thanks to lower consumption, better contracts, and favorable market conditions. Electricity, natural gas, water and sewer utilization were all lower in 2010-11 than in the previous year. Overall, Davis campus energy use is down 14 percent from 2005-06 levels despite a ten percent increase in campus square footage. (Table 10) Adjusted for campus growth, energy has decreased 22 percent since 2005-06. The cost of energy per square foot has decreased from \$2.54 to \$2.11. These costs include debt service to pay back capital expenses for recent energy efficiency projects. In other words, the projects are already paying for themselves. (Table 11)

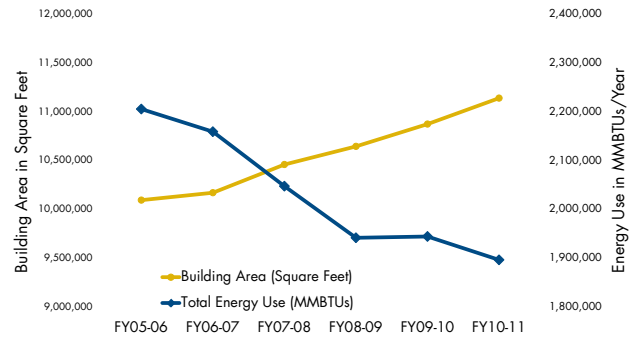


Table 10. Total campus energy use vs. building area 2005-2011

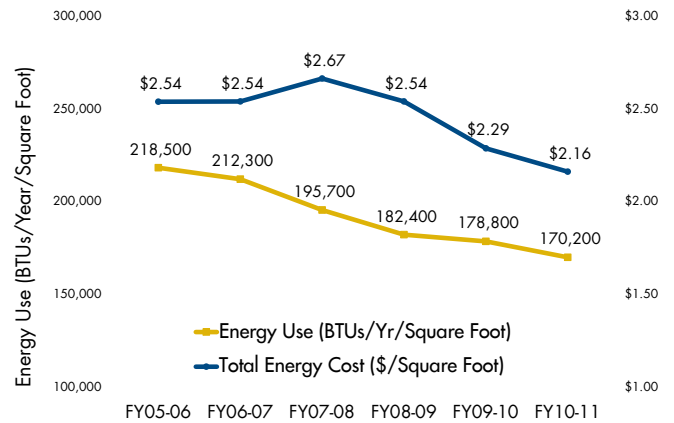


Table 11. Energy use vs. cost per square foot 2005-2011

Campus "greener" than ever, and being recognized for it

UC Davis was ranked the No. 4 Green Government Fleet in North America—up from 11th last year. This recognizes a true team effort by Fleet Services, TAPS and Unitrans. In 2010-11, Fleet Services expanded its inventory of plug-in hybrid electric vehicles. The UC Davis bicycle program, coordinated by Transportation and Parking Services, was named one of the country's top three bicycle programs in the inaugural Bicycle Friendly University program of the League of American Bicyclists. In addition, the campus received four Energy Efficiency and Sustainability Best Practice Awards at the 2011 California Higher Education Sustainability Conference. Those awards recognized the monitoring-based commissioning of Dutton Hall, the water efficiency of the new brewery/winery complex at the Robert Mondavi Institute for Wine and Food Science, innovative waste reduction during the Aggie Stadium 2010 football season, and sustainable foodservice and menu development in the Cuarto Dining Commons.

Let the sun shine in: UC Davis switches on solar power

Installation of the solar panels on the roof of the new brewery/winery complex at the Robert Mondavi Institute for Wine and Food Science marked the launch of UC Davis's institutional commitment to solar power generation on campus. Solar power is also being installed at Parking Lot 1, Gallagher Hall, and several Student Housing facilities. These installations are part of a power purchase agreement that will provide approximately 800 kilowatts of distributed solar photovoltaic and generate 1.2 megawatt hours per year over a 20-year agreement. Under the agreement, the solar developer, MainStreet Power Company of Boulder, Colorado, finances, builds, owns, operates and maintains the solar energy systems.

LEED-ership in sustainable building

Only four projects in the UC system have been awarded LEED Platinum certification from the U.S. Green Building Council, and two of them are at UC Davis. The UC Davis Tahoe Environmental Research Center was LEED platinum certified in 2007. In the past year, the new Brewery, Winery and Food Lab project was awarded this highest LEED level. One more, the Graduate School of Management, is also anticipated to be awarded the Platinum level. In 2011, two UC Davis projects were awarded LEED gold. The LEED-Existing Buildings Operations and Maintenance (LEED-EBOM) project is under way and will enhance and optimize existing building energy use to reduce environmental impacts and improve user comfort.

Metering utilities

Although occupants of state-funded facilities are not required to pay for utilities, the buildings are being metered to measure energy usage. Energy meters were recently installed in 40 of the largest unmetered research facilities across the campus, and nearly 90 percent of total electricity used on campus is now metered at the building level. Utilities' goal, as funding allows, is to meter steam and chilled water use by building as well, so that total energy use for buildings can be tracked more accurately.

The introduction of solar power on campus helped two new facilities achieve the highest LEED rating and signals our commitment to increasing the use of renewable energy sources.



WELL-BEING

4

Championing Health, Education, Access and Opportunity

...develop community-based models and resources...

...measure the number, quality and availability of professional development resources...

ARM provides expertise and comprehensive services for protecting the health and safety of our faculty, students, employees and visitors. Education and community-building are key strategies to address this challenge, as are progressive thinking to align funding models and organizational structure so as to mitigate risk, reduce costs and safeguard the community.

For example:

- In 2010–11, Safety Services implemented a significant strategy to remove financial barriers and improve access to preventive medical services. Previously, preventive services, such as respirator fit tests, DOT drug and alcohol testing, travel immunizations, TB clearances and vaccinations were offered on a recharge basis. Now, they are provided by UC Davis Occupational Health Services at no-charge. Departments pay only the cost of consumables and supplies utilized in the programs. The new approach is possible because the costs of medical prevention and surveillance programs have been fully incorporated into the Workers' Compensation base budget and are now funded through the campus composite benefits rate (a 2010–11 innovation from Accounting and Financial Services). The new funding model eliminates 29 procedure recharge rates and reduces the considerable administrative burden associated with them. This UC Davis-led effort was a



A new funding model for Occupational Health Services removes financial barriers to departments that utilize preventive medical care. UC Davis led development of the new model, in partnership with OP, and we are the first campus to implement the approach, which is expected to become the standard for other campuses in the future.

partnership with OP and represents a new approach to managing the Workers' Compensation Trust Fund. We are the first campus to implement the approach, and it is expected to serve as the model for other campuses to follow in the future.

- The merger of the campus and city fire department administration is further demonstration of how ARM reaches across organizational, and even municipal and regional boundaries in service of the public good. During the past year, the UC Davis and City of Davis fire departments established a management services agreement, appointed acting battalion chiefs and consolidated their dispatch functions and vehicle fleets. In addition, Woodland and West Sacramento fire departments were invited to join in a study to assess how regional fire services might be reorganized or consolidated. A consultant has been engaged to assess feasibility and work with regional fire departments on possible merger strategies.
- The UC Davis fire department hosted seven Northern California fire and emergency services departments in a workshop covering strategies to recruit and retain a more diverse workforce while also better serving increasingly multicultural communities. The program was one of 10 national pilot sessions developed and facilitated by nonprofit FIRE 20/20.

ADDITIONAL HIGHLIGHTS FROM 2010-11

Supporting employees through stressful times

Utilization of the Academic and Staff Assistance Program (ASAP) and Mediation Services continues to increase. (Table 12) ASAP offers confidential assessment, intervention, consultation and referral services to all faculty and staff and their immediate families. The number of ASAP consultations increased just over one percent in the past year. Mediation Services, which provides conflict management support for faculty, staff and graduate students, saw its number of consultations and mediated sessions increased 21 percent.

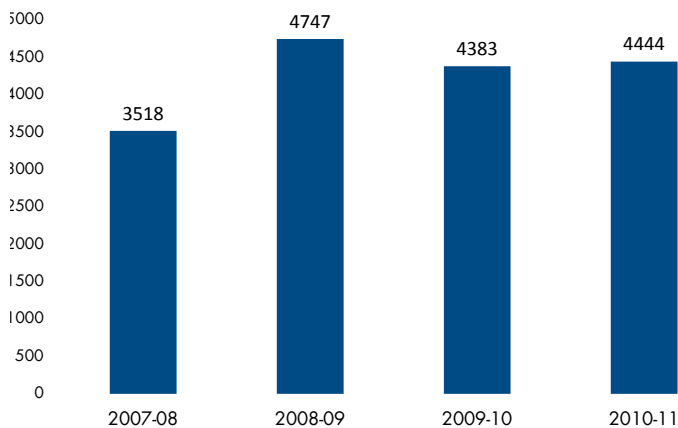


Table 12. Utilization of Academic and Staff Assistance Program services, 2007-2011

Campus crime and calls for service trends

The overall crime rate on campus increased by one percent in 2010, following a 30 percent drop from 2008 to 2009. (Table 13)

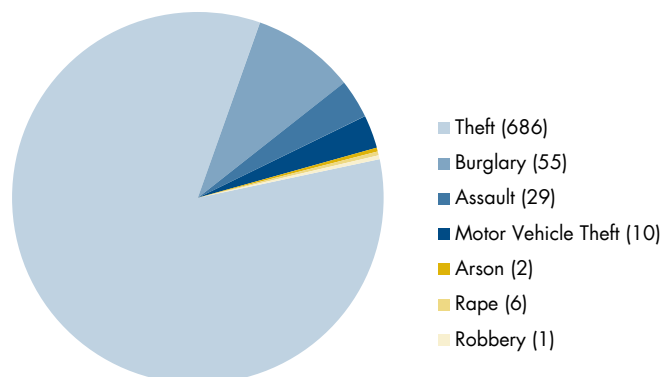


Table 13. Campus crime types, 2010-2011

Police calls for service (requests for police service in which an officer is dispatched or encounters an incident) rose 20 percent in 2010. (Table 14) This upward trend has both negative and positive implications. It may be an indicator of crime or incident increases, although it is out of proportion to the overall crime rate. On the other hand, our community members are aware and not afraid to call for service. Thus, it may be an indication that our community engagement strategies are effective in increasing citizen involvement and participation in the safety and security of their community.

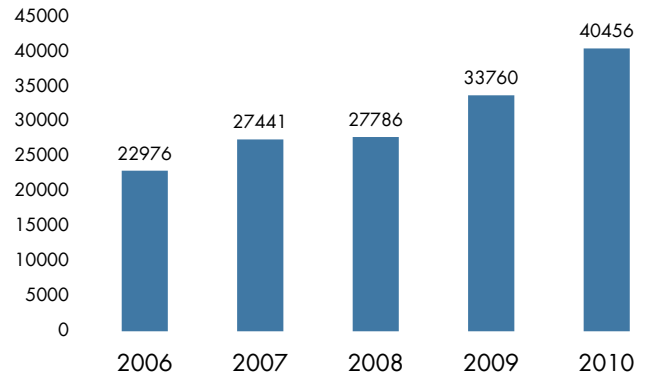


Table 14. Calls for service 2006-2010 (calendar year data)

Developing community through student participation, volunteerism and regional involvement

Community relationships are key to police work, and two UC Davis Police programs capitalize on this fact by inviting students and community volunteers to take an active role in keeping the campus safe. An undergraduate student organization, the Aggie Hosts, who receive specialized training from the UC Davis Police Department, run the safety escort service and supplement the campus police force on special duties. In 2011-10, Aggie Hosts provided security service during the 2010 Gubernatorial Debate and the Governor's Global Climate Summit 3. West Village Community Partners, LLC, uses Aggie Hosts to provide security services for its construction site. A new community volunteer program, the "Volunteers are Important People" (VIP) program, has been formed so that volunteers, five so far, can assist with department and community projects.

Over the past year, the UC Davis Police handled 18 dignitary assignments, including Harrison Ford, Minnie Driver and James Cameron. (So we're name dropping. Live with it!) UC Davis police officers participated in 18 Yolo and Sacramento County check points to mitigate drunk driving, and assisted in 13 mutual aid situations— 10 for sister campuses and three within Yolo county.

Safety pays

From 2007 to 2011, the campus has seen lower injury rates and less severe injuries, leading to fewer lost workdays and lower workers compensation costs. (Tables 15–17) This benefits campus departments directly because it reduces the Workers' Compensation rate that is included in their benefits costs. (Table 18) Since 2007, Safety Services has been aggressively promoting safety through a broad-based campaign that urges the campus to Think Safe. Act Safe. Be Safe. Departments are encouraged to take advantage of the many services to assist them with injury prevention, including training and support for departmental safety coordinators, safety program development, and employee education resources, including monthly Safety Spotlights and Be Smart About Safety funding.

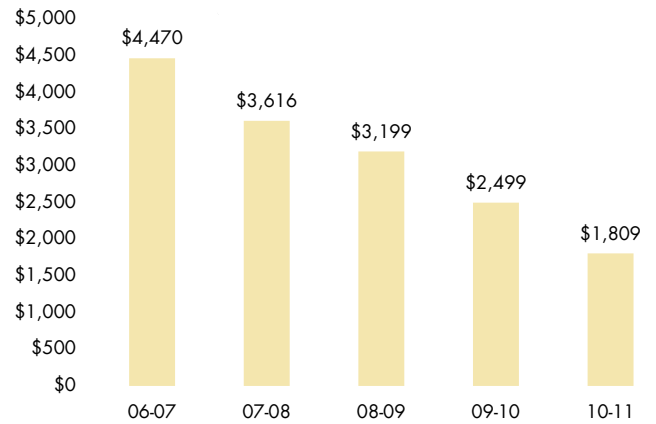


Table 17. Injury cost trends—Workers' Compensation costs (000s), 2007–2011

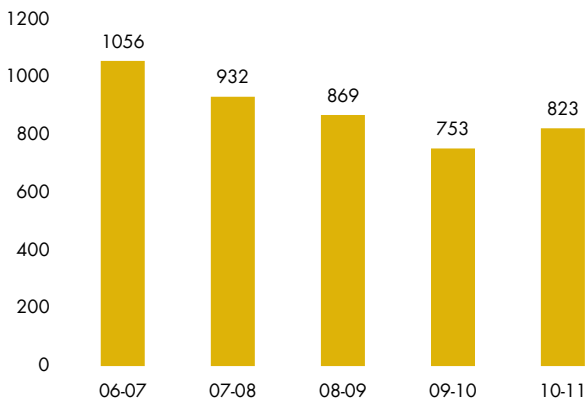


Table 15. Number of injuries/illnesses, 2007–2011

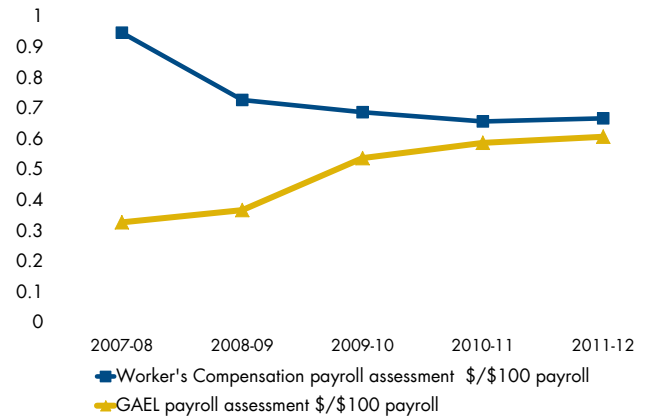


Table 18. Workers Compensation and GAEL payroll assessment trends, 2007–2011

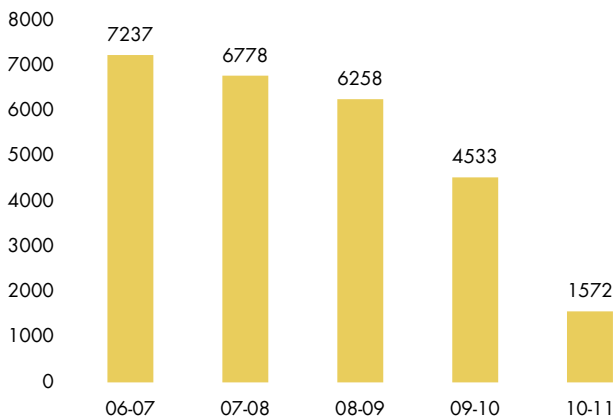


Table 16. Total lost work days, 2007–2011

STEWARDSHIP

5

Cultivate a Culture of Organizational Excellence, Effectiveness and Stewardship

...provide an efficient, professional administrative support structure committed to serving and advancing the university's academic mission...

Within ARM, several unit reorganizations demonstrate ARM's drive to adopt progressive business models that may cross organizational boundaries in order to streamline processes and improve service to the campus.

For example:

- Institutional analysis units from Student Affairs, IET and ARM have been brought into a single unit within Budget and Institutional Analysis. The new organizational structure will enable development of more robust metrics and analytical techniques to inform planning and report on campus progress to internal and external stakeholders.
- IT resources in Safety Services and the Office of Research are now combined into a single unit to more efficiently pursue their complementary goals in support of the research community. The benefits of this consolidation include standardizing and integrating duplicative processes and equipment and building bench strength in IT development, particularly in the implementation of the Kuali Coeus research administration project.
- Although no reorganization was involved, a new website represents the scope of facility-related services across campus. Facilities Management developed the Campus Care Index (campus-care.ucdavis.edu) to provide a single point of access for maintenance, custodial and renovation services, large and small capital projects, utilities, and grounds keeping services, regardless of where they sit on institutional org charts.



As a relatively new operating unit, ARM continues to evolve and shape itself to deliver on this dimension of the Vision. Our strategies include reorganization, better technology and improved costing models.

Technology improvements are at the core of many administrative initiatives. For example:

- The first module of the Kuali Financial System, the Chart of Accounts, launched in 2010 with 1,400 hits in its first week online. Three additional modules, Financial Transactions, General Ledger, and Labor Distribution, launched in July 2011. The system will be fully implemented in 2012.
- Several ARM units, along with Student Housing and IET Communication Resources, are collaborating to implement a new asset management, work management, and integrated planning system for the campus. The Campus Asset Management Planning and Information System (CAMPIS) will integrate previously fragmented information and enable campus planners, facility managers and business officers to better understand the full cost of a facility over its life cycle and make investments to support academic growth and environmental sustainability.
- Technologies to support shared services are being evaluated, including case management and workflow systems and a knowledge base to provide consistent information for all employees and service providers.
- UC Davis is actively engaged in the systemwide PPS initiative to replace the payroll and personnel system, which, when implemented, will have a significant positive impact on our campus operations.
- Smaller scale technology improvements to streamline everyday operations range from a new key-management system, which eliminates trips to the main campus simply to pick up keys, to IT server consolidations, to systems that facilitate remote desktop monitoring, customer service and security upgrades for workstations and networks.

ADDITIONAL HIGHLIGHTS FROM 2010-11

Shared Service Center update

Progress toward implementing the shared service center accelerated over the past year. A business case for shared services was developed following a comprehensive, campus-wide assessment of staff resources in finance, HR, payroll and IT. A governance structure was created, and the project management office was expanded to provide expertise in process redesign. Subject matter experts from ARM, Student Affairs, IET, External Relations, the Library and the offices of the Chancellor and Provost evaluated existing service metrics and mapped more than 400 finance, HR and payroll processes. They identified hundreds of opportunities for service improvements that will be reflected in the future state design for the shared service center. An inventory of duplicative services within ARM and across campus is being developed to identify systems and services that can be consolidated to standardize processes, simplify operations, provide better service and reduce costs. Capital Resource Management has commenced space planning in preparation for an early 2012 "go live" date for the finance, HR and payroll shared service center.

Proof of concept for shared services

Shared service centers within ARM are demonstrating the value of the shared service concept. The ARM HR/Payroll SSC consists of 11 staff members who serve approximately 1,600 employees across ARM and IET. Beginning in September 2011, they will add the Office of Research to their client roster. The current ratio of HR/Payroll SSC staff member to employees served (by head count) is approximately 1/350 for HR services and 1/400 for payroll services. Each SSC staffer handles about 100 transactions per week, on average, and more during peak activity periods. The ARM Accounts Payable/Purchasing SSC staff of eight processed more than 24,000 documents for ARM units in 2010-11. They are achieving outstanding turnaround times on purchase order processing: 1.65 days for POs under \$5,000, 3.16 days for POs greater than \$5,000 and up to about \$50,000. Larger POs are processed by the campus Purchasing unit which turns them around in 4.92 days.

Untapped savings potential in Strategic Sourcing

Strategic Sourcing is a systemwide collaborative program to save staff time and effort and lower the cost of routine purchases. The program leverages UC's 10-campus buying power to negotiate discounts which currently

range from one to 40 percent, depending on the product category. The campus purchased more than \$45 million in goods and services through this program in 2010-11, a 28 percent increase over 2009-10. (This includes wireless spending, which was not included in data from previous years.) (Table 19) An analysis of 2010 campuswide purchasing in the highest volume spending categories estimated that an additional \$339,000 could have been saved if all purchases were made through strategically sourced suppliers. This is only the dollar savings. Even more valuable are the savings in personnel time to shop, obtain quotes, process invoices, and manage supply inventories (most agreements provide just-in-time delivery and free shipping).

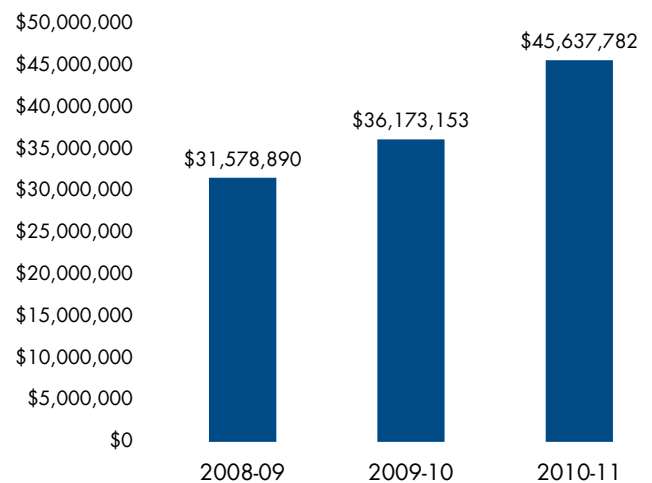


Table 19. Total expenditures from Strategic Sourcing, 2008-2011

Career Compass will help employees navigate to success

Human Resources has begun implementing Career Compass, a set of talent management tools designed to improve the way that UC Davis manages and develops its workforce. Career Compass provides an integrated and progressive approach to job standards, performance management and career development. It will clarify job responsibilities and link them to performance evaluation and career advancement opportunities. It will enhance recruitment efforts by aligning campus payroll titles with those found commonly in the marketplace.

On-boarding online

Staff Development and Professional Services launched an online New Employee Orientation which is now a part of every new employee's on-boarding experience. The self-guided course introduces UC Davis history, academic mission, vision and values and also familiarizes employees with the many support services that the

campus provides for them. It replaces a portion of the all-day orientation meeting that had been offered previously. New employees continue to attend a half-day group meeting with campus benefits specialists. A new On-boarding Toolkit for supervisors was also created. Studies indicate that higher employee retention and satisfaction rates result when new employees go through a thorough on-boarding process.

Peak performance in payroll, purchase and payment processing

Systemwide performance measures for payroll processing in 2010 show that UC Davis's cost per payment is the second lowest in the system. Our exception rate (number of errors in payment processing) is third lowest in the system. With 96.5 percent of employees participating, UC Davis has the most successful direct deposit program in the system. Our payroll staff each handle an average of 33,413 payments per FTE per year. Turnaround times to process purchase orders, travel expenses, accounts payable and student accounts decreased slightly in 2010–11 despite staffing reductions. (Table 20) This is attributable to several strategies, such as phasing in higher dollar limits and eliminating some review steps on certain Accounts Payable transactions or automating portions of Student Accounting's collections process. The end of the furlough program was also a contributory factor. As transactions increase due to an influx of contract and grant funding and campus growth, it will not be possible to maintain these processing times without additional staff and increased automation.

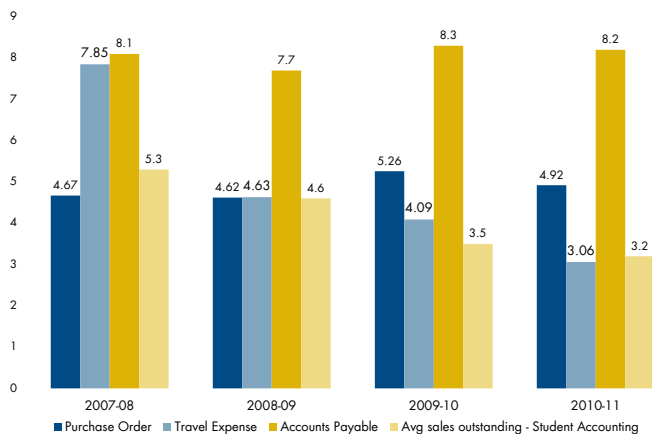


Table 20. Accounting and Financial Services transaction turnaround times in number of days

Smart negotiation reduces energy costs

On the central campus, the contract used to purchase gas for the central steam plant was renegotiated to save approximately \$500,000 over the next four years. In addition Utilities issued an RFP for a propane contract with rates based on a formal published index. As a result, the campus now has a multi-year propane contract with significantly improved rates that will be more stable than in the past. Off-campus operating units have been granted the authority to purchase their utilities directly, resulting in savings of \$20,000 to \$50,000 per year. Lower market pricing on natural gas has provided additional savings.

Saying bye-bye to all that pesky paper

The total page volume in the Electronic Document Management System (EDMS) implemented by Accounting and Financial Services topped 8.3 million pages in May 2011. In addition to A&FS departments, the EDMS is now used by HR, UCDHS, Safety Services, the Office of Research and the Office of Graduate Studies. The Chancellor's and Provost's offices are in the planning stages. The system enables users to capture, retrieve, modify and store of all forms of documents. In addition to reducing or eliminating paper, it saves the labor and space costs associated with printing, filing, routing and shredding paper documents.

Significant streamlining in benefit cost calculation

In 2011, UC Davis became the first campus in the UC system to implement composite benefit rates. This standardizes benefit costs across employee groups and eliminates the need to calculate actual benefit costs per individual employee. The use of composite rates increases administrative efficiency, simplifies accounting for fringe benefit expenses, improves the budgeting process for all University funds, and is consistent with current cost accounting standards. A program to mitigate the impact to sponsored programs while converting to the new rates was also created.

APPENDIX

STATEMENT OF FINANCIAL OUTCOMES

Unit: Administrative and Resource Management

	2007-08	2008-09	2009-10	2010-11	% Change 07-8 - 10-11
SOURCES OF FUNDS					
General Funds and Tuition—July 1 Base (199XX)	\$57,850,405	\$61,654,842	\$61,569,064	\$54,040,283	-7%
General Funds: Purchased Utilities—July 1 Base	\$22,482,970	\$25,406,688	\$33,427,591	\$33,931,583	51%
General Funds and Tuition—Current (199XX)2	\$25,830,550	\$20,416,883	\$6,621,480	\$18,040,112	-30%
Other Core Funds / Student Fees (Total)	\$5,446,759	\$6,194,325	\$7,218,232	\$9,173,743	
Other core funds / Student Fees—July 1 Base	\$206,512	\$208,168	\$196,768	\$1,453,394	604%
Other core funds—Current year allocations	\$5,240,247	\$5,986,157	\$7,021,464	\$7,720,349	47%
External and Other Funds (Total)	\$99,201,489	\$98,935,390	\$99,635,633	\$114,769,751	16%
Self Supporting Activity—Income and Recharges (INCO/SUB9)	\$95,950,982	\$92,606,283	\$88,956,734	\$97,793,821	2%
Statewide Energy Partnership	\$0	\$1,436,205	\$5,794,555	\$12,196,645	0%
Other (Endowment Income)—July 1 Base	\$127,510	\$127,269	\$133,549	\$133,203	4%
Other (C&G, Endowment income) Current year Allocations	\$3,122,997	\$4,765,633	\$4,750,795	\$4,646,082	49%
Total Sources:	\$210,812,173	\$212,608,128	\$208,472,000	\$229,955,472	9%
USES OF FUNDS—Total Expenditures					
General Funds and Tuition					
Academic Salaries (SBxx)	\$23,710	\$0	\$128,294	\$41,638	76%
Staff Salaries (SUBS)	\$46,108,347	\$44,447,696	\$40,410,696	\$39,282,749	-15%
General Assistance (Temporary staffing)	\$3,363,126	\$2,678,203	\$2,114,767	\$2,143,638	-36%
Benefits	\$14,010,759	\$13,991,355	\$14,430,224	\$13,882,217	-1%
OE&E and Other	\$18,441,381	\$13,489,456	\$6,594,389	\$7,195,102	-61%
Purchased Utilities	\$34,996,681	\$33,403,643	\$30,750,045	\$26,949,979	-23%
Sub-total General Funds and Tuition	\$116,944,004	\$108,010,353	\$94,428,415	\$89,495,323	-23%
Other Core Funds / Student Fees					
Academic Salaries (SBxx)					
Staff Salaries (SUBS)	\$83,731	\$11,501	\$15,060	\$171,668	105%
General Assistance (Temporary staffing)	\$213,300	\$247,934	\$74,038	\$86,724	-59%
Benefits	\$93,969	\$82,022	\$23,605	\$90,900	-3%
OE&E and Other	\$2,774,734	\$4,727,781	\$7,366,919	\$9,073,132	227%
Sub-total Other Core Funds	\$3,165,734	\$5,069,238	\$7,479,622	\$9,422,424	198%
Self Supporting Activities—Income and Recharge					
Academic Salaries (SBxx)	\$18,654	\$25,158	\$-	\$56,505	203%
Staff Salaries (SUBS)	\$31,250,911	\$34,154,373	\$31,494,917	\$32,966,213	5%
General Assistance (Temporary staffing)	\$8,392,377	\$6,454,727	\$5,377,659	\$7,372,071	-12%
Benefits	\$10,160,271	\$11,181,697	\$10,980,269	\$12,656,909	25%
OE&E and Other	\$44,473,475	\$43,597,022	\$37,160,350	\$47,171,673	6%
Statewide Energy Partnership		\$1,436,205	\$5,794,555	\$12,196,645	n/a
Sub-total Self Supporting Activities	\$94,295,688	\$96,849,182	\$90,807,750	\$112,420,016	19%
Extramural Funds (C&G, Endowment and Gift)					
Academic Salaries (SBxx)	\$11,217				n/a
Staff Salaries (SUBS)	\$1,107	\$133,455	\$133,278	\$5,623	408%
General Assistance (Temporary staffing)	\$434,635	\$429,366	\$269,715	\$498,334	15%
Benefits	\$94,735	\$120,690	\$78,900	\$125,258	32%
OE&E and Other	\$891,175	\$1,069,019	\$913,396	\$1,115,559	25%
Sub-total Extramural Funds	\$1,432,869	\$1,752,530	\$1,395,289	\$1,744,774	22%
Totals—All Fund Sources					
Academic Salaries (SBxx)	\$53,581	\$25,158	\$128,294	\$98,143	83%
Staff Salaries (SUBS)	\$77,444,096	\$78,747,025	\$72,053,951	\$72,426,253	-6%
General Assistance (Temporary staffing)	\$12,403,438	\$9,810,230	\$7,836,179	\$10,100,767	-19%
Benefits	\$24,359,734	\$25,375,764	\$25,512,998	\$26,755,284	10%
OE&E and Other	\$66,580,765	\$62,883,278	\$52,035,054	\$64,555,466	-3%
Purchased Utilities	\$34,996,681	\$33,403,643	\$30,750,045	\$26,949,979	-23%
Statewide Energy Partnership	\$0	\$1,436,205	\$5,794,555	\$12,196,645	n/a
Total Uses	\$215,838,295	\$211,681,303	\$194,111,076	\$213,082,537	-1%
Employee FTEs (April Employee Snapshot as compiled by BIA)					
General Funds, Tuition and Fees—Base and Current					
MSP and SMG	64	68	62	55	-14%
PSS	803	756	667	669	-17%
Academics	0	0	1	1	
Sub-total General Funds and Tuition	867	824	730	725	-16%
External and Other Funds					
MSP and SMG	35	35	37	40	14%
PSS	708	694	672	684	-3%
Academics	1	0	1	2	100%
Sub-total External and Other Funds	744	729	710	726	-2%
Total Employees	1611	1553	1440	1451	-10%