Office of Human Resources

A Journey to Shared Services, *One University* and Beyond
Human Resources at the University of Maine System is known for providing best practices in the following areas:

- Excellence in service delivery
- Leadership in maintaining systems and cultures that engage our faculty and staff in order to serve our students and state
- Thoughtful, effective, and timely response to all members of our university community
- Appropriate balancing of responsiveness to the campuses with consistency and cost-effectiveness to the whole system

Office of Human Resources Vision Statement – June 2013
The role of Human Resources is to advance the core mission of the University of Maine System in strategic partnership with other staff and academic units of the University by recruiting, motivating, and retaining diverse faculty and staff in an open, fair, simple, responsive and efficient manner by using the integrated System-wide talents and technologies of the HR organization.

Human Resources Mission Statement - June 2013
Journey Checklist

Realize Significant Savings
- Cost Avoidance
- Direct Savings
- Potential Savings
- Savings to Employees
- Potential Reduction of Liability

Establish Efficiencies
- Move to New Support Model
- Drive Major Cultural Change
The work that has been completed in Human Resources has produced savings in a number of ways.

1. Cost Avoidance – When a program is increasing in costs, changes are made to the program or contract to avoid the increase.
2. Direct Savings – Savings in this area have a direct impact on current and projected expenditures.
3. Potential Savings – Savings in this area will have a direct impact on current and projected expenditures. There are certain factors that need to be completed in order to move this to direct savings. An example of this is contract ratification.
4. Savings to employees – These are direct savings that will provide an impact to the employees and not directly to UMS.
5. Potential reduction in liability – This provides a reduction in liability to UMS but does not provide a direct savings. There are certain factors that need to be completed in order to move this to a reduction in liability. An example of this is contract ratification.
Cost Avoidance - $3,367,000

<table>
<thead>
<tr>
<th>Program</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life/Disability Programs</td>
<td>$750,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicare Eligible Retiree Medical Program</td>
<td>$1,500,000</td>
<td>$611,000</td>
<td>$506,000</td>
</tr>
<tr>
<td>Totals</td>
<td>$2,250,000</td>
<td>$611,000</td>
<td>$506,000</td>
</tr>
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</table>
**Direct Savings - $2,512,000**

<table>
<thead>
<tr>
<th>Program</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dental Program</td>
<td></td>
<td></td>
<td>$300,000</td>
</tr>
<tr>
<td>EAP</td>
<td></td>
<td></td>
<td>$25,000</td>
</tr>
<tr>
<td>Dependent Audit</td>
<td></td>
<td>$154,000</td>
<td></td>
</tr>
<tr>
<td>Benefit Consulting</td>
<td></td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td>Actuarial Services</td>
<td></td>
<td>$13,000</td>
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</tr>
<tr>
<td>Review of Benefit Svc's</td>
<td></td>
<td>$300,000</td>
<td></td>
</tr>
<tr>
<td>Reduction in headcount</td>
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<td>$570,000</td>
<td></td>
</tr>
<tr>
<td>Medical Program</td>
<td>$1,100,000</td>
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<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$1,100,000</strong></td>
<td><strong>$1,087,000</strong></td>
<td><strong>$325,000</strong></td>
</tr>
</tbody>
</table>

*Annual savings that will be achieved year over year*
### Potential Savings - $2,346,500

<table>
<thead>
<tr>
<th>Program</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTD Plan Changes**</td>
<td></td>
<td></td>
<td>$167,000</td>
</tr>
<tr>
<td>LTD - Salary Payment***</td>
<td></td>
<td></td>
<td>$391,000</td>
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<tr>
<td>LTD – 403(b) Pension Plan Contributions***</td>
<td></td>
<td></td>
<td>$208,000</td>
</tr>
<tr>
<td>LTD – Life Insurance Coverage***</td>
<td></td>
<td></td>
<td>$21,000</td>
</tr>
<tr>
<td>LTD – Health Insurance Coverage***</td>
<td></td>
<td></td>
<td>$100,000</td>
</tr>
<tr>
<td>Dependent Audit****</td>
<td></td>
<td></td>
<td>$1,459,500</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td></td>
<td><strong>$2,346,500</strong></td>
</tr>
</tbody>
</table>

*Annual savings that will be achieved year over year

** Savings was determined by Liberty Mutual based on negotiated plan changes and current rates in effect with Liberty Mutual and our obligations to them based on contract terms and conditions.

*** The estimates were developed using a five-year window of the number of employees on LTD and the average salary which included both salaried and hourly employees.

**** The dependent audit closed on 8/11. Based on the number of non-verified dependents at the end of the audit, this translates to the savings indicated above. This savings will not be realized until 10/1 and additional verifications may reduce the savings.
### Savings to Employees - $50,000

<table>
<thead>
<tr>
<th>Program</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision Plan</td>
<td></td>
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<td>$50,000</td>
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<tr>
<td><strong>Totals:</strong></td>
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<td>$50,000</td>
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### Potential Reduction in Liability - $745,000

<table>
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<tr>
<th>Program</th>
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<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td>Sick Leave Restoration</td>
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<td>$745,000</td>
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<tr>
<td><strong>Totals:</strong></td>
<td></td>
<td></td>
<td>$745,000</td>
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</table>
Postcards of Progress
Benefits 2016

Medicare Eligible Retiree Medical Program
Avoidance of approximately $506K annually in increased costs

Dental Program
Anticipated savings of approximately $300K annually

Employee Assistance Plan (EAP)
Anticipated savings of approximately $25K annually

Vision Plan
Decrease of approximately 10% to employees or approximately $50K for all insured

Long Term Disability Plan (LTD)
Collective LTD plan changes effective 1/1/16 result in UMS savings of approximately $167K in premium

Through comprehensive review, bidding process, program adjustments resulting from collective bargaining, and other changes, significant economies and efficiencies have been achieved.
Postcards of Progress
Benefits 2016

Sick Leave Restoration
No restoration of sick leave used during LTD results in reduction of UMS liability of approximately $745 annually

Salary Payment
Adjustments to salary payments if employee for LTD benefits resulting in savings to UMS of approximately $391K annually

403b Pension Plan Contribution
UMS no longer contributing full employee/UMS contribution to 403b pension plan if approved for LTD benefits resulting in savings to UMS of approximately $208K annually

Life Insurance Coverage
Limited coverage with LTD benefits, savings to UMS of approximately $21K annually

Health Insurance Coverage
Limit of continued health insurance coverage with LTD benefits resulting in approximate savings to UMS of $100K annually

Medical Program
Extended TPA agreement with savings of approx. $60K annually

Once again, a comprehensive review and creative adjustments within existing benefits result in significant savings to the University of Maine System
Postcards of Progress 2016

Ex: Medicare Eligible Retiree Medical Program

Comprehensive review by UMS Human Resources

UMS HR introduces modest changes to the plan

Negotiation of certain rate guarantee limits for future

Results: Avoidance of approximately $506K annually

Team effort to re-evaluate this important aspect of Retirement program. Key contributors included Tony Richard, Mark Schmelz, April Strowbridge, the HR Team and Willis colleagues.
Ex: Employee Dependent Audit

Comprehensive eligibility audit performed. Each ineligible dependent removed from the plan reduces UMS’ potential exposure by approximately $3,500 per dependent.

As audit closed, approximately 44 dependents removed from the plan resulting in an estimated savings of $154K.

With 160 UMS employees either failing to respond or responding only in a partial way reflecting a total of 417 dependents, potential savings could reach a total of $1,459,500.

Project management provided by Kris LeBlanc with additional support and coordination delivered by April Strowbridge and Fred Meserve.
Postcards of Progress 2015

**Ex: Applicant Tracking**

Implementation of HireTouch

Across all campuses

Paperless recruiting

Ensures greater accuracy in Affirmative Action

Outstanding example of collaboration between the new HR organization and campus partners who shared individual experiences to help drive implementation. Key to completion, John Young, Linda Boody, Kris Leblanc.
Postcards of Progress 2015

Ex: Employee Benefits Center

Gone Paperless

Utilization of Technology

Call Center Telephony, Incident Management, Process Database, Imaging Software.

Efficiencies have allowed shouldering of additional work without increase of staff positions

“Thank you for all your help today. It is people like you that make the University System what it should be.”

Through much hard work, the EBC has become an outstanding resource for University of Maine System employees as they seek information and support. Key players include Tony Richard, April Strowbridge, Karla Kemp, Fred Meserve, and Tammie Perez.
Ex: Retirement Tool

EBC Automation of Retirement Process

Expedites Completion of Retiree Paperwork

Savings Estimate 1-3 Hours per UMS Retiree

On Average Approximately 75 Retirements Annually

2014-2015 Approximately 150 (Special Incentives)

Electronic Submission of Files to Vendors

“Am I done? No other paperwork? It seems too easy!”

Another outstanding example of collaboration within the Human Resources Team. Utilizing the skills of Dwayne Morrison, a combination of customized tech, beta testing and communication brought great results.
Ex: Payroll Consolidation

Payroll Process Has Been Consolidated on Multiple Campuses; UMFK/UMPI and USM/UM

Use of Imaging Software Allowing Greater Efficiency

Sharing of Payroll Forms

Electronic Forms Now in Development

Pointing to Greater Efficiencies and Improved Opportunities for Continued Progress

Another true team effort from within the Human Resources Office involving not only central process work at the System, but also collaboration on the campuses as well. Key performers include Nancy Jackson, John Young, Susan Apgar, and Kris LeBlanc.
Ex: Labor Relations

Proactive Outreach with Union Leadership to Improve Relationships and Understand Issues and Concerns PRIOR To Negotiations

Instrumental in achieving Tentative Agreements on Contracts in a Timely Fashion

Initiative to Train Management in Effective and Cooperative Management of the New Contracts Including Comprehensive Overview of Requirements

Given the particularly challenging climate of labor relations with the System, (Six Bargaining Units), work of Mark Schmelz and Noah Lundy has been key in bringing in TA’s in most efficient fashion possible.
In an effort to capitalize on the momentum of the meeting in June, creation of an internal HR Google site to feature news and information as well as launch of standardized G-mail signature box to open modest branding effort.

Hub Burton
Centers of Excellence

Remaining COE’s: EO, L&OD, Talent Acquisition will be established in FY16
Postcards of Progress 2015

University Services: Office of Human Resources

Office of Human Resources
Team Meeting, June 17, 2015