



University of California
San Francisco

UCSF Human Resources Funding Model Subcommittee

FY19 Recommendations

January 2018

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Human Resources budget status

- HR has consistently out-performed budget with modest surpluses each year
 - Vacancy savings have enabled HR to fund short-term staff for unanticipated projects
- HR's FY18 approved budget projects HR to end FY18 with a deficit of \$228K which will be covered by prior year surplus
 - The remaining projected surplus of \$686K will be used toward new FTE to address customer service priorities
- The final headcount freeze as of 12/1/17 to be used for FY19 rates is 19,064, an increase of 430 over FY18
- The subcommittee's work this year was guided by the following past subcommittee recommendations regarding rates
 - Holding rates flat would require FTE cuts that may trigger unacceptable changes to HR services provided
 - HR rates are expected to escalate at the same rate as fixed cost increases for other units to meet customer service requirements and unexpected workload adjustments
- HR continues to focus Lean strategic planning and process improvement; in 2017 HR launched PeopleConnect, a customer relationship management system, to address customer concerns about responsiveness and access to information as well as strengthen HR's technology strategy in preparation for UCPATH

12/1 Headcount freeze: population changes

	FY18	FY19	Increase/ (Decrease)
Paid Faculty	3098	3264	166
FacultyWOS Other	702	751	49
FacultyWOS Unrecalled Faculty E	488	501	13
FacultyWOS-Volunteer	3147	3035	(112)
Graduate Student	353	323	(30)
Non Faculty Academic	1255	1346	91
Post Doc	1100	1070	(30)
Staff	8491	8561	70
MSP Clinicians with concomitant WOS appt	0	213	213
Total	18634	19064	430

- FY19 data incorporates all changes received from Control Points as of 12/1/17 – no further changes to be made
 - Includes changes for groups that manually identified Volunteer Research Faculty
- Includes MSP Clinicians with concomitant WOS appointment

Proposed FY19 budget

- Weighting: propose no changes for FY19
- Funding model revenue –uses headcount data from the December 1 **FY19 headcount freeze**
- Recommendation of 3% rate increase across all populations
- Funding that ends in FY19: \$120K OFCCP, \$200K L&OD, \$73K HR Recruitment Tools, \$140K CRM, \$167K Background checks
- Both payroll and non payroll expenses reflect a 3% increase
- Additional FTE added to address:
 - Increased headcount of population served
 - Feedback from departments regarding service level
- UCPath impact on HR/effort required by HR remains unknown

	FY18 Budget	FY19 Budget using prelim 12/1 headcount data with a 3% increase
Funding Model Department Recharge	\$18,086,316	\$ 19,302,253.00
Non recharge Revenue	\$ 9,869,615	\$ 10,130,930
ICR Appropriations	\$ 7,349,759	\$ 7,599,209
Rate Additive	\$ 1,746,000	\$ 1,764,720
Recharges	\$ 315,643	\$ 315,643
Other Revenue	\$ 437,583	\$ 440,709
STIP Income	\$ 20,630	\$ 10,649
Total Revenue	\$27,955,931	\$29,433,183
Payroll	\$26,877,903	\$28,823,722
Salaries	18,975,992	\$ 20,351,074
Benefits	7,901,911	\$ 8,472,648
Non-Payroll	\$ 3,243,355	\$ 2,999,749
Total Expenses	\$30,121,258	\$31,823,471
Transfers	\$2,037,518	\$1,350,520
Total Transfers	\$2,037,518	\$1,350,520
Total Revenue (Transfers Included)	\$29,993,449	\$30,783,703
Total Expenses	\$30,121,258	\$31,823,471
Operating net gain/(loss)	(\$127,809)	(\$1,039,768)
Start up debt payment	(\$100,000)	(\$100,000)
Ending net gain/(loss)	(\$227,809)	(\$1,139,768)

Population weighting and rates for FY19

- **Issue:** Review current population weighting and HR's assessment of effort
- **Recommendation:**
 - Maintain the current populations weightings for FY19
- **Issue:** Recommend rates for FY19, balancing budget factors for HR and customers
- **Recommendation:**
 - Headcount category inflationary increase of 3% for FY19 with the expectation that the total HR budget will flex up/down based on headcount
 - Inflationary increase is based payroll and non-payroll expense assumptions
 - Driven by the principle confirmed by the subcommittee last year that HR rates will need to escalate at the same rate as fixed cost increases for other units to meet customer service requirements and unexpected workload adjustments

FY19 weighting and rates

Population	FY19 Weighting Percentage	FY19 per Headcount Rate	FY18 per Headcount Rate
Faculty	100%	\$1,415	\$1,374
Non-Faculty Academics/ Postdocs	80%	\$1,132	\$1,099
Staff	80%	\$1,132	\$1,099
VCF/Volunteer Researchers	20%	\$284	\$276
Graduate Students	10%	\$142	\$138
Non-Recall Emeritus	0%	\$0	\$0
MSP Clinicians with concomitant WOS apptmt.	100%	\$1,415	\$1,374

FY19 rates above reflect a 3% increase across all populations

FY19 HR billing components

- Department bills for FY19 will be driven by two components
 - **Fixed cost increase** of 3% for each rate category based on Budget Office planning assumptions
 - Individual department bills may increase more or less than 3% based on the December 1 **headcount**

Appendix: HR Funding Model subcommittee background

Members

Charge

Rate approval process

Subcommittee Membership

▪ **Members**

- Becky Daro, Financial and Administrative Services
- Nabil Ghanem, Department of Urology
- Cecilia Chang, School of Nursing
- Elissa Roeser, School of Medicine
- Stephanie Louie, School of Dentistry
- Stephanie Metz, FAS Finance Service Center
- Suzanne Murphy, Office of the Executive Vice Chancellor and Provost
- Michael Nordberg, School of Pharmacy, Subcommittee Chair
- HR Representatives: David Odat, Cynthia Lynch Leathers, Jenny Schreiber, Jason Stout

▪ **Staff**

- Liza Asato, FAS Finance Service Center
- Katharine Tull, UCSF PMO

Funding Model Subcommittee Charge

- Subcommittee charge
 - Recommended rates for FY19
 - Recommend population weighting
 - Liaise with members' constituencies and ensure buy-in on recommendations by facilitating discussions and agreement
- HR Advisory Board role
 - Endorse rate proposal and help communicate decisions and rationale for rate changes to constituents

Rate Proposal Approval Process

- Funding Model Subcommittee makes recommendations to HR Advisory Board
- HR Advisory Board reviews and endorses recommendations
- SVC Paul Jenny provides final review and approval of recommendations

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