



O\_C2300: Human Resources Subdivision  
Board of Trustees Report

		FY19	FY20	FY21	Variance	
Fund Class - Source	Summary Level Natural Accounts	Actual	Budget	Actual through March	Budget	FY20 Budget to FY21 Budget
	A_B4000 Tuition & Educational Fees (net)	-	-	-	-	-
	A_B4100 Sales of Goods & Services	-	-	-	-	-
	A_B4300 Grants & Contracts	-	-	-	-	-
	A_43501 Federal Appropriations	-	-	-	-	-
	A_B4400 Other Operating Revenue	-	-	(6,034)	-	-
	A_B5000 Non Operating Revenues	-	-	-	-	-
	A_B5100 Appropriations	-	-	-	-	-
	A_B5300 Gifts	-	-	-	-	-
	A_B5500 Investment Income	-	-	-	-	-
	A_B5600 Other Non Operating Revenues	-	-	-	-	-
	A_76004 Provost Strategic Initiatives	-	-	-	-	-
	Total Revenue	-	-	(6,034)	-	-
FC_105 Unrestricted Operating	A_B6000 Salaries, Wages & Benefits	1,937,320	2,091,075	1,497,721	2,510,233	419,158
	Services, Travel, and Supplies	81,080	130,250	59,091	234,550	104,300
	Util., Repair & Maint., and Rentals	200	-	69	200	200
	Int., Claims, Other Exp., Subcontracts, Depr. & Amort.	34,150	40,850	24,660	44,800	3,950
	Cap. Exp., Discot. Op., and Other Non-op. Exp.	-	-	-	-	-
	Total Expenses Before Transfers	2,052,750	2,262,175	1,581,541	2,789,783	527,608
	Net Result Before Transfers	2,052,750	2,262,175	1,575,507	2,789,783	527,608
	A_B7600 Internal Allocations & Sales	37,000	38,500	28,949	43,000	4,500
	A_D7700 Provisions for Replacement & Depreciation Grouping	-	-	-	-	-
	A_D7720 Debt Service Grouping	-	-	-	-	-
	A_D7740 Transfers To/From Operations Grouping	-	-	-	(31,000)	(31,000)
	Total Funding Transfers	37,000	38,500	28,949	12,000	(26,500)
	Total Expenses After Transfers	2,089,750	2,300,675	1,610,491	2,801,783	501,108
	Statement of Activities Net Result	2,089,750	2,300,675	1,604,456	2,801,783	501,108

**FC-105 Unrestricted Operating**

Summary Level Natural Accounts	FY20 Budget	FY20 Actual (March)	FY21 Budget	Variance Budget FY20-21	Explanation
A_B6000 Salaries, Wages & Benefits	\$2,091,075	\$1,497,721	\$2,510,223	+\$419,158	Includes 4 new headcount, 2 repurposed headcount, 5 promotions, and additional part-time non-benefited support as part of a major HR reorganization.
Services, Travel, and Supplies	130,250	59,051	234,550	+104,300	Primarily driven by expanding LinkedIn Learning access across the entire campus, Articulate Software required to build on-line training, and hiring Worxtime as UW's partner to handle annual Affordable Care Act reporting.
Util., Repair & Maint., and Rentals	0	69	200	+200	Additional budget to upgrade existing laptops and computers instead of purchasing new.
Int., Claims, Other Exp., Subcontracts, Depr. & Amort.	40,850	24,660	44,800	3,950	Driven by increased cost of advertising job openings, increased printing costs, and training costs for new headcount.
<b>Total Before Transfers</b>	<b>\$2,262,175</b>	<b>\$1,581,541</b>	<b>\$2,789,783</b>	<b>+\$527,608</b>	

**High-level Narrative – HR Reorganization.**

In January 2020, the new AVP of Human Resources was hired. He immediately started meeting with senior leaders across the company to gather feedback and improvement recommendations for the HR Department. Based on this feedback and his own observations, he proposed a significant reorganization plan for the entire department, to be implemented as soon as practicable. Five teams were formed – HR Operations, Talent Acquisition, Payroll, Employee Relations & Development, and HR Information Systems – and additional headcount was requested. The mission of this new HR Department is to serve as a catalyst for the university to achieve its strategic goals, while continuously improving the quality of services it provides to campus. The additional headcount and revised structure are paramount to improving the efficiency and effectiveness of the department, including five immediate areas of focus: 1) stabilize Payroll and HCM; 2) improve recruiting; 3) develop an HR culture of continuous improvement, 4) develop a customer mindset within HR, and 5) improve HR communications. Progress is being made in all five of these areas, but the additional headcount will ignite significant further improvements.

### High-level Narrative – FY20 Budget versus Actuals.

- **Salaries, Wages & Benefits.** This variance is driven by three factors: 1) we have three more months to go before the end of the year; 2) we had several roles in HR that went unfilled for many months during the current fiscal year including a) AVP of HR for 6 months and b) the Associate Director of Benefits for 9 months. Our latest estimates, including encumbrances, for the remainder of FY20 indicate we will land within \$53,000 of our full-year budget of \$2,091,075. This assumes the positions we are requesting are filled by the end of May 2020.
- **Services, Travel & Supplies.** COVID-19 caused the cancellation of several planned conferences, thus reducing travel spending. The HR team's move to Hill Hall delayed some planned spending, and ultimately COVID-19 turned those delays into cancellations. Finally, one large budget item here – Legal & Attorney Services – has not yet been used (this is good news) as the University has not had to defend itself in a major employment lawsuit this fiscal year. Finally, the move from face-to-face to virtual New Employee Orientation reduced some spending here. Our latest estimates, including encumbrances, for the remainder of FY20 indicate we will land within \$10,000 of our full-year budget of \$130,250.
- **Int., Claims, Other Exp., Subcontracts, Depr & Amort.** COVID-19 caused the cancellation of several planned conferences, thus reducing Training & Development spending. Some of the department's expenditures on Memberships & Dues declined this year due to retirements. Our latest estimates, including encumbrances, for the remainder of FY20 indicate we will land within \$2,000 of our full-year budget of \$40,850.