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# Facilities Management Employee Council Minutes

Thursday, April 13, 2023

## Attendance:

**Council members:** Christine Alencar, Jon Bruneau, Randy Campbell, Ashley Grooms, Michael Minor, Corey Poole, Chelsea Reynolds, J.R. Richardson and A.J. Young.

**Absent**: Eric Cline, Les Givens and Bonita White.

**Guest:** Jane Centofante, Sarah McComb, Lori Pedersen and Blake Watson.

## Agenda:

1. HR Questions – Sarah McComb, UVA HR
2. Special Guest – Blake Watson, Business Services
3. Council/Staff Senate updates
	1. Uniform questions/input
	2. Comments from CC&R constituents

## 1. HR Questions – Sarah McComb, UVA HR

* **Question about when/how an employee can opt-in to short-term disability benefits (Poole):** All non-exempt staff are automatically enrolled in the Hybrid Virginia Retirement System (VRS) plan which includes Virginia Sickness & Disability Plan (VSDP) short term disability granted after one year of service. If an employee is in need of short-term disability coverage, they need to contact the vendor to setup a claim. If the employee needs short-term disability coverage and is within their first year of service before eligibility, they will have to use their personal leave time. Certain exempt employees who are enrolled in the optional retirement plan also are enrolled in a short-term disability plan that is through a different vendor. More information available on the [UVA HR Disability Benefits](https://hr.virginia.edu/benefits/disability-benefits) webpage. More specific questions should be sent to the HR Solution Center, 434-243-3344 or AskHR@virginia.edu.
* **Question about status of previous feedback submitted regarding short-term disability coverage not covering in-patient housing expenses and this expense not considered as reimbursable via the Employee Assistance Fund (Richardson):** This is more of a request for a benefits enhancement and extended coverage. *Council suggestion to bring up to the Staff Senate Advocacy Committee to consider.*
* **Question about an early retirement plan (Minor):** I have heard nothing about an early retirement plan.
* **Question about concerns among employees who did not receive raises following UVA’s base raise to $15/hour in 2020 (Minor):** When the University increased its base wage within that there was a compression model, where they take pay ranges that are very close to the base wage and figure out a tiered structure to provide some smaller increases. There is an effort to do some compression adjustments but we can’t move everybody when the base rate changes. If any individual wants specific details about when the last one was done back in 2020, we can try to provide more explanation to individuals.
* **Question about the latest salary study (Young)**: The salary survey is being completed by an outside firm who is reviewing our pay processes, practices and policies. This will help us understand how decisions are made at UVA and the structure for compensation, but it is not about examining individual employee compensation to determine salary increases. It’s to make sure how we make those decisions foster fairness and equity and are legally sound.

**J.R. Richardson**

* I thought the study was to also take into consideration what outside companies were offering in terms of salaries to determine UVA’s standing. I know the city/county landscape entry level salary is considerably more than UVA.

**Sarah McComb**:

* I’m not under the impression that the salary survey is a market review. The UVA HR website provides more info: <https://hr.virginia.edu/careers-uva/compensation/salary-study-staff>.
* **Question about merit increases (Alencar):** Thetiming will be similar to the last few cycles. Merit decisions will be made in late spring/early summer and increases to be effective in July.

**Blake Watson**

* It’s my understanding the state’s current approved budget has a 5% pool increase. That was the guidance received from UVA leadership.

## 2. Special Guest – Blake Watson, Business Services

**FM Business Model**

**Blake Watson**

* I’m Blake Watson, director of Business Services which includes Finance, Technology & Innovation and Programs & Informatics.
* I started at Facilities Management as the director of Finance six years ago this May. Last August I took over my current position as the director of Business Services.
* The Finance group is made up of 16 people led by two associate directors, Jason Davis, who oversees all financial operations, and Kelli Craddock, who oversees construction (all of Capital Construction & Renovations and any e-Builder projects managed by other FM divisions.).
* Facilities Management’s business model is a cost recovery organization, which means that all costs, labor and materials, anything we buy, must be recovered from customers. In a perfect world -- all of FM’s expenses equals all of FM’s recoveries.
* We recover in two different ways – one is the time and materials, which equals labor and materials expended on efforts; and the second is on a fixed-price basis, where we determine a contracted, fixed amount and bill over the contractual life of the service or project.
* Items done on a fixed price basis include the majority of projects completed by Construction & Renovation Services or Design Services and Operations contracts for auxiliaries, such as Housing & Residence Life or Student Affairs.
* Our labor rates are determined annually, typically completed by March, which aligns with UVA’s annual budget calendar.
* Labor rates are set by estimating all of FM’s labor costs and dividing by all of FM’s recoverable hours.
* There are different labor rates for each service offered by FM, such as zone maintenance, specialty trades, custodial, landscape, and project management services.
* Our labor costs include all of FM salary and benefits costs, which totals $110 million for Fiscal Year 2024. We also have what we call OTPS, which stands for other than personnel costs, which totals $17 million for FY24. This includes uniforms, PPE, information technology (phones), tools, software (such as AiM), vehicles and equipment, utilities for FM occupied spaces, leased space we are using, building improvements to our own buildings and professional development.
* When establishing the labor rate, we look at the cost of the recoverable employees and the cost the non-recoverable employees. Non-recoverable employees include divisional overhead – supervisors, zone managers, operational directors, and Management Services, which includes Programs & Informatics, Finance, Technology & Innovation, Occupational Programs and the CFO Office.
* Part of the cost of Management Services is covered by a 1.88% charge for general overhead applied across the full book of business of Facilities Management (e.g. all labor, materials and contracts). Any overhead that cannot be recovered from the charge for general overhead will be built into our labor rates.
* When determining the volume of recoverable hours, we have to look at what is not recoverable, such as time spent in training, administrative time, team meetings, or meetings like Employee Council or the fall barbecue, or paid time off.
* Any surplus or deficit in our labor rate recovery will be considered in the following year’s labor rate.

**Christine Alencar**

* What are worktags?

**Blake Watson**

* Worktags is the new word for PTAO.
* Work order and phase translates to a worktag called internal reference number.
* Also, every e-Builder project translates to a worktag called project.
* If it is going to be billed to a customer, it must have an internal reference worktag or a project worktag.
* We are nine months out from go live of Workday Finance and we’re still working on figuring it out. Let us know if you have any enhancement ideas.
* Training links to Workday Finance can be found here: <https://uvafinance.virginia.edu/workday-finance-training>.

**Lori Pedersen**

* How was the 1.88% charge for general overhead determined?

**Blake Watson**

* In 2009, in order to more closely align with best practices, FM revised the method of recovering costs associated with general overhead. Formerly, these costs were built into our labor rates, and also recovered through a materials surcharge applied to Facilities Management purchase orders. Now, recovery of general overhead is accomplished through a 1.88% charge applied across the full book of business of the department.
* This change ensures both FM services and FM projects contribute to general overhead cost recovery.
* The general overhead percentage, 1.88%, was determined by estimating FM general overhead costs and the full book of business. It does not cover all of FM’s overhead and the balance is included in FM’s labor rates.

**A.J. Young**

* Has the labor rate ever come down to account for a surplus?

**Blake Watson**

* We kept it flat in FY21 and only a tiny increase in FY22 mainly due to COVID. We didn’t really have a surplus but from a customer perspective we knew that everyone was trying to cut costs.
* If we have a surplus, we typically use it to cover one-time costs, such as building renovations or software replacements. In this way, you will not see a significant fluctuation in the labor rate year over year for non-recurring costs.

**Miscellaneous items**

**Blake Watson**

* I looked back at prior Employee Council minutes, and I read there have been questions about why we have to pay for parking that I thought I could address.
* Parking & Transportation is an auxiliary which operates as a business. It must solely support any goods and services it provides, either by charging units/employees or a fee to students.
* If P&T did not change the funding model, and FM decided we wanted to cover the cost of parking for its employees, we would have to include the cost of parking in our labor rate.
* I like to ask myself when considering things, is it fair to make the customer pay for that expense? So, in this case, if UVA has decided not to pay for parking for all of its employees, is it fair for FM to charge customers to cover that expense just for FM employees?
* All FM costs must be recovered through the cost of our services or projects.

## 3. Council/Staff Senate updates

**Uniform questions/input**

**Christine Alencar**

* A mesh hat has been requested for warm weather.

**Chelsea Reynolds**

* That’s been requested by others, and we have offered mesh before. We are also requesting a visor, which is helpful for females with long hair.

**Christine Alencar**

* There was a question about FM allowing for donations of used uniforms.

**Chelsea Reynolds**

* There is a possible safety and security issue with people wearing old uniforms impersonating staff in the hospital so I wouldn’t recommend donating uniforms.

**Comments from CC&R Constituents**

**Christine Alencar**

* Les Givens shared some concerns he has received from staff members in Capital Construction & Renovations. The first concern was from an employee who is overhearing politically divisive language and conversations occurring in the workplace.

*Council members discussed the issue and possible options for how the employee can address the situation and consulted UVA HR after the meeting.*

**Sarah McComb**

*Addressed in writing after meeting:*

* Employees are expected to foster a [Respectful Workplace](https://hr.virginia.edu/employee-relations/respect-uva), adhering to conduct standards and following applicable policies such as [DHRM Policy 2.35 Civility in the Workplace](https://www.dhrm.virginia.gov/docs/default-source/hrpolicy/policy-2-35-civility-in-the-workplace-policy.pdf).
* Some topics of conversation are more sensitive and we represent diverse viewpoints.
* Conduct can be considered harassment when it, “denigrates or shows hostility or aversion towards a person on the basis of race; traits historically associated with race…sex; color; national origin; genetic information; religion; sexual orientation; gender identity or expression; age; political affiliation; veteran status; pregnancy, childbirth or related medical conditions; or disabilities, that: (1) has the purpose or effect of creating an intimidating, hostile or offensive work environment; (2) has the purpose or effect of unreasonably interfering with an employee’s work performance; or (3) affects an employee’s employment opportunities or compensation.” (Policy 2.35).
* Employees should share their experiences and express concern to their supervisor/manager. Other resources include contacting UVA HR, UVA Office for Equal Opportunity & Civil Rights (EOCR), UVA Faculty and Employee Assistance Program (FEAP) and the University Ombuds.

**Christine Alencar**

* The next concern raised was about tobacco spitting in the men’s bathrooms.

*Council members discussed the issue and referenced* [*UVA Policy SEC-028: No Smoking or Vaping*](https://uvapolicy.virginia.edu/policy/SEC-028)*, encouraging employees to be discrete regarding where and how they discard as to not leave any messes.*

***The Facilities Management Employee Council will meet for a retreat at Morven Farm on Friday, May 5. The next regularly scheduled meeting is Thursday, June 22, 2023, from 11:30 a.m.-1 p.m. in the Leake Building, upper-level conference room.***