

Received June 9, 2023, via E-mail*

From: Rob Alsop

To: Scott Wayne

Re: Auxiliary and Business Services

**Includes minor edits for clarity (mostly abbreviations)*

1. Auxiliary and Business Services (ABS) is a team of 641 people with a total budget of \$51.8M in FY24. Over the last 5 years (FY19 through FY24):
 - a. ABS has reduced its total headcount from 825 to 641 people, representing an overall personnel reduction of 184 people or 22.3%. If you pull Environmental Health and Safety (EHS) out of the equation, where we have made strategic growth/consolidation of headcount (discussed below), the numbers show a reduction of 202 people (from 803 to 601) or a decrease of 25.2%
 - b. ABS' overall budget has reduced from \$57.3M to \$51.8M, or a total of 9.7%. If you pull EHS out, our budget reduced 11.6%.
 - c. CPI-U from 2019 to 2023 averaged 4.3%. So, while the costs of goods continued to increase on average of 4.3% per year over this time period, ABS was still able to reduce its costs each year through greater efficiency while maintaining service levels.
 - d. Raises were provided to our team members in July of 2021 and 2022 totaling over \$1.6M. If we had not provided raises, our overall budget reduction would have been 12.6% instead of 9.7% (or more if you pull out EHS). For context on the raises, for ABS:
 - i. In July 2021, the minimum wage for our staff was raised to \$12/hr and compression issues with staff in adjacent pay ranges were adjusted. Our average Campus Service Worker's wage was increased by approximately 8.7%. Funding for ABS's portion of this wage increase was achieved through reductions in cost. That is, we reduced a manager headcount directly reporting to me and a handful of non-essential positions to fund raises.
 - ii. July 2022 raises raised the minimum wage for our staff to \$13/hr (starting) and \$13.25/hr (existing employees). Approximately 70% of our raise pool was allocated to classified staff, raising the average classified staff wage by 6% for the folks on our team. Campus Service Workers specifically increased by an additional 8% overall. While these raises worked against overall cost savings, we believe they were (1) critical to hiring retention of staff, (2) important steps towards bringing our workers close to a living wage, and (3) in line with the labor market in Morgantown where the starting wage at Target and Walmart are \$15/hr.
 - e. It is also worth noting that the numbers above do not include years where there were spending freezes (and our total budget was not spent as a result), years like this past year where we voluntarily provided over \$500K in staffing surplus to meet budget needs elsewhere in the University, or spending of our budget on non-ABS budget items such as the locking systems on the Mountainlair.
2. When we look at management staff within ABS, since I assumed my current role in 2020 we have never increased the number staff reporting to me or one level down from me (direct reports of my direct reports).
3. Taking a closer look at the teams under ABS, since FY19:

- a. Our **PRT** and **Transportation** teams have reduced budgets by 23% and 28% respectively. At the same time, we have increased service reliability on the PRT from approximately 95% uptime to over 98.5%.
- b. Our **Facilities Management** team has reduced budgeted positions by 24.7% without material reductions in service levels, and we have raised wages for classified staff.
- c. Our **Parking** team has reduced approximately 10 headcount and has maintained our parking lots and garages without an increase in parking rates or decrease in service level for over 10 years.
- d. With our increased focus on safety, we have strategically increased the staffing and budget for our **Environmental Health and Safety** team. It is, however, worth noting that a significant portion of the headcount and budget increase is a result of consolidation of headcount from other areas within the University. For example, we have centralized chemical safety and hazardous waste management, which meant taking on headcount and budget from other departments outside of ABS. This team, while increasing inspection and safety of our fire systems, AED devices, lab spaces, food service areas, etc. has also been able to reduce costs for a number of areas outside of our department. For example, centralizing hazardous waste management has resulted in hundreds of thousands of dollars of savings to the University since FY19, the benefits of which are gained outside of ABS's budget.
- e. Our **Procurement Contracting and Payment Services (PCPS)** team has reduced budget by approximately 3% but more importantly saves (or avoids cost increases to) the University more than \$5M annually and drives approximately \$600K - \$1M in additional revenue to the University annually. While some of the benefit of these savings and revenues is seen in the ABS budget (for example, a recent reduction in the costs for Mountaineer Marketplace), the majority are gained by other areas outside of our budget.