



REPORT TO THE ADMINISTRATION & FACILITIES MANAGEMENT COMMITTEE

April 7-8, 2010

Submitted by:
Donnetta S. Butler
Chief Financial Officer and
Senior Vice President for Administration

In collaboration with

Denise Britt
Associate Vice President of Human Resources

Joseph Chevalier
Director of Public Safety and Chief of Police

Tony Collier
Executive Director, Campus Operations and Capital Resources

Cigdem Delano
Chief Information Officer

Alonzo Jones
Director of Facilities

Table of Contents

	Page
Executive Summary	3
I. Performance Measures	4
II. Human Resources	6
III. Information Technology	7
IV. Campus Operations and Capital Resources	9
V. Facilities	10
VI. Public Safety and Emergency Preparedness	10

Executive Summary

The report highlights major accomplishments and matters of importance from administrative departments since the last Board meeting. It also provides a status report for performance measures included the Outstanding Workplace section of the Strategic Plan.

Human Resources

- Year-to-date claims experience continues to run higher than expected, \$4,968.925 actual vs. plan of \$ 4,211.844.
- Thesco Retirement Planning Services (TRPS) is supporting us in meeting the new 403(b) regulations related to our Defined Contribution Plan.
- We continue to make progress on the limited audit of the deferred compensation plans. Our initial focus has been on the 457 (f) and 457 (b) plans with the firm Wiley & Associates.
- We are reviewing two retiree health insurance options based on the following criteria for eligibility: employees must be at least 65 years of age with at least 5 years of continuous service. An actuarial study is currently underway. Based on the results a determination will be made.
- Significant progress continues in developing and/or revising policies and procedures.
- Effective January 1, 2010, the School moved to a bi-weekly pay cycle for all employees.

Information Technology

- Over the past year, the MSM IT server farm environment has been redesigned to include standardization, consolidation and co location with best of breed providers in their respective areas
- The MSM messaging system architecture has been redesigned and upgraded to include robust hardware at both the server and storage levels.
- During January 2010, we embarked on an 18-month major enterprise transformation project with SunGard Banner serving as the underlying technology. The goal is to provide a cost effective self-service electronic solution for the campus community; thus, eliminating paper based, inefficient and cumbersome processes.

Campus Operations and Capital Resources

- Two vendors, Xerox and Canon, are independently assessing our reproduction, printing usage and needs enterprise wide. The goal of the project is to identify opportunities to reduce costs

while improving end user productivity through more appropriate equipment selection, efficient use and placement of devices.

Facilities

- Tremco, a Sodexo National Partner, has evaluated roofing and building envelopes systems on the Westview campus. The assessment identified repair needs and recommended repair priorities based on current state. Estimated repair costs will not exceed \$180,000.
- Utility audits have been completed, energy agreements executed and billing errors identified. Savings from these initiatives total more than \$200,000.

Public Safety and Emergency Preparedness

- We continue to lead the effort towards all AUC police departments working together to enhance the safety of the entire AUC footprint area.
- In September 2009, an Emergency Preparedness Committee was formed to coordinate campus emergency preparation, response and recovery, in the event of an emergency situation.

I. Strategic Plan Performance Measures

Measure	Baseline	Report period 6/30/09 (unless otherwise noted)	Target	Comments
Training investment per employee	\$33.00	\$7.28	\$250.00	
Staff participation rate in development and training programs	22%	10%	>75%	
Voluntary faculty turnover rate	12%	3.3%	<10%	
Staff turnover rate (voluntary/involuntary)	9%/13%	6%/11%	<8%/5%	
Facility cleanliness as measured by monthly inspections	85%	80% (8-09 to 1-10)	≥95%	

Measure	Baseline	Report period 6/30/09 (unless otherwise noted)	Target	Comments
Average facilities management trouble call response time	3 days	1.5 days (8-09 to 1-10)	1 day	
Information systems availability	97%	97.2%(7-09 to 12-09)	98.5%	Baseline period is 7-08 to 6-09
High priority incident ticket closure rate	3.5 days	5.5 days (7-09 to 12-09)	3 days	Baseline period is 1-09 to 6-09
Mean time to restore services	20 hours	19 hours	4 hours	Baseline is 7- 08 to 6-09
Call center abandonment rate	25.60%	23.40%	18%	Baseline 1-09 to 6-09

II. Human Resources

Benefits and Compensation Management

United HealthCare provided a six-month review of our claims performance. As of December 31, 2009, year-to-date claims experience is higher than expected (\$4,968,925 actual vs. plan of \$4,211,844). This was driven largely by three premature birth claims and one cardiac claim. We did receive a stop loss credit in the amount of \$377,250 for all three claims as they were all above the \$135,000 individual stop loss level. We will monitor this situation closely through the remaining months of the fiscal year.

Thesco Retirement Planning Services (TRPS) is supporting us in meeting the new 403(b) regulations related to our Defined Contribution Plan. As part of their recent plan review, TRPS completed an analysis of the funds that make up investment options with our providers, TIAA, AIG-Valic and AXA. This included benchmarking against appropriate indices. Funds that underperformed were placed on a watch list and consistent underperformance will lead to management informing plan participants who may consider selecting alternative funds available within the plan. Non-discrimination testing of plan participants was completed and the results will be provided to the Committee during its executive session. An audit of the 403(b) plan is scheduled to commence in April.

We continue to make progress on the limited audit of the deferred compensation plans. Our initial focus has been on the 457 (f) and 457 (b) plans with the firm Wiley & Associates. Dixon-Hughes, CPAs and the law firm of Littler Mendelson were engaged to assist with this review. These firms have units within their practices that focus on employee benefits. A more detailed report will be provided to the Committee in its executive session at the upcoming meeting.

We are reviewing two retiree health insurance options based on the following criteria for eligibility: employees must be at least 65 years of age with at least 5 years of continuous service.

Option 1 is a group product where MSM would determine the benefits, establish employee contributions and assume Financial Accounting Standards (FAS) 106 liability for claims. FAS 106 requires the employer to report the ongoing liability in its financial statements. An actuarial study is being completed to project the liability in future years assuming increasing retiree participation.

Option 2 is a Medicare Transition offering in which Medicare eligible retirees would be assisted in the transition to Medicare. The retirees would pay their Medicare Part B and D premiums and UHC would provide counseling and guidance on the Medicare options best suited to the employees' needs. MSM would have no liability as all administrative and claim functions would be handled by UHC. The retiree would have access to the same plans that a Medicare eligible individual would have available on their own. The difference is in the support that would be offered to the retiree by UHC if the employer endorsed the product.

A Medicare Supplement product is another UHC offering but MSM does not have the minimum number of 25 eligible employees at this time.

We will make a final determination once we receive the results of the actuarial study.

Employee Relations

Twenty-three new policies have been approved for rollout. An additional thirty policies still need to be drafted. The goal is to have all policies completed by June 30, 2010. Once done, we will have an updated HR Policies & Procedures manual.

Payroll

Effective January 1, 2010, we successfully moved to a bi-weekly payroll for all employees and converted our non-exempt salaried employees to non-exempt hourly. To assist with the transition to a bi-weekly payroll, all employees were given the option of a transition advance. We had 156 employees who elected to take the advance. Time & Attendance training sessions were conducted for managers and employees as a refresher to reiterate manager and employee responsibilities for ensuring the accuracy of hours worked.

III. Information Technology

ERP Implementation – SunGard Banner – *In Progress*

During January 2010, we embarked on a major administrative computing installation project with SunGard Banner serving as the underlying technology. The project will be implemented over an 18 month period. Banner is a fully integrated software solution widely used in higher education to manage student, financial aid, human resources, and financial data. A cross-functional team of managers and staff is implementing the modules specific to their business units. The day-to-day processes involved in student information management, purchasing, personnel actions, awarding financial aid, grants and contracts management, financial reporting and other processes will become automated. The goal is to provide a cost effective self-service electronic solution for the campus community; thus, eliminating paper based, inefficient and cumbersome processes. Deloitte, the School's internal audit team, is providing the independent validation and verification of the project's risks, costs and adherence to internal controls.

Data Center Transformation – *Completed*

Over the past year, the MSM IT server farm environment has been redesigned to include standardization, consolidation and co location with best of breed providers in their respective areas. The server hardware and operating system platforms have been standardized and consolidated to include blade system technology and virtual system technology, which offers

increased reliability and manageability levels. Concurrent with adopting these standards, IT management will be working with the research and clinical communities to ensure that their specialized hardware and service needs are met.

To date, all mission critical business production systems have been successfully migrated to the new hardware and operating system platforms and all have been co located to the SunGard Data Center facility in Alpharetta. As noted in previous reports, the SunGard Availability facility in Alpharetta is a Tier III Data Center facility offering the highest levels of safety, security, and availability (99.995%) The Data Center facility is staffed around the clock with technical support personnel available on a 24/7/365 basis. The facility utilizes state of the art security features, in addition to biometrics, keycard-lock access; combination and key lock cabinet access; and closed circuit TV monitoring.

Email System Upgrade - *Completed*

Historically, the MSM messaging system (email) has been plagued with instability and inefficiency. Over the last year, efforts have been underway to stabilize and upgrade the environment. The efforts associated with a complete email system upgrade came on the heels of our stabilization efforts. The MSM messaging system architecture has been redesigned and upgraded to include robust hardware at both the server and storage levels. Virtual machine technology has been implemented for efficiency, recoverability, high availability and the delivery of greater functionality for both office and remote users. The new platform provides users with the highest levels of efficiency and availability experienced to date. We will establish a system to monitor e-mail availability to ensure that our customers are positively impacted by this initiative.

Environmental Enhancements to MSM Server and IT Communication Rooms- *In Progress*

In an effort to minimize disruptions associated with electrical power brown outs and blackouts, as noted in previous reports, by Spring 2010, the Westview campus will be housing two server rooms with badge access for hosting non-business critical applications (business critical co located to SunGard Availability Center). To date, the connections required to establish extended back-up power generator to provide support to the second server room (MEB 243) has been completed. The installation of the Uninterruptible Power Supply (UPS) units in all wiring closets to provide 30 minutes to 1 hour back-up power for our network infrastructure has been scheduled and should occur by the end of March. The primary server room (RW 113) now includes a temperature alert system that no longer relies on the server room power structure enabling alerts to be sent during power outages.

Telecommunications- Data Network Services - *In Progress*

After successfully migrating voice services, the focus was set on redesigning and migrating data services to provide increased bandwidth, eliminate single points of failure and better position IT to meet disaster recovery and business continuity objectives. The new data network design offers

diversity, which translates into multiple path options for connectivity for the off campus sites and increase bandwidth for enhanced performance levels. We are in the process of implementing the new design with a market leader in networking services.

Development and Implementation of IT Security Procedures – *Ongoing*

In an effort to address compliance requirements, operational needs, manage risk and engage in continuous improvement, a set of security procedures were developed to execute policies developed by the Compliance Office. We expect to implement these, as well as other procedures over the next 4 months.

New Automatic Call Distributor – *Completed*

The Help Desk recently implemented a new Automated Call Distribution (ACD) system. The ACD will allow the Help Desk to route incoming calls based on priority, skills and available agent. The new ACD will afford IT the ability to monitor, track, trend and measure call patterns. Providing detailed metrics will allow the leadership team the ability to make informed decisions on call handling and improving customer service.

IV. Campus Operations and Capital Resources

Two vendors, Xerox and Canon, are independently assessing our reproduction, printing usage and needs enterprise wide. The assessment includes an analysis of our equipment lease expense, maintenance agreements, ownership cost, and consumable supply costs, i.e. inkjet cartridges, toner and paper. We are in Phase 1 of the project which includes capturing data on the following:

- Impression volume metrics on printers, copiers, multi-function devices (MFD)& faxes;
- Physical identification and location of printers, copiers, MFDs and faxes by device category;
- Floor mapping of devices: The Floor Map illustrates device placement in MSM's current state and indicates a level of device to end user ratio.

The goal of the project is to identify opportunities to reduce costs while improving end user productivity through more appropriate equipment selection, efficient use and placement of devices.

The staff provided oversight for the Clinical Laboratory for Animal Research (CLAR) construction project that was completed in February 2010. The project included construction of a building for infrastructure support to house the facility boiler and other necessary equipment; improvements were made to gas, water and sprinkler, HVAC and lighting systems.

V. Facilities

Tremco, a Sodexo National Partner, has evaluated roofing and building envelopes systems on the Westview campus. The assessment identified repair needs and recommended repair priorities based on current state. The cost is \$180,000 to complete immediate repairs. We will identify dollars within the existing budget and from savings in other facility categories to complete these repairs.

An energy, lighting and water audit was conducted on October 19th to 21st, 2009. The audit team performed site interviews, inspections, and billing data reviews to become familiar with the School's buildings, energy issues, water issues and potential opportunities. The audit team identified a total potential savings of \$197,697. In addition, other energy related savings require a more in-depth study to determine an estimated payback schedule.

On January 19, 2010, Sodexo management team performed an onsite Facilities Capital Action Plan Study (FCAPS) to determine where immediate corrective action is required to eliminate building leaks and physically hazardous conditions across the institution. The FCAPS report will become available March 15, 2010. The report will be used as a tool for long term financial planning and stewardship of the School's capital assets.

We have entered into a two year agreement with Gas South as the School's natural gas provider. Estimated savings over the period of the agreement is \$100,000. We obtained a rate reduction from Georgia Power for the electrical and mechanical upgrade of the Animal Research Facility. The estimated annual savings equates to \$43,516. Additionally, we recently received a check from Georgia Power in the amount of \$56,928 which represents a refund for sales taxes billing errors covering a three year period.

Grand Total of estimated savings with no out of pocket expense to the institution equates to \$200,445 over a six month period from Sodexo's efforts.

The custodial team has made a full transition to all environmentally green cleaning chemicals.

VI. Public Safety and Emergency Preparedness

We continue to conduct and review threat assessments of the main campus and all off-campus facilities and strive to continually enhance the safety of all MSM employees and students.

Security cameras on the main campus have been installed and are monitored. Additional cameras were installed to cover the Harris building which houses Human Resources, Payroll, and Administrative Services. New ID cards have been printed and distributed. Access control points are being updated by building. Public Safety employees will begin advanced system training on March 1, 2010.

We are currently researching a camera solution for the Buggy Works Facility, a clinical practice site. This solution will bring cameras and advanced notification software to our current system enabling us to better monitor this off-site facility.

MSM Police Officers continually train in basic and advanced police procedures and tactics. All officers continue to maintain a higher level of proficiency due to their advanced training.

We continue to lead the effort towards all AUC police departments working together to enhance the safety of the entire AUC footprint area. We have further plans to increase the areas of patrol to include the surrounding community. We are working with local police agencies, community leaders, and community developers on this project.

The Atlanta Center Crime Suppression Task Force (CSTF) continues to operate in the AUC area. Our tactical officers worked with the Atlanta Police Department, State of Georgia Probations, Morehouse College Police, and Clark Atlanta Police to conduct sweeps of the AUC area. We believe that this type of work is crucial to cleaning up the area and enhancing the safety of all of the AUC institutions. In addition, our team has been requested to assist Morehouse College and Clark-Atlanta University for various events.

We now have two “marked” Police vehicles. This greatly enhances our ability to effectively patrol our boundaries as well as participate in crime suppression activities in the AUC area. Our officers are highly visible and actively patrol the area.

We have completed hosting three SWAT Schools. Over 75 police officers from surrounding as well as out of state agencies have successfully completed our advanced training. This revenue generating program establishes us as a center for advanced police training.

We continue to lead in the development of an AUC Tactical Response Team. This team, comprised of tactical officers from AUC police departments, will train as a rapid response team for the AUC area.

Emergency Preparedness

Emergency Preparedness Committee

In September 2009, an Emergency Preparedness Committee was formed to coordinate campus emergency preparation, response and recovery, in the event of an emergency situation. Nicole Miller, Associate General Counsel chairs this cross-functional committee comprised of administrators, faculty and staff.

The Committee is responsible for:

- Continuously analyzing all risks which expose MSM to the potential for disruption of its activities such as natural, manmade or other emergencies (e.g. pandemic, loss of research data, equipment failure);
- Facilitating creation of the Business Continuity plans needed to guide MSM with its recovery from long-term disruption to its Mission;
- Overseeing the development of emergency preparedness and response plans;
- Overseeing the development of operational units emergency response plans and ensure their consistency with the School-wide plan;
- Reviewing annually existing emergency management policy and procedures, and recommend changes to the Senior VP for Administration and CFO for approval and further presentation to the Executive Council;
- Facilitating posting to the MSM Website any changes approved by the Committee;
- Creating performance measures, specifically for:
 - o Response to emergencies and drills;
 - o Reviewing emergency responses and drills for problems;
 - o Frequency of emergencies and failures; and
 - o Communications.
- Developing training curricula and facilitating presentation of curriculum to all concerned;

OUR ACCOMPLISHMENTS:

- Implemented the RAVE mass alert system. This system allows us to send emergency messages via email, text, and voice. We have successfully tested and are presently using this system. Additionally, we have purchased Rave Guardian. This system will allow faculty, staff and students to use their cell phones as emergency call stations.
- Prepared a communications plan for the School's response to the H1N1 Influenza Pandemic and installed hand sanitizer stations throughout the campus.
- Drafted a new Inclement Weather/Emergency Closing Policy.
- Formed two subcommittees – one subcommittee will work on drafting a comprehensive emergency preparedness plan for MSM. The other subcommittee will work on the development of an Emergency Preparedness Web Page on MSM's Intranet.
- Developed a Business Continuity Template to describe how each department, office or clinical site will operate during an emergency in which they have loss or unavailability of staff or information technology, or loss or inaccessibility of their facility for an extended period of time with the goal of recovering sufficiently to be operational, and to provide essential services to MSM faculty, staff, students and patients.

We continue to conduct emergency preparedness drills and training exercises on our campus. We have developed an emergency response team comprised of regular staff members, and members of Public Safety. Team members receive extensive training in emergency response procedures.