UNIVERSITY OF HAWAI'I

University Budget Office

October 21, 2002

MEMORANDUM

TO:

David Iha

Executive Administrator and Secretary to the Board of Regents

FROM:

Glenn K. Nakamura

Acting Director

SUBJECT:

NOTIFICATION OF APPROVED REORGANIZATION

FOR THE UNIVERSITY RISK MANAGEMENT OFFICE

Enclosed for the information of the Board of Regents is a copy of a reorganization approved on October 10, 2002 to establish a University Risk Management Office under the Vice President for Administration and Chief Financial Officer. The purpose of this reorganization is explained in the accompanying executive summary and proposal narrative.

Attachment

c: Vice President James R.W. Sloane (w/attachment)

Director Russell Miyake (w/attachment)

Director Claire Nakamura (w/attachment)

EXECUTIVE SUMMARY REORGANIZATIONAL PROPOSAL UNIVERSITY OF HAWAI'I PROPOSED ESTABLISHMENT OF THE UNIVERSITY RISK MANAGEMENT OFFICE

The purpose of this reorganization is to establish a University Risk Management Office (URMO) that will report directly to the Vice President for Administration and Chief Financial Officer (VPACFO). Currently, the Office of Procurement, Real Property and Risk Management administers the University's risk management program under the Financial Management office which is a subunit of the Office of the VPACFO. These risk management activities often involve coordination with the Office of the Senior Vice President for Legal Affairs and University General Counsel and the Office of Human Resources (OHR) and require the input and close oversight by senior management. With this reorganization, oversight and coordination of the University's risk management activities can be simplified by organizationally locating these functions at the senior management level, i.e., the Office of the VPACFO. In addition, it is also proposed that in the near future, workers' compensation insurance responsibilities currently administered by the OHR will be reassigned to the URMO. Additional annual costs of \$115,000 for the establishment of the URMO director and secretary positions are projected with this reorganization. However, no additional funding will be required to implement this proposal since these additional costs will be covered through internal reallocation.

REORGANIZATIONAL PROPOSAL UNIVERSITY OF HAWAI'I PROPOSED ESTABLISHMENT OF THE UNIVERSITY RISK MANAGEMENT OFFICE

I. Present Organization

Currently, the Office of Procurement, Real Property and Risk Management (OPRPRM) administers University's risk management program under the Financial Management Office, a subunit of the Office of the Vice President for Administration and Chief Financial Officer. Position No. 80642, Risk Management Officer, PBB, in the OPRPRM is currently assigned risk and records management responsibilities. In addition, the Office of Human Resources (OHR) administers the workers' compensation insurance program for the University.

II. Proposed Organization

This reorganization proposes the establishment of the University Risk Management Office (URMO) reporting directly to the Vice President for Administration and Chief Financial Officer, Pos. No. 89283. Risk management responsibilities currently administered by the OPRPRM, as well as Pos. No. 80642, Risk Management Officer, PBB, from the Risk/Records Management section of that office will be reassigned to the proposed URMO. Position No. 80642 is currently filled. As proposed, records management responsibilities performed by Pos. No. 80642 will remain with the OPRPRM. Further, the OPRPRM will be redesignated to the Office of Procurement and Real Property Management with the reassignment of risk management responsibilities from that office to the proposed URMO. In addition, two positions will be reassigned to the URMO to establish positions for a director and secretary. Position numbers for these two positions will be assigned at a later date.

Also proposed is the future reassignment of workers' compensation insurance functions administered by the OHR to the URMO. No positions from the OHR will be reassigned to the URMO for this purpose. This reassignment of workers' compensation insurance functions to the URMO will be possible when cases handled by a third party agency can be assumed by the University's insurance carrier for workers' compensation insurance. Due to the nature of this proposed functional reassignment from the OHR to the URMO that is projected for the near future, only the current functional statements for the OHR are included in this proposal. The OHR's and URMO's functional statements will be updated as necessary to reflect this reassignment after it becomes effective.

III. Background/Reasons for the Reorganization

In recent years, the University's risk management activities have become increasingly complex given the University's operational autonomy, long-range academic and physical facilities plans and objectives, and requirements to finance new and existing programs. This has necessitated greater coordination and oversight of risk management activities by senior level management. For example, risk management activities may often involve the OPRPRM, Office of the Senior Vice President for Legal Affairs and University General Counsel, and OHR. This reorganization will permit the direct oversight of the University's risk management responsibilities by an appropriate senior level manager and simplify coordination of risk management services for the University. Other than improved services, no change to risk management services is anticipated.

IV. Impact on Staffing and Resources

Positions will be redescribed as necessary. Additional annual costs of \$115,000 for the establishment of the URMO director and secretary positions are projected with this reorganization. However, no additional funding will be required to implement this reorganization since additional costs will be covered through internal reallocation.

V. Alternatives Considered

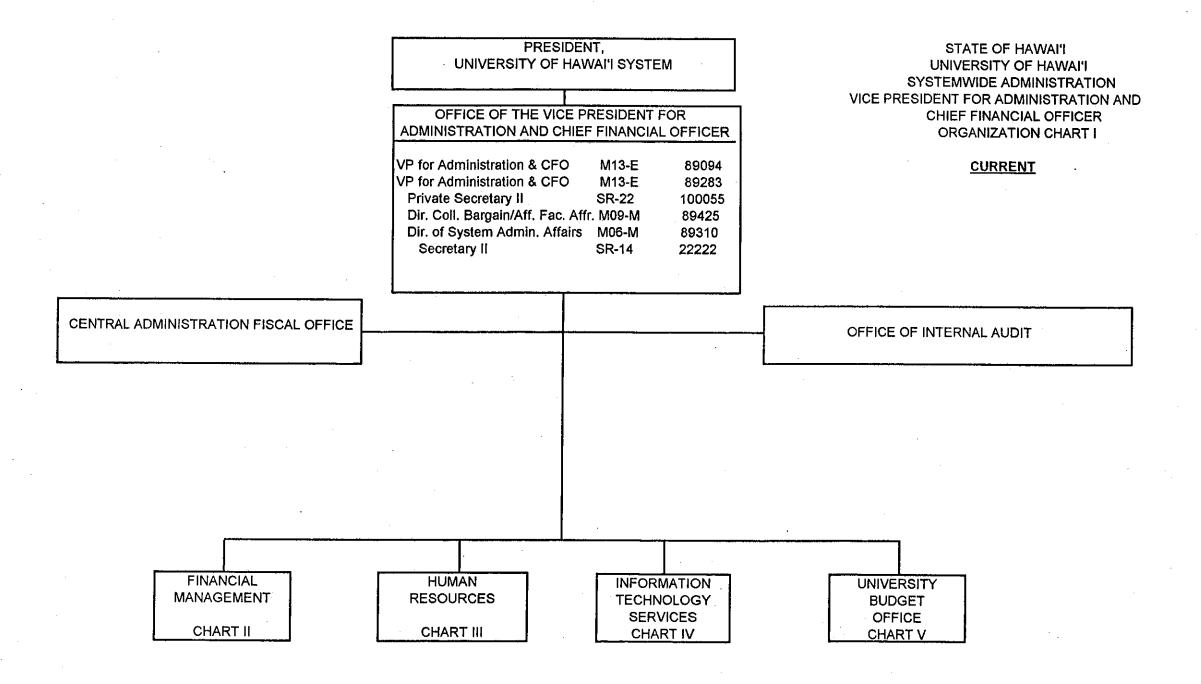
No other alternatives were considered given the risk management requirements of the University.

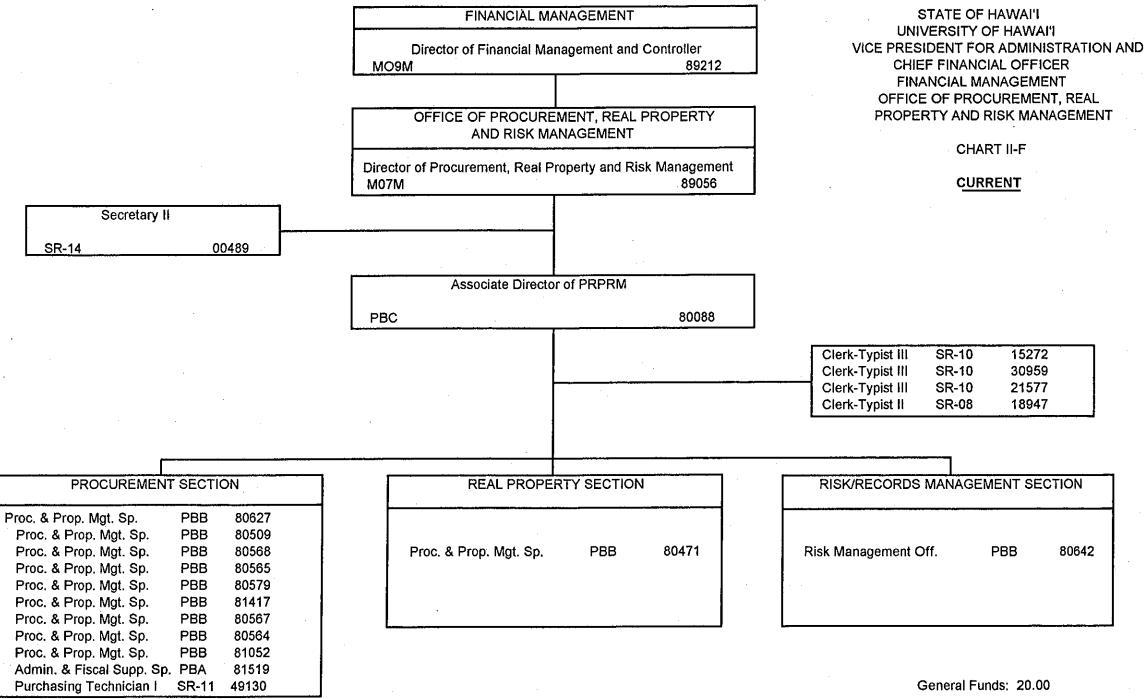
Evan S. Dobelle, President University of Hawai'i

10/10/00

DATE:

PREVIOUS ORGANIZATIONAL CHARTS AND FUNCTIONAL STATEMENTS





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08/27/2002

STATE OF HAWAI'I UNIVERSITY OF HAWAI'I OFFICE OF THE VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER FUNCTIONAL STATEMENT

MAJOR FUNCTIONS

Provides executive leadership in planning, organizing, directing, evaluating, and coordinating all aspects of UH Systemwide administrative and support functions including:

- Accounting
- Assets management
- Bond system operations
- Disbursing and payroll
- Treasury
- Internal and external auditing
- Procurement, real property, and risk management
- Human resources administration
- Information technology
- Budgeting

CURRENT

STATE OF HAWAI'I UNIVERSITY OF HAWAI'I VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER FINANCIAL MANAGEMENT FUNCTIONAL STATEMENT

MAJOR FUNCTIONS

Plans, directs, and controls Systemwide accounting, and loan collection activities.

Plans, directs, and controls Systemwide disbursing, and payroll activities.

Plans, directs, and controls Systemwide treasury, and loan collection activities.

Plans, directs, and controls Systemwide fiscal services activities.

Plans, directs, and controls the University Bond System, Systemwide inventory management, Systemwide surplus property, and Systemwide tax management activities.

Plans, directs, and controls the procurement, real property, and risk management activities.

Plans, directs, and controls the fiscal officer's function for Financial Management operations.

STATE OF HAWAI'I UNIVERSITY OF HAWAI'I

VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER FINANCIAL MANAGEMENT

PROCUREMENT, REAL PROPERTY AND RISK MANAGEMENT FUNCTIONAL STATEMENT

MAJOR FUNCTIONS

The Office of Procurement, Real Property and Risk Management provides overall direction and leadership in the systemwide development of procurement and real property management policies and procedures. It plans, organizes, directs and controls procurement, real property, risk, and records management activities for the University system.

The Director of Procurement, Real Property and Risk Management provides overall leadership and direction in the acquisition of goods, services, and construction, in all transactions involving the acquisition or conveyance of interests in real property, in the development and administration of the University's risk management and records management programs, in the planning, development and implementation of fiscal officer training programs and the auditing of fiscal officer transactions, and in the development of legislation involving procurement and real property management issues.

Associate Director

- Assists the Director in planning, organizing, directing, and controlling the University's Office of Procurement, Real Property and Risk Management.
- Acts as the Director and signs contractual and real property documents, as authorized, during the absence of the Director.
- Assists the Director in the resolution of unique procurement problems, contract disputes, and in making complex procurement decisions.
- Prepares studies on subjects pertaining to procurement and real property management for the University and assists in the presentation of testimony before boards, committees, and other entities.
- Oversees the University's small business utilization program as required by Federal Law; develops policies and procedures, contract clauses and reports concerning small business utilization; advises small businesses on how to do business with the University.
- Oversees the University's Records Management Program and provides guidance to University personnel on records management issues.

- Assists the Department of Accounting and General Services with respect to loss/damage claims involving University property and tort claims involving University operations by conducting investigations and preparing reports to assist in the resolution of such claims.
- Performs special tasks in complex acquisitions and performs contract administration duties as assigned.

PROCUREMENT SECTION

- Evaluates departmental requirements for acquisition of goods, services, and construction.
- Prepares invitations for bids and requests for proposals or quotations consisting of technical specifications, general provisions and special provisions for the acquisition of goods, services and construction in accordance with applicable law and University Administrative Procedures.
- Processes competitive solicitations in accordance with applicable law, grant or contract terms and University Administrative Procedures.
- Awards contracts pursuant to competitive solicitations.
- Effects contracts for professional and other specialized services in accordance with University Administrative Procedures.
- Processes sole source procurements in accordance with applicable law and University Administrative Procedures.
- Processes emergency procurements in accordance with applicable law and University Administrative Procedures.
- Processes small purchases and purchases exempt from competitive solicitation and/or standard procurement requirements which exceed delegated purchasing authority of fiscal officers in accordance with applicable law and University Administrative Procedures.
- Develops contract terms and provisions.
- Provides contract administration services.
- Processes financial management accounting forms relating to procurement actions.
- Monitors decentralized procurement activities administered by fiscal officers at the campus and departmental level.
- Provides advice and assistance to departments in the administration of purchase orders and contracts issued by fiscal officers.
- Administers training to fiscal officers.
- Prepares purchasing forms for use by fiscal officers.

- Develops University administrative procedures relating to the procurement of goods, services and construction.
- Provides assistance to vendors regarding University procurement operations and procedures.
- Prepares reports on procurement activities within the University.
- Administers electronic systems utilized for procurement operations.
- Administers a purchasing card program for the procurement of goods and services.
- Administers a small business utilization program in accordance with applicable law.

REAL PROPERTY SECTION

- Advises and participates in the acquisition, disposition and exchange of interests in real property necessary to the physical development and operations of University campuses, research centers and other programs.
- Assists in the preparation of land use and zoning studies, appraisal reports, and research and evaluation studies relating to the acquisition and disposition of real property.
- Assists in maintaining an inventory of University interests in real property for planning and reporting purposes.
- Assists in the preparation of environmental assessments and impact statements for new campuses, master plans and all University projects; assists in the development of University environmental policy and all documents in compliance with applicable law, rules, and regulations.
- Coordinates the representation of the University in dealing with private individuals or entities and public agencies on matters relating to University lands and other interests in real property.
- Drafts conveyance documents, such as deeds, leases, easements, rights of way and licenses, relating to University interests in real property.
- Coordinates with University departments involved in or affected by real property transactions.
- · Processes conveyance documents for execution by parties.
- Records/registers conveyance documents, as necessary.
- Maintains official files for all University interests in real property.
- Monitors official files to process necessary changes to terms and conditions of the conveyance documents, such as extensions of lease, adjustments to rent, and insurance renewals.

- Processes short-term lease requests from University departments.
- Processes financial management accounting forms for payments relating to University interests in real property.
- Prepares reports on University interests in real property.

RISK/RECORDS MANAGEMENT SECTION

- Investigates and gathers information regarding loss/damage claims involving University property and tort claims involving University operations.
- Serves as the University liaison with the Department of Accounting and General Services, Risk Management Division.
- Provides training, guidance and advice to University departments in all matters relating to risk management and insurance.
- Drafts release, hold harmless and other risk management forms for use by University programs.
- Reviews liability, insurance, and indemnification clauses in University agreements to insure compliance with applicable law and University Administrative Procedures.
- Prepares reports on risk management activities within the University.
- Submits claims on behalf of the University for property losses covered by insurance and/or the State Risk Management Program.
- Administers University records management procedures to insure compliance with applicable law and procedural requirements pertaining to public records.

oprprmcurr

STATE of HAWAI'I UNIVERSITY of HAWAI'I VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER OFFICE OF HUMAN RESOURCES

MAJOR FUNCTIONS

The Office of Human Resources has systemwide responsibility for human resources relating to Board of Regents and Civil Service employees of the University of Hawai'i with respect to policy and procedure development, maintenance, and implementation; advisory services to units and staff services for executive decision-making. The System Director of Human Resources advises the Vice President for Administration and Chief Financial Officer on human resources management matters, including faculty affairs.

The Director's Office has responsibility for planning, organizing, and managing the University's human resources program as it relates to Board of Regents and Civil Service employees, employee benefits, and other related programs. This responsibility includes the development, implementation, and maintenance of personnel policies and procedures to ensure compliance with Board of Regents' Bylaws and Policies, Executive policies, State statutes, Federal laws and regulations, administrative procedures, and applicable collective bargaining agreements; the administration of the University's classification and compensation system for APT and E/M personnel, and the State's civil service classification and compensation plans for civil service employees; directing special projects and studies; providing leadership and advice to senior level executives on matters relating to relevant human resources issues; conducting hearings and rendering decisions on applicable grievances; and administering the University's employee benefits, workers' compensation and staff development and training programs.

- Directs, administers, and coordinates the labor relations program for civil service employees
- Provides interpretation on State personnel rules, regulations, policies, and collective bargaining agreements relative to the management and direction of civil service employees
- Directs and administers on a systemwide basis, the civil service recruitment, examination, and personnel transaction programs
- Takes final classification actions on civil service positions, represents the University before appellate boards and commissions
- · Reviews and recommends the compensation, pricing, and repricing of classes of positions
- Directs, administers, and coordinates the job performance evaluation program
- Directs, administers, and coordinates the State return to work priority program
- Custodian of official personnel files for all civil service employees
- Directs, administers, and coordinates the labor relations program for APT and E/M employees, including serving as the President's designee as hearings officer for APT grievances
- Develops and issues interpretive guidelines, policies, and procedures, including Administrative Procedures
- Provides advisory services relative to rules, regulations, policies, and collective bargaining agreements relating to the management and direction of APT and E/M employees
- Provides support services such as reviewing and finalizing the agenda for Board of Regents'
 action; serves as the personnel manager for selected system offices; reviews proposed actions
 on behalf of the Vice President for Administration and Chief Financial Officer
- Reviews requests for classification action on APT and E/M positions and takes final action; represents the University before appellate boards and commissions regarding the classification of APT positions and advises the Vice President for Administration and Chief Financial Officer on appeals of E/M classification actions
- Conducts pricing and salary studies of APT and E/M classes. Assigns and reassigns classes to appropriate salary ranges
- Provides staff support on E/M classification and appointment issues, and personnel transaction processing
- Coordinates the State's benefit programs (Health Fund, Retirement System, Part-Time, Seasonal Deferred Compensation, etc.) for University employees on a systemwide basis. Serves as liaison with other State agencies
- Oversees the University's leave accounting system, including providing guidance and

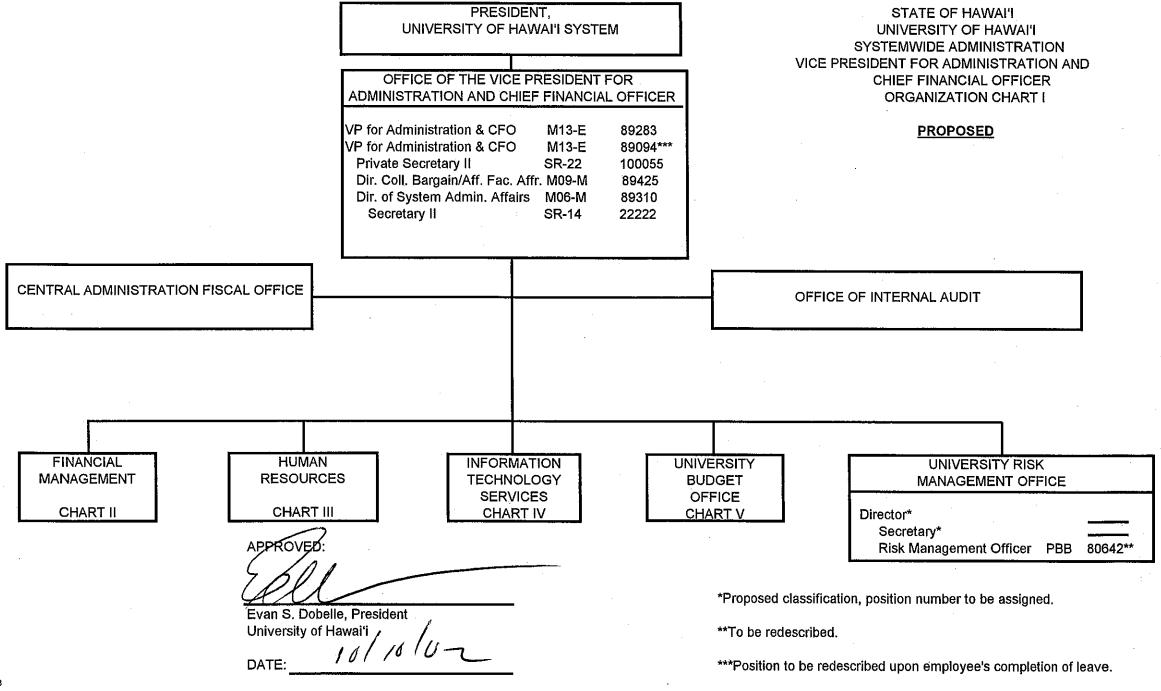
• interpretive services on statutory provisions, State rules and regulations, and collective bargaining agreements; administers the leave sharing and family leave programs

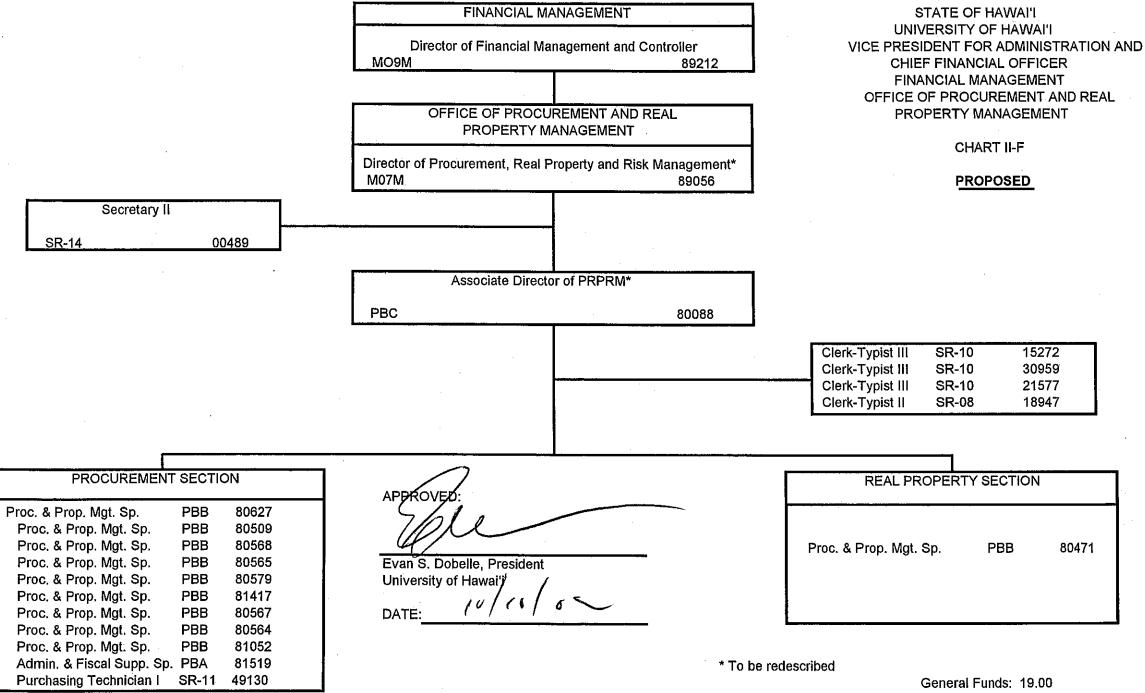
 Coordinates the 457 Deferred Compensation, and Flexible Spending Accounts programs; temporary disability benefits program; service incentive and awards programs; Drug-Free Workplace Program; and other employee benefit programs

Administers the University's 403(b) Tax Deferred Annuity (TDA) program, ensures
compliance with applicable federal and state rules and regulations governing 403(b) TDA and
may oversee a third party administrator

- Plans, develops, coordinates, and implements staff development and training programs; serves as liaison with the State of Hawai'i Department of Human Resources Development Employee Assistance Branch relative to employee assistance programs available to University employees
- Develops and maintains the systemwide workers' compensation program for the University of Hawai'i
- Ensures the University's compliance with Chapter 386, HRS, Workers' Compensation Law
- Oversees the authorized third party administrator(s) activities and administers related University policies (supplemental pay, maintenance of benefits, temporary placement, modified duties, return to work and placement)
- Develops and recommends new or revised personnel policies, procedures, and systems
- Manages special projects and conducts special studies which may cut across organizational levels and functional areas
- Develops and conducts studies and analyses to provide management data for program development which reflect personnel trends, practices, costs, etc.
- Manages and coordinates the implementation of Human Resources Information Systems
- Takes leadership in analyzing, developing, and implementing functional components of new electronic human resource systems
- Assists in systemwide technological direction for personnel officers
- Central source of all systemwide University human resources information
- Supports internal OHR computer requirements
- Provides procedural direction to University personnel officers for processing personnel transactions
- Serves as liaison between OHR and State of Hawai'i agencies on technological issues

NEW ORGANIZATIONAL CHARTS AND FUNCTIONAL STATEMENTS





oprprmprop

08/27/2002

PROPOSED

STATE OF HAWAI'I UNIVERSITY OF HAWAI'I VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER FINANCIAL MANAGEMENT FUNCTIONAL STATEMENT

MAJOR FUNCTIONS

Plans, directs, and controls Systemwide accounting, and loan collection activities.

Plans, directs, and controls Systemwide disbursing, and payroll activities.

Plans, directs, and controls Systemwide treasury, and loan collection activities.

Plans, directs, and controls Systemwide fiscal services activities.

Plans, directs, and controls the University Bond System, Systemwide inventory management, Systemwide surplus property, and Systemwide tax management activities.

Plans, directs, and controls the procurement and real property activities.

Plans, directs, and controls the fiscal officer's function for Financial Management operations.

STATE OF HAWAI'I UNIVERSITY OF HAWAI'I VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER UNIVERSITY RISK MANAGEMENT OFFICE FUNCTIONAL STATEMENT

Provides systemwide leadership, direction, planning, organization, and control of the University's risk management functions. Areas of program responsibility include tort claims, workers' compensation, safety, loss control, and insurance administration.

- Formulates systemwide long- and short-range risk management plans and objectives.
- Develops and oversees systemwide risk management policies and procedures.
- Develops, implements, and oversees programs that minimize the University's exposure to potential losses or damage involving physical assets, fidelity losses, liability claims, and workers' compensation.
- Assesses the University's risk exposure and insurance requirements.

 Determines and recommends appropriate levels of insurance coverage.
- Ensures compliance with legal requirements, rules and regulations, and policies and procedures.
- Directs the negotiation, execution, and administration of agreements relating to risk management.
- Periodically assesses the University's risk management program and prepares appropriate reports on risk management activities within the University.
- Investigates and gathers information regarding loss/damage claims involving University property and tort claims associated with University operations.
- Serves as the University liaison with the Department of Accounting and General Services, Risk Management Division.
- Provides training, guidance, and advice to University departments in all matters relating to risk management and insurance.
- Develops risk management forms.
- Submits claims on behalf of the University for property losses covered by insurance and/or the State Risk Management Program.

STATE OF HAWAI'I UNIVERSITY OF HAWAI'I VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER FINANCIAL MANAGEMENT PROCUREMENT AND REAL PROPERTY MANAGEMENT FUNCTIONAL STATEMENT

MAJOR FUNCTIONS

The Office of Procurement and Real Property Management provides overall direction and leadership in the systemwide development of procurement and real property management policies and procedures. It plans, organizes, directs and controls procurement, real property, and records management activities for the University system.

The Office of Procurement and Real Property Management provides overall leadership and direction in the acquisition of goods, services, and construction, in all transactions involving the acquisition or conveyance of interests in real property, in the development and administration of the University's records management program, in the planning, development and implementation of fiscal officer training programs and the auditing of fiscal officer transactions, and in the development of legislation involving procurement and real property management issues. Insures compliance with applicable law and procedural requirements pertaining to public records.

Associate Director

- Assists the Director in planning, organizing, directing, and controlling the University's Office of Procurement and Real Property Management.
- Acts as the Director and signs contractual and real property documents, as authorized, during the absence of the Director.
- Assists the Director in the resolution of unique procurement problems, contract disputes, and in making complex procurement decisions.
- Prepares studies on subjects pertaining to procurement and real property management for the University and assists in the presentation of testimony before boards, committees, and other entities.
- Oversees the University's small business utilization program as required by Federal Law; develops policies and procedures, contract clauses and reports concerning small business utilization; advises small businesses on how to do business with the University.
- Oversees the University's Records Management Program and provides guidance to University personnel on records management issues.
- Performs special tasks in complex acquisitions and performs contract administration duties as assigned.

PROCUREMENT SECTION

- Evaluates departmental requirements for acquisition of goods, services, and construction.
- Prepares invitations for bids and requests for proposals or quotations consisting of technical specifications, general provisions and special provisions for the acquisition of goods, services and construction in accordance with applicable law and University Administrative Procedures.
- Processes competitive solicitations in accordance with applicable law, grant or contract terms and University Administrative Procedures.
- Awards contracts pursuant to competitive solicitations.
- Effects contracts for professional and other specialized services in accordance with University Administrative Procedures.
- Processes sole source procurements in accordance with applicable law and University Administrative Procedures.
- Processes emergency procurements in accordance with applicable law and University Administrative Procedures.
- Processes small purchases and purchases exempt from competitive solicitation and/or standard procurement requirements which exceed delegated purchasing authority of fiscal officers in accordance with applicable law and University Administrative Procedures.
- Develops contract terms and provisions.
- Provides contract administration services.
- Processes financial management accounting forms relating to procurement actions.
- Monitors decentralized procurement activities administered by fiscal officers at the campus and departmental level.
- Provides advice and assistance to departments in the administration of purchase orders and contracts issued by fiscal officers.
- Administers training to fiscal officers.
- Prepares purchasing forms for use by fiscal officers.
- Develops University administrative procedures relating to the procurement of goods, services and construction.
- Provides assistance to vendors regarding University procurement operations and procedures.
- Prepares reports on procurement activities within the University.
- Administers electronic systems utilized for procurement operations.
- Administers a purchasing card program for the procurement of goods and services.

• Administers a small business utilization program in accordance with applicable law.

REAL PROPERTY SECTION

1 - 1946 V

- Advises and participates in the acquisition, disposition and exchange of interests in real property necessary to the physical development and operations of University campuses, research centers and other programs.
- Assists in the preparation of land use and zoning studies, appraisal reports, and research and evaluation studies relating to the acquisition and disposition of real property.
- Assists in maintaining an inventory of University interests in real property for planning and reporting purposes.
- Assists in the preparation of environmental assessments and impact statements for new campuses, master plans and all University projects; assists in the development of University environmental policy and all documents in compliance with applicable law, rules, and regulations.
- Coordinates the representation of the University in dealing with private individuals or entities and public agencies on matters relating to University lands and other interests in real property.
- Drafts conveyance documents, such as deeds, leases, easements, rights of way and licenses, relating to University interests in real property.
- Coordinates with University departments involved in or affected by real property transactions.
- · Processes conveyance documents for execution by parties.
- Records/registers conveyance documents, as necessary.
- Maintains official files for all University interests in real property.
- Monitors official files to process necessary changes to terms and conditions of the conveyance documents, such as extensions of lease, adjustments to rent, and insurance renewals.
- Processes short-term lease requests from University departments.
- Processes financial management accounting forms for payments relating to University interests in real property.
- Prepares reports on University interests in real property.

oprprmprop 8/26/02

UNIVERSITY OF HAWAI'I

UNIVERSITY BUDGET OFFICE

September 11, 2002

MEMORANDUM

TO:

David Iha

Executive Administrator and Secretary of the BOR

FROM:

Glenn K. Nakamura

Acting Budget Director

SUBJECT:

NOTIFICATION OF APPROVED REORGANIZATION

FOR THE OFFICE OF HUMAN RESOURCES

Enclosed for the information of the Board of Regents is a copy of a reorganization approved on September 3, 2002 for the Office of Human Resources, Office of the Vice President for Administration and Chief Financial Officer. The purpose of this reorganization is explained in the accompanying executive summary and proposal narrative.

If there are any questions regarding this matter, please call director Peggy Hong at 956-8988.

Attachment

c: Vice President James R.W. Sloane (w/o attachment)
Director Peggy Hong (w/attachment)

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UNIVERSITY OF HAWAI'I

Office of Human Resources

MEMORANDUM

August 22, 2002

ice President to

TO:

James R. W. Sloane

Vice President and Chief Financial Officer

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FROM:

Peggy S. Hong

System Director of Human Resources

SUBJECT:

Proposed Reorganization of the Office of Human Resources

This is to request your review and approval to the proposed reorganization of the Office of Human Resources. The proposal reflects the absorption of the existing four (4) sections into a single entity under the System Director of Human Resources. Human resource programs will no longer be separated and specialized. The new structure will allow the director to have more flexibility with the existing staff. In accordance with University Administrative Procedure A3.101, the proposal has been reviewed by the University's Budget Office and we have incorporated their comments and concerns.

Should you have any questions regarding this proposal, please call me at extension 6-8988. Thank you in advance for your cooperation and understanding on this matter.

Enclosures

Executive Summary PROPOSAL FOR REORGANIZATION OF THE OFFICE OF HUMAN RESOURCES

August 22, 2002

Enclosed for your information is an approved reorganization of the Office of Human Resources. The proposal reflects the absorption of the existing four (4) sections into a single entity under the System Director of Human Resources. Human resource programs will no longer be separated and specialized. The proposed reorganization will allow the System Director of Human Resources the flexibility to control and assign personnel to projects based on program priorities and urgency of the request. The Office of Human Resources will be able to continue to provide the best service to our clientele with current resources.

No new funds, space or positions are required to implement this reorganization.

UNIVERSITY OF HAWAI'I PROPOSED REORGANIZATION FOR THE OFFICE OF THE VICE PRESIDENT FOR ADMINISTRATION OFFICE OF HUMAN RESOURCES

PRESENT ORGANIZATION

The Office of Human Resources (OHR) is responsible for the systemwide administration of the human resources programs relating to Board of Regents and Civil Service employees. Board of Regent employees include faculty, Administrative/Professional and Technical (APT), and Managerial/Executive (E/M). These programs include human resource information system, classification and compensation, labor relations, collective bargaining, employee benefits administration, workers' compensation, staff development and training, deferred compensation and tax deferred annuity administration, and other personnel functions.

The Office of Human Resources (OHR) consists of four (4) sections: System Support and Analysis, Civil Service Employee Relations, Employee Benefits and Board of Regents Employee Relations and Workers' Compensation Benefits.

II. PROPOSED REORGANIZATION

The proposed reorganization seeks to create a "flat" organization that will improve customer service in all areas of human resource management. The existing four (4) sections will no longer be separated by lines of program specialization and the traditional lines of supervisory-subordinate relationships. Instead, there will be only one (1) entity which reflects all APT positions and most of the civil service positions reporting to the System Director of Human Resources. Although the director's span of control will be increased, the management of day-to-day operations will continue to be by certain APT positions who have been designated by the director as her team leaders.

III. BACKGROUND / NATURE OF THE PROPOSED REORGANIZATION

The Office or Human Resources (OHR) has responsibility for system-wide support of a variety of human resource management programs. The reduction of staff resources and increase in human resource support programs requires a change in how the Office of Human Resources is organized.

Under the present organization, new project assignments would often require staff resources from the various sections in OHR to "pull" together their time and expertise to complete the project. A good example is the migration of civil service data records from the State to the University of Hawai'i Human Resource Information System, required several staff from two sections in OHR to work

together on this project. Another example is the implementation of the University's APT Broadband Classification System. This project required that staff assignments in OHR be modified and redistributed in order that current services would not be disrupted.

The proposed reorganization will allow the System Director of Human Resources the flexibility to control and assign personnel to projects based on program priorities and urgency of the request. Consequently, the Office of Human Resources will be able to continue to provide the best service to our clientele with current resources.

IV. IMPACT ON STAFFING AND RESOURCES

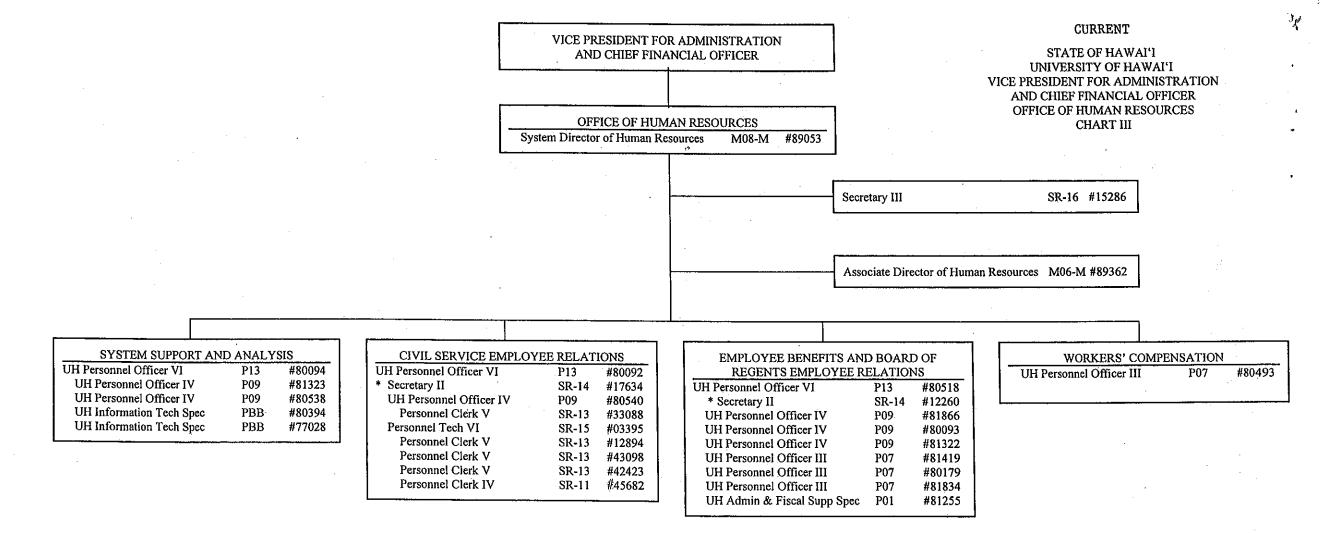
The reorganization proposal will result in no adverse classification impact to APT personnel. However, the position descriptions for Position Nos. 17634 and 12260, Secretary II, SR-14, will need to be reviewed and appropriately classified.

There will be no additional resources or space needed. The proposal will not adversely impact the services to programs and students.

V. ALTERNATIVES CONSIDERED

Maintaining the organizational status quo.

PREVIOUS ORGANIZATIONAL CHART AND FUNCTIONAL STATEMENTS



General Funds 27.00

^{*} Positions to be redescribed.

- Oversees the University's leave accounting system, including providing guidance and interpretive services on statutory provisions, State rules and regulations, and collective bargaining agreements; administers the leave sharing and family leave programs
- Coordinates the 457 Deferred Compensation, and Flexible Spending Accounts programs; temporary disability benefits program; service incentive and awards programs; Drug-Free Workplace Program; and other employee benefit programs
- Administers the University's 403(b) Tax Deferred Annuity (TDA) program, ensures compliance with applicable federal and state rules and regulations governing 403(b) TDA and may oversee a third party administrator
- Plans, develops, coordinates, and implements staff development and training programs; serves
 as liaison with the State of Hawai'i Department of Human Resources Development Employee
 Assistance Branch relative to employee assistance programs available to University
 employees

Workers' Compensation Section

- Develops and maintains the systemwide workers' compensation program for the University of Hawai'i
- Ensures the University's compliance with Chapter 386, HRS, Workers' Compensation Law
- Oversees the authorized third party administrator(s) activities and administers related University policies (supplemental pay, maintenance of benefits, temporary placement, modified duties, return to work and placement)

System Support and Analysis Section

- · Develops and recommends new or revised personnel policies, procedures, and systems
- Manages special projects and conducts special studies which may cut across organizational levels and functional areas
- Develops and conducts studies and analyses to provide management data for program development which reflect personnel trends, practices, costs, etc.
- Manages and coordinates the implementation of Human Resources Information Systems
- Takes leadership in analyzing, developing, and implementing functional components of new electronic human resource systems
- Assists in systemwide technological direction for personnel officers
- Central source of all systemwide University human resources information
- Supports internal OHR computer requirements
- Provides procedural direction to University personnel officers for processing personnel transactions
- Serves as liaison between OHR and State of Hawai'i agencies on technological issues

NEW ORGANIZATIONAL CHART AND FUNCTIONAL STATEMENTS

State of Hawai'i University of Hawai'i
Vice President for Administration and **Chief Financial Officer** Office of Human Resources . Chart III

VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER

OFFICE OF HUMAN RESOURCES					
System Director of Human Resources	M08-M	#89053			
Secretary III	SR-16	#15286			
Associate Director of Human Resources	M06-M	#89362	Ì		

		Personnel Tech VII	SR-17	#03395
PBC	#80092, 80093	Personnel Clerk V	SR-13	#12894, 42423 43098, 45682
PBB	#80094, 81323,	•		·
	80538, 80493 80540, 81866,	Personnel Clerk V	SR-13	#33088
	81322, 80179, 81834	Secretary II	SR-14	#17634, 12260 *
PBA	#81255, 81419			
PBB	#77028, 80394			
	PBB PBA	PBB #80094, 81323, 80538, 80493 80540, 81866, 81322, 80179, 81834 PBA #81255, 81419	PBB #80094, 81323, 80538, 80493 Personnel Clerk V 80540, 81866, 81322, 80179, Secretary II 81834 PBA #81255, 81419	PBB #80094, 81323, 80538, 80493 Personnel Clerk V SR-13 80540, 81866, 81322, 80179, Secretary II SR-14 81834 PBA #81255, 81419

APPROVED:

James R. W. Sloane

Vice President for Administration and

Chief Financial Officer

* To be redescribed.

STATE of HAWAI'I UNIVERSITY of HAWAI'I VICE PRESIDENT FOR ADMINISTRATION AND CHIEF FINANCIAL OFFICER OFFICE OF HUMAN RESOURCES

MAJOR FUNCTIONS

The Office of Human Resources has systemwide responsibility for human resources relating to Board of Regents and Civil Service employees of the University of Hawai'i with respect to policy and procedure development, maintenance, and implementation; advisory services to units and staff services for executive decision-making. The System Director of Human Resources advises the Vice President for Administration and Chief Financial Officer on human resources management matters, including faculty affairs.

The Director's Office has responsibility for planning, organizing, and managing the University's human resources program as it relates to Board of Regents and Civil Service employees, employee benefits, and other related programs. This responsibility includes the development, implementation, and maintenance of personnel policies and procedures to ensure compliance with Board of Regents' Bylaws and Policies, Executive policies, State statutes, Federal laws and regulations, administrative procedures, and applicable collective bargaining agreements; the administration of the University's classification and compensation system for APT and E/M personnel, and the State's civil service classification and compensation plans for civil service employees; directing special projects and studies; providing leadership and advice to senior level executives on matters relating to relevant human resources issues; conducting hearings and rendering decisions on applicable grievances; and administering the University's employee benefits, workers' compensation and staff development and training programs.

- Directs, administers, and coordinates the labor relations program for civil service employees
- Provides interpretation on State personnel rules, regulations, policies, and collective bargaining agreements relative to the management and direction of civil service employees
- Directs and administers on a systemwide basis, the civil service recruitment, examination, and personnel transaction programs
- Takes final classification actions on civil service positions, represents the University before appellate boards and commissions
- Reviews and recommends the compensation, pricing, and repricing of classes of positions
- Directs, administers, and coordinates the job performance evaluation program
- Directs, administers, and coordinates the State return to work priority program
- · Custodian of official personnel files for all civil service employees
- Directs, administers, and coordinates the labor relations program for APT and E/M employees, including serving as the President's designee as hearings officer for APT grievances
- Develops and issues interpretive guidelines, policies, and procedures, including Administrative Procedures
- Provides advisory services relative to rules, regulations, policies, and collective bargaining agreements relating to the management and direction of APT and E/M employees
- Provides support services such as reviewing and finalizing the agenda for Board of Regents'
 action; serves as the personnel manager for selected system offices; reviews proposed actions
 on behalf of the Vice President for Administration and Chief Financial Officer
- Reviews requests for classification action on APT and E/M positions and takes final action; represents the University before appellate boards and commissions regarding the classification of APT positions and advises the Vice President for Administration and Chief Financial Officer on appeals of E/M classification actions
- Conducts pricing and salary studies of APT and E/M classes. Assigns and reassigns classes to appropriate salary ranges
- Provides staff support on E/M classification and appointment issues, and personnel transaction processing
- Coordinates the State's benefit programs (Health Fund, Retirement System, Part-Time, Seasonal Deferred Compensation, etc.) for University employees on a systemwide basis. Serves as liaison with other State agencies
- · Oversees the University's leave accounting system, including providing guidance and

- interpretive services on statutory provisions, State rules and regulations, and collective bargaining agreements; administers the leave sharing and family leave programs
- Coordinates the 457 Deferred Compensation, and Flexible Spending Accounts programs; temporary disability benefits program; service incentive and awards programs; Drug-Free Workplace Program; and other employee benefit programs
- Administers the University's 403(b) Tax Deferred Annuity (TDA) program, ensures
 compliance with applicable federal and state rules and regulations governing 403(b) TDA and
 may oversee a third party administrator
- Plans, develops, coordinates, and implements staff development and training programs; serves
 as liaison with the State of Hawai'i Department of Human Resources Development Employee
 Assistance Branch relative to employee assistance programs available to University
 employees
- Develops and maintains the systemwide workers' compensation program for the University of Hawai'i
- Ensures the University's compliance with Chapter 386, HRS, Workers' Compensation Law
- Oversees the authorized third party administrator(s) activities and administers related University policies (supplemental pay, maintenance of benefits, temporary placement, modified duties, return to work and placement)
- · Develops and recommends new or revised personnel policies, procedures, and systems
- Manages special projects and conducts special studies which may cut across organizational levels and functional areas
- Develops and conducts studies and analyses to provide management data for program development which reflect personnel trends, practices, costs, etc.
- Manages and coordinates the implementation of Human Resources Information Systems
- Takes leadership in analyzing, developing, and implementing functional components of new electronic human resource systems
- Assists in systemwide technological direction for personnel officers
- Central source of all systemwide University human resources information
- Supports internal OHR computer requirements
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