

Estimated Administrative Saving for Each Model
December 4, 2007

What follows are the estimated administrative costs and potential savings associated with each of the three administrative models under consideration. It should be recognized these estimates do not consider additional potential savings from reduced FTE in the Dean's Office or potential efficiencies gained from centralizing certain financial, personnel, and research administrative support functions. Other examples of factors that could affect saving are whether permanent unit leaders are internal or external candidates and retirement plans of some current administrators (e.g., retire or step down from administrative assignment and resume professorial responsibilities).

Current total administrative salary plus OPE costs for the existing four departments is \$1,400,000. Except for school directors, associate school directors and office managers assigned to schools, estimated savings for the three models under consideration were based on the average full time salary plus OPE cost of current department administrative positions. Costs for school directors, associate school directors, and office managers assigned to schools reflect increases in salary and OPE costs commensurate with increased responsibilities. Salary plus OPE costs used to calculate potential savings were as follows: School Director (SD) = \$216,000; Associate School Director (ASD) = \$160,000; Department Head (DH) = \$170,000; Associate Department Head (ADH) = \$155,000; Office Manager (OM) = \$65,000/\$70,000 (dept./sch.); Office Specialist 2 (OS2) = \$55,000.

Model 2 Prime Estimated Savings

	<u>Unit A (\$, FTE)</u>	<u>Unit B (\$, FTE)</u>	<u>Unit C (\$, FTE)</u>
SD	-	-	\$216,000 1.0
ASD	-	-	80,000 0.5
DH	\$170,000 1.0	\$170,000 1.0	-
OM	65,000 1.0	65,000 1.0	70,000 1.0
OS2	<u>110,000 2.0</u>	<u>110,000 2.0</u>	<u>165,000 3.0</u>
Subtotal	345,000	345,000	531,000
Total of all units: \$1,221,000			
Estimated savings: \$1,400,000 - \$1,221,000 = \$179,000			

Model 3 Prime Estimated Savings

	<u>Unit A (\$, FTE)</u>	<u>Unit B (\$, FTE)</u>	<u>Unit C (\$, FTE)</u>
DH	\$170,000 1.0	\$170,000 1.0	\$170,000 1.0
ADH	-	39,000 0.25	39,000 0.25
OM	65,000 1.0	65,000 1.0	65,000 1.0
OS2	<u>110,000 2.0</u>	<u>110,000 2.0</u>	<u>110,000 2.0</u>
Subtotal	345,000	384,000	384,000

Total for all units: \$1,113,000

Estimated savings: \$1,400,000 - \$1,113,000 = **\$287,000**

2 Unit Model Estimated Savings

	<u>Unit A (\$, FTE)</u>	<u>Unit B (\$, FTE)</u>
SD	\$216,000 1.0	\$216,000 1.0
ASD	80,000 0.5	80,000 0.5
OM	70,000 1.0	70,000 1.0
OS2	<u>165,000 3.0</u>	<u>165,000 3.0</u>
Subtotal	531,000	531,000

Total for all units: \$1,062,000

Estimated savings: \$1,400,000 - \$1,062,000 = **\$338,000**