

News and Views from Facilities Management



October 2017

Welcome back to all! This edition should have come out in September, but events conspired against me! I like to use this edition to point out all the work that happened over the summer which many might never even know about.

In this edition, I have dedicated a fair amount of space to the recharge rate. The cost of FM labor is a recurring source of consternation and questions, so even though the fees and rates committee gives annual approval, I think it's important to periodically inform everyone about the business model.

With so many new faces on campus, this edition is also a great time to inform new staff and remind "old" staff that only Facilities Management and contractors of Facilities Development are permitted to make modifications to campus facilities. This constraint includes, but is not limited to, hanging shelves in offices, painting & carpeting offices, and installation of equipment in classrooms. While seemingly restrictive, the requirement protects you from personal responsibility for damaging University property, and prevents you from inadvertently exposing yourself to hazards behind the walls. In addition, working through Facilities Management ensures you do not run afoul of Western's obligations with regard to its Bargaining Unit Agreements.

John Furman, Director of Facilities Management

SUMMER MAINTENANCE

Just a couple of examples of the amazing craftsmanship we are so fortunate to have in Facilities Management:



Painting Studio Sink – Before



Painting Studio Sink – After

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The Wilson Library mechanical rooms are a place very few people will ever see – but out of sight does not mean not appreciated! Our insulators are great craftsmen in their own right!



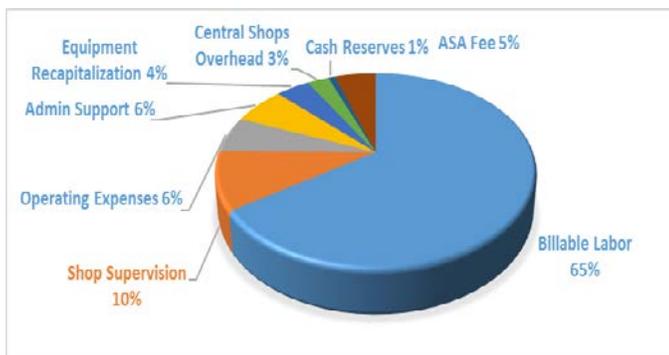
Wilson Library Hot Water – Before



Wilson Library Hot Water – After

Building a sustainable labor rate

Facilities Management employs about 180 full time plus dozens of temporary and student employees throughout the year. Of the 180 employees, roughly two-thirds are funded by state appropriations while the remainder is funded entirely through the revenues generated as a self-sustaining charge-back operation.



Billable Labor. There are many functions and activities that go into the hourly labor rate, but the basic building block is the labor and benefits cost of the people out there turning wrenches, repairing systems, and cleaning buildings. These billable workers are the foundation of FM’s self-sustaining operation, paying their own salaries and benefits plus those of the supporting administrative team described in the following paragraphs.

Shop Supervision. While it seems obvious, it is worth stating that each shop or trade has a supervisor. When you receive services from or consult with a supervisor, that time is not billed – it is simply the cost of providing customer service built into the billable labor rate.

Shop Operating Expenses. Another obvious cost, but often not called out, is the non-labor cost of employees. Training, PPE, computers and software licensing are all operating costs that have to be included for all employees. FM employees also have vehicle maintenance & operating costs, shop tools, and shop consumables.

Administrative Support. This is all the labor at the home office: the customer service desk; accounting, billing, IT support, etc. It also includes phones, copiers, and office consumables. Another special support cost is added to the central shops for project work – that “Central Shops Overhead” is the labor cost of the estimator, scheduler, and construction manager – all of whom provide services for “free”.

Equipment Recapitalization. FM has a property and equipment inventory valued at over \$4M. This includes all capitalized equipment such as lathes, table saws, electric load testing gear, infrared

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cameras, sheet metal machines, tractors, forklifts etc. In addition, FM operates over 100 vehicles that effectively function as rolling tool boxes. All of this has to be replaced on a periodic basis, and the labor rate includes an allowance for that need.

Cash Reserves. The need for reserves is a relatively new concept for facilities management. As a self-sustaining operation, we need to be able to keep operating in the event of a natural or man-made catastrophe. In the case of a major earthquake for example, we are planning to have three months of employee salaries and benefits in reserve, to account for the expected complete loss of short term revenue. Our intent is to slowly build that reserve so as to not incur an intolerable increase in the labor rate on a year-to-year basis.

ASA Fee. Charged to any non-core maintenance activity, the 4.75% ASA fee is a university mandated cost



Productive Time. Last but not least is the number of hours we actually expect to be turning those wrenches. Starting from 2080 hours in a year, we deduct holidays, vacation days, sick time, meetings, and training to arrive at an estimated 1550 hours per worker. All the costs are divided by the number of hours to get the billable rate.

STORM WATER MANAGEMENT AT WWU

According to the State Department of Ecology, “Rain-caused polluted runoff – including storm water – is the state’s biggest urban water quality threat. It carries millions of pounds of toxic contaminants into Puget Sound and other Washington waters each year.” Take a look at a storm drain inlet the next time you are walking the campus – it’s no accident that you see those labels telling you the drain leads to the bay!

With that as a backdrop, everyone on campus has the opportunity to reduce Western’s impact on this particular pollution source. I encourage you to think twice before dropping litter on the ground – look for the nearest recycling or trash container and use it! If you bring a car to campus, please make sure it’s in good working condition and isn’t dripping oil. Similarly, if you live on campus with a personal vehicle, maintenance and repair should be done at an authorized commercial location and NOT on campus.

You can find lots more information about Western’s storm water management program at:

<https://www.fm.wwu.edu/facilities-maintenance-operations/stormwater-management-program/>

CLOSING THOUGHTS

If you want more information on FM billing, please let me know or ask Julie Larmore, my Assistant Director in charge of financial and business services. If there is some topic or project you would like to see addressed in these notes, please let me know. If you are interested in receiving these notes personally rather than through Western Today, please email me (john.furman@wwu.edu) and I’ll place you on the distribution list.

Any time you see something that needs to be fixed, please don’t hesitate to call our Customer Service Desk at extension 3420. Calling someone else usually introduces an unnecessary delay as the report will inevitably be redirected to the Desk.

You can also text us at [fixit@wwu.edu](text:fixit@wwu.edu)!