

**5 – Star Consortium
Human Resources Report to the Presidents
December 16, 2010**

Summary:

The chief human resources officers met to identify, discuss, and prioritize strategies that have a strong potential to substantially reduce costs and provide greater benefits to our college constituents. Initial brainstorming identified more than 20 areas where the colleges could collaborate together and that will lead to savings and/or increased efficiency.

Of the top options listed below, priority was placed on ideas that might be more quickly implemented and result in savings sooner.

TOP OPTIONS			
Priority	Option	Description	Estimated Savings
1	Background Checks	<ul style="list-style-type: none"> • Consortium purchasing to reduce initial costs. • Shared background checks data to reduce duplication across campuses. 	Initial data shows that 220 employees work at more than one of the 5-Star colleges. Elimination of duplication would have saved about \$5000 for the existing employee base.
2	Recruiting, Diversity, Outreach, Advertising	<ul style="list-style-type: none"> • Joint/shared advertising; e.g., Chronicle of Higher Education, more emphasis with diversity publications, etc. • Shared job fair expenses and staffing. • Potential for shared applicant pools, especially PTF. 	\$1-2,000 per college per display ad in a national publication. \$500 per college per job fair booth.
3	Personnel Investigations	Consortium members commit to conducting personnel investigations when outside perspective is needed. While infrequent, recent outside investigations have cost between \$12,000 and \$20,000.	Mid-size investigation \$5-10,000/ea. Major investigations would still likely be done by outside investigators due to time required.
4	Training	<ul style="list-style-type: none"> • Plan, develop, and offer training activities across campuses. • Develop annual shared training calendar. DOP offered training is overly expensive. 	TBD

5	Mandatory Direct Deposit or Debit Card	<ul style="list-style-type: none"> • <i>Requires legislative and OFM changes.</i> • Savings in paper and printing hard copy checks/envelopes, postage, staff time (stuffing checks, tracking lost checks, etc.). • Potential savings may decrease employee satisfaction. 	TBD
Other	Shared Expertise	Classification review, reasonable accommodation, etc.	TBD

Implementation Strategy for Priority 1 – Background Checks

We estimate that 220 individuals are employed at more than one of the 5-Star colleges. Each college pays for its own background check. The consortium colleges will explore the financial, service, and process implications of implementing consortium purchasing and shared management of applicant/employee background checking. Initially we anticipate savings due to a lower consortium rate per background check. Over an extended period of time we expect to realize significant savings due to reduced background checks on applicants/employees who apply or work at multiple consortium colleges eliminating duplication. The Seattle District with discount pricing for volume currently pays \$8-\$24 per individual check with a national reach.

Work Plan

Winter-Spring 2011	Obtain background check provider quotes/bids via the WEBS RFP process. Select provider.
	Rewrite applicant/employee release language and obtain legal approval.
	Identify consortium fiscal agent if necessary.
	Develop and sign interagency agreement.
	Determine statewide CTC interest (beyond 5-Star Consortium).
July 1, 2011	Implement consortium background check

Anticipated Background Check Cost Savings and Benefits to Colleges

	Cost Savings	Time Savings	Other Efficiencies
Cascadia	Save on not duplicating background checks. Currently use Washington State Patrol (WSP) at \$10/ea. for all employees, student employees and volunteers.	None on criminal check. Staff time savings on education, credit, employment, and other checks if used.	National background check. Better quality confirmation of education, credit, and employment if desired.

	08/09 total spent \$2,150 09/10 total spent \$2,030 10/11 total to date \$ 830		
Edmonds	\$31.75 per new hire. Approx. \$1,000 per year	None expected. Other savings in staff time proportionate to hiring frequency.	Limited to statutorily required background checks. If departments want more than what is provided through Talentwise (formerly Intellius) the requesting department pays for it.
Everett	09/10, \$860; 10/11 to date \$825; we aren't doing as many as we would if it was cheaper \$15-\$28 per individual check	None on criminal check. Staff time savings on education, employment, credit, and other checks if used.	Uniform procedures, consistency among participating colleges, no repetition of effort across campuses; more thorough checks
Lake Washington	Use WSP at \$10/ea. and national service at \$70/ea. plus tax for background check, education, and recent employment confirmations. About \$750/year. We don't do as many as we would if it were cheaper.	None on criminal check. Staff time savings on education, employment, credit, and other checks if used.	National background check. Better quality confirmation of education, credit, and employment if desired.
Shoreline	\$444 for FY08-09. \$294 for FY09-10. \$253 for FY10-11 to date. \$26-\$45 per individual check	None on criminal check. Staff time savings.	Consistency among all employee groups.
Est. Savings	TBD based on RFP. Using the Seattle District as a benchmark we would expect pricing between \$8 and \$24 per check	Time savings, eliminating duplication.	National background check; option for confirmation of education/degree attainment, employment history, credit history, etc.

Conclusions:

The major areas of savings will come from consortium pricing in the following areas:

- Reduced price per national background check. Local/state background checks could still be run through WSP at \$10/ea.
- Time and cost savings from eliminating duplicated background checks on applicants/employees working at multiple consortium colleges.
- Significant time saving and quality improvements from having credit checks done for appropriate positions by third party experts.
- Increased and improved criminal history check for colleges moving from local to national background check.
- Optional education degree attainment, employment history, credit scores, and license verification for additional cost will save staff time.

While the chief human resources officers recommend that we move ahead on background checking, we plan to continue meeting to identify more specific efficiencies on the other priorities.

NOTE: Human Resources/Payroll Offices typically have a small number of staff responsible for serving large numbers of college student, faculty, staff, and administrative employees. Due to the varied employment and working conditions at each college, especially as they relate to employees employed and paid under different bargained agreements and individual contracts, we are not recommending consolidating human resources or benefits personnel or functions. This recommendation may change in the event there is legislation providing for statewide faculty/staff collective bargaining, upgraded ERP capabilities, etc.

Consortium Chief Human Resources Officers:

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