

**Governing Iowa's public
universities and special schools**

University of Iowa
Iowa State University
University of Northern Iowa
Iowa School for the Deaf
Iowa Braille and Sight Saving School
Lakeside Lab Regents Resource Center
Quad-Cities Graduate Center
Southwest Iowa Regents Resource Center
Tri-State Graduate Center



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April 1, 2011

Michael E. Marshall
Secretary of the Senate
State Capitol Building
Des Moines IA 50319

Charles Smithson
Chief Clerk of the House
State Capitol Building
Des Moines IA 50319

Re: Annual Report on Span of Control

Dear Members of the Iowa General Assembly:

Pursuant to Iowa Code §262.9c and Board of Regents Policy 4.20, enclosed is the Annual Report on Span of Control from the Board of Regents.

If there are any questions concerning this report, please do not hesitate to contact us.

Sincerely,

Robert Donley

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Enclosure

cc: Dwayne Ferguson, LSA
Legislative Liaisons
Legislative Log

Contact: Marcia Brunson

ANNUAL REPORT ON SPAN OF CONTROL

Actions Requested: (1) Receive the annual report on span of control; (2) approve submission of the report to the Governor and Iowa General Assembly in accordance with Iowa Code §262.9C and Board Policy 4.20; and (3) approve the exclusion of departments with 28 or fewer FTE from the span of control calculations.

Executive Summary:

SF 2088 (the state reorganization bill) passed in the 2010 session of the General Assembly amended Chapter 262 of the Iowa Code to include a provision regarding span of control. The amendment, effective March 20, 2010, requires that the Board develop and maintain a policy setting a target aggregate ratio of employees who perform supervision to all other employees at one to fifteen.

As required by the legislation, an interim report (see Attachment A) was submitted to the Governor and the General Assembly on April 1, 2010. Annual update reports are to detail the effects of the policy on the composition of the workforce, cost savings, efficiencies and outcomes will also be reported. This is the first of the annual updates, providing a baseline for future comparisons. The complete text of Iowa Code §262.9C and the Board of Regents Policy 4.20 developed in accordance with the statute are shown in Attachment B.

As per the Board policy, the calculations to determine span of control ratios are based upon the October 1 payrolls at the five institutions. Applying the criteria set forth in the statute, employees involved with direct patient care, faculty, and employees in other areas of the institutions that must maintain different span of control ratios due to federal or state regulations were not used in the calculation of the ratios. The resulting analysis represents a comparison of the merit exempt and professional staff at each institution that have administrative supervision as any portion of their overall job responsibilities, to all other types of employees without such responsibilities.

Also per the statute and Board policy, the Board is asked to approve the exclusion of departments with 28 or fewer FTEs from the calculation of span of control ratios and the one to fifteen target. For consistency with other reports, the institutions have used the definition of "departments" as those entities identified in the institutional budgets. The University of Iowa requests exclusion of 326 departments; Iowa State University, 228 departments; and University of Northern Iowa, 106 departments. These departments are listed in Attachment C, D and E.

After applying the statutory criteria excluding faculty, direct patient care employees and departments with 28 or fewer FTE, no departments at the special schools met the criteria for calculating span of control.

Using October 1 payroll data and applying the statutory criteria, with the exclusion of departments with 28 or fewer FTE, the aggregate ratios of the employee population with any responsibility for supervision to the employee population that does not supervise are as follows:

University of Iowa	1/11.66
Iowa State University	1/19.42
University of Northern Iowa	1/14.78

Discussion:

The Universities worked to be consistent in their calculations with respect to the various employee categories on each campus, however, some differences in methodology still exist. The University of Iowa and University of Northern Iowa were able to identify supervisors by person, while Iowa State University relied upon job classification titles to identify those with supervisory responsibility.

In this initial report, the University of Iowa applied the exclusion of employees "involved in direct patient care", to be specific only to the first line staff providing direct care to patients. Therefore, the University of Iowa calculations include a significant number of highly complex functions within UI Healthcare that would not exist at the other institutions. These would include both administrative functions and technical specialties to support and manage the care provided in the tertiary healthcare center. The University of Iowa calculations would also include staff interacting with patients involved in clinical research as human subjects.

Historically, each of the institutions has looked to other measures and methods of comparison to determine the staffing efficiencies of the institutions. For example, the Integrated Postsecondary Education Data System (IPEDS) data, reported on a biennial basis, provides a comparison of the University of Iowa to its Big Ten peer group. Looking at executive/administrative headcount staff ratios, the University of Iowa is consistently the leanest organization among its peers in this regard. In the most current report, the University reported a 2.02% ratio, in contrast to a median of 4.41%. ISU is second to the lowest in its peer group with a ratio of 1.6%.

The Board of Regents and the leadership of the institutions will continue to seek the most efficient and effective staffing mix to achieve and maintain excellence in fulfillment of their three-fold mission of teaching, research and service. Particularly in times of great financial constraint, the Board and Universities must direct resources to the areas of greatest need and maximize efficiencies. The increasing use of technology, along with the emphasis in student support and research, will likely result in future changes in the workforce at each of the Universities.