MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT
SPECIAL GOVERNING BOARD MEETING
DECEMBER 9, 2009

MINUTES

A Special Board Meeting of the Maricopa County Community College District Governing Board was scheduled to be held at 5:00 p.m. at the Rio Conference Center, 2323 West 14th Street, Tempe, Arizona, pursuant to A.R.S. §38-431.02, notice having been duly given.

PRESENТ

GOVERNING BOARD
Colleen Clark, President
Randolph Lumm, Secretary
Debra Pearson, Member
Don Campbell, Member
Jerry Walker, Member

ADMINISTRATION
Rufus Glasper
Maria Harper-Marinick
Debra Thompson
Darrel Huish
Steve Helfgot
Al Crusoe
Anna Solley
Lee Combs
Ken Atwater
Ernie Lara
Linda Thor
Linda Lujan
Jan Gehler
Shouan Pan
Velvie Green
Gene Giovannini

CALL TO ORDER
The special board meeting was called to order at 5:05 p.m.

WELCOME AND OVERVIEW
The special board meeting was called to order by Board President Colleen Clark. President Clark welcomed everyone present, stating that four months had passed since the efficiency review had been started and this evening representatives from Alvarez and Marsal would report on their review pertaining to areas they felt needed improvement. Following the report, questions would be allowed of Dr. Glasper. Ms. Clark asked the audience to look introspectively as the organization looked towards stewarding dollars from students and the state, especially in light of the current economic. President Clark stated that this was a time to take a fresh look at how we do things as stewards of the public.
Mr. George thanked everyone for attending and stated that over three months ago they promised a blueprint and tonight they would present a 100 page document on the redesign of MCCCD. This document would also be available on-line as of December 10, 2009. There would be 80 descriptive (not prescriptive) recommendations as part of this blueprint both in regard to structure and foundation. Prior to proceeding with his presentation, Mr. Sajan wanted to call attention to the “elephant in the room” regarding press articles that made statements that A&M wanted to secure an implementation contract with the District, at a cost of several million dollars. Mr. George denied that A&M was seeking an implementation contract and said the firm has no opinion on how Maricopa should proceed with implementation, either by creating an RFP for an outside firm to do the work or by performing the implementation within the district. He criticized the newspaper, saying that if he had been asked, he would have told the reporter that no such plan existed.

INTRODUCTION & PHASE I RECAP: Alvarez & Marsal (A&M) Project Overview

Phase I

Capture the “voice of the student”
▲ Map out current state of student recruitment, retention and achievement.
▲ Document major supporting functions and activities.
▲ Engage student focus groups to review and obtain feedback.

Objectives:
▲ Present a potential new vision and framework for redesigning MCCCD around these core processes from the perspective of students and how to serve them more efficiently and effectively.
▲ Obtain feedback and consensus.
▲ Adjust, recalibrate and commit to framework for Phase II work.

Phase II

Commence review of key administrative support functions in each College
▲ Engage providers and recipients of administrative, financial and operational functions.
▲ Identify functions that should more closely align to the emerging vision of a student-centered MCCCD.
▲ Review best practices at selected College systems facing similar challenges.
▲ Arrange for faculty forum(s) to discuss Phase II efficiency improvement areas.

Complete re-designed blueprint of 21st Century Maricopa
▲ Complete student focus groups to gain feedback on near final drafts of revised MCCCD.
▲ Calibrate revised student-centric processes with revised administrative, financial and operational processes.
▲ Estimate high-level costs and level of effort for implementing new blueprint
MINUTES
DECEMBER 9, 2009 SPECIAL BOARD MEETING

Objectives:
▲ Review Phase II findings with stakeholders and obtain feedback on revised administrative, financial and operational functions.
▲ Present recommendations to the Board for approval.
▲ Present final report to the Board.
▲ Present findings to the community as the Board directs.

INTRODUCTION & PHASE 1 RECAP:
Voice of the Student – Ideal State
• Recruitment
• Retention Achievement
• Maricopa College
• Recruitment Retention Achievement

INTRODUCTION & PHASE 1 RECAP: Current State
82% of the students aim to be completers* but only 11%** reach their goal within three years. This puts MCCCD in the 12th percentile nationally **

*Completers are defined as learners who transfer and/or attain a degree or certificate.
**NCCBP 2008 Report

INTRODUCTION & PHASE 1 RECAP: Voice of the Student Survey
▲ (A) 83% of the students are mostly satisfied with their experience …
▲ … and (B) the majority place importance on convenience (proximity to where they live) and cost
▲ … but (C) there are other important aspects that are not being met;

Financial Aid & Advising are highly valued by the students but are not meeting their expectations.
_ Top five most important aspects of College experience: Financial Aid, Academic Advising, Faculty, Admission/Registration/Records and Curriculum
_ Two most dissatisfied aspects of College experience: 57% did not have a positive experience with Financial Aid and 48% of students did not have a positive experience with Academic Advising

Student Satisfaction
2% Very dissatisfied
5% Dissatisfied
10% Neutral
51% Satisfied
32% Very satisfied

Student Satisfaction - % of Survey Participants
64% Majority of students less than 10 miles from their College
40% Less than six miles from college
5% 11-15 miles from college
7% 16-20 miles from college
Importance vs. Satisfaction
Financial Aid: 58% vs 42%
Academic Advising: 57% vs 52%
Faculty: 44% vs. 78%
Admissions: 44% vs. 64%
Curriculum: 44% vs. 78%

INTRODUCTION & PHASE 1 RECAP: Vision & Focus
1. Proactively recruit and retain learners who become completers through recruitment.
2. Mandate the replication of observed best practices across the colleges through retention.
3. Drive accountability for best practice implementation with the use of data through achievement.

INTRODUCTION & PHASE 1: Criteria for Best Practices
A&M identified “Best Practices” as those practices that demonstrated the five characteristics below:

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observable</td>
<td>▲ Defined by events and procedures that positively affect student satisfaction.</td>
</tr>
<tr>
<td>Demonstrable</td>
<td>▲ Identified practices that follow specific paths and procedures.</td>
</tr>
<tr>
<td>Student-Focused</td>
<td>▲ Practice is designed to directly affect a student's academic life.</td>
</tr>
<tr>
<td>Outcome-Driven</td>
<td>▲ Focus towards specific goals and targets for potential and current students.</td>
</tr>
<tr>
<td>Replicable</td>
<td>▲ Practices that can be standardized and integrated across the College systems with the same consistent, desired outcome.</td>
</tr>
</tbody>
</table>

INTRODUCTION & PHASE I RECAP: Recruitment Strategies
1. Centralized Marketing & Outreach Activities
Maximize MCCCD’s ability to drive new student enrollees and opportunities for existing students through centralized responsibility and accountability for managing and developing relationships with community stakeholder groups, such as social service agencies, potential Workforce Development candidate companies, local employers and four year educational institutions. Eliminate duplication of efforts by the individual Colleges through overlapping outreach efforts to these key community stakeholders.

2. Localized Marketing & Outreach Activities
Execute recruitment strategies at the individual College level that are clearly designed to be high-touch, targeted to local demographic needs and eliminate barriers to on-the-spot enrollment.
3. Long-Term Planning
Ensure that Colleges have a proactive recruitment plan that is regularly reviewed, reflecting both College and District priorities and current best practices.

4. Centralized Dual Enrollment
Maximize dual enrollment numbers and partnerships with feeder schools by transitioning MCCCD’s approach to high school relationships from an individual College basis to a District basis. Eliminate the current duplication of efforts through clear delineation of responsibilities and accountability.

5. One Door
Design a single, District-wide interface that facilitates student enrollment, financial aid and scholarship application and course registration at any MCCCD College. Create a comprehensive student record containing information of all interactions with all Colleges’ staff for the life of the student at MCCCD.

6. One Stop
Locate all student services in one physical location and deliver high touch, seamless service through cross trained staff and well-defined processes and protocols for triaging students. Where physical co-location is not possible, set up a temporary One Stop solution at the beginning of each semester, using the gym, cafeteria or other appropriate facility

7. Placement Testing & Degree Pathway Planning
Mandate placement testing and subsequent placement in appropriate Math, Reading and English courses for all first-time, degree, certificate and transfer-seeking students.

8. Mandatory Orientation
Mandate orientation for all first time, degree, certificate and transfer-seeking students to discuss availability of student life, College resources, mandatory advising program and experiential learning opportunities.

INTRODUCTION & PHASE I RECAP: RETENTION & ACHIEVEMENT STRATEGIES

Retention
9. Mandatory Advising & Goal Setting
Require an initial, comprehensive degree pathway advising session for all degree, certificate and transfer-seeking students to ensure students have an academic plan. Mandate annual advising sessions prior to each fall semester to track progress against their academic plans, complemented by integrated systems and processes that further drive completion.

10. Progress Tracking
Implement mandatory use of a standardized, SIS-integrated Early Alert Response System and learning management system. Drive systems through inputs from instructors, counselors, faculty, advisors, and tutors to proactively target at risk students to prevent failure, withdrawal or drop-out.
11. Tutoring, Mentoring & Additional Support
Deliver a systematic approach for identifying, targeting and proactively providing at risk students in courses with high withdrawal rates, additional resources such as supplemental instruction, skills training, tutoring and mentoring.

12. Coordinated Career Services
Maximize MCCCD’s ability to drive student employment and career opportunities through clear responsibility and accountability. Manage and develop relationships with local employers and business groups, through centralized activities, such as District-wide career fairs, and a standardized, comprehensive set of career planning tools.

13. Enhanced Transfer & Transcript Services
Improve District and College transfer student support services, complemented by automated degree audit and single transcript delivery.

14. Continuous Improvement & Long-Term Planning Achievement
Measure success of MCCCD’s ability to meet the needs of the local business community and four-year transfer institutions by tracking students’ employment, earnings and / or academic success at four-year institutions.

INTRODUCTION & PHASE I RECAP: Retention Example: Tutoring, Mentoring & Additional Support

RECOMMENDATION
• Align focus of tutoring services to provide quality, high-touch assistance to students in top ‘at risk’ courses.
  – Specific initiatives should include formally organized and directed study sessions and tutoring services geared toward succeeding in these specific courses.
  – Student populations that are considered ‘at risk’ should also be identified and specifically targeted for supplemental instruction.
• Implement a consistent tracking software solution across all MCCCD Colleges that;
  – Records students’ usage of all tutoring, mentoring and other academic support services.
  – Builds an ongoing history through a students academic career and integrate seamlessly with the SIS student record management solution as fully described under Recruitment #5, One Door.
• Implement a mandatory, formal tutor training program, including faculty developed / lead tutor training and tutoring program certification (e.g. CRLA, NCLCA, ATP), to ensure tutors have appropriate breadth and depth of subject matter knowledge.
• Develop mentoring programs with existing learners to help retain incoming students that students can opt into beginning during orientation.

BENEFITS
• Target students with high risk of drop out, withdrawal or failure with high touch, tailored, specific support, driving increases in successful course completion, persistence, retention and graduation rates.
• Increase retention and persistence through connecting students with other students to help them through their academic experience.
• Increase successful course completion, retention and persistence by providing students with qualified and well-trained tutors.
• More impactful use of limited resources by aligning availability of learning enhancement services with the courses and student populations who stand to benefit the most.

KEY STAKEHOLDERS
• Tutoring
• Student Mentors
• Faculty
• Information Technology

INTRODUCTION & PHASE 1 RECAP:
Retention Example: Tutoring, Mentoring & Additional Support

ACTION PLAN
‘At Risk’ Courses
• Proactively identify top ‘at risk’ courses at each College using data from IR department, such as historical withdrawal and successful completion rates.
• Assess current support services for these courses.
• Establish an ‘at risk courses’ committee to review curriculum, faculty, pedagogy, placement, student preparedness and other components associated with ‘at risk’ courses and recommend appropriate changes to reduce drop out rates in these courses, which may include supplemental instruction solutions, study sessions, and / or skills training.
• Design an implementation plan to deploy committee recommendations.
• Implement suggested program and course support services.
• Communicate list of ‘at-risk’ courses and recommended changes to student services functions to better serve students in these courses and to help educate students of additional available support.
• Monitor student-progress in ‘at risk’ courses, while incorporating continuous improvement based on real-time monitoring and feedback from students, faculty and tutors.

At Risk’ Student Populations
• Proactively identify top ‘at risk’ student populations using student characteristic analysis with data from Institutional Research.
• Integrate data with results of ‘at risk’ class analysis to highlight specific students that will benefit from high touch, targeted, tailored assistance.
• Populate results of student analysis into the Early Alert Response System (EARS) to aid in early alert (See details of EARS under Retention #10, Progress Tracking).
• Establish an ‘at risk student’ committee to review mitigation strategies to help these students and recommend appropriate programs and support to reduce drop out risk.
• Implement suggested changes.
• Monitor ‘at risk’ student progress, while incorporating continuous improvement based on real-time monitoring and feedback from students, faculty and committee.

RISKS
‘At Risk’ Courses
RISK – ‘At risk’ courses change over time.
MITIGATION – Review data prior to the beginning of each semester and make appropriate adjustments to tutoring support services, staffing levels and schedules based on enrollment in specific courses identified as ‘at risk’ for that semester.
INTRODUCTION & PHASE 1 RECAP:
Retention Example: Tutoring, Mentoring & Additional Support

ACTION PLAN
Tutor Tracking Software
• Action Plan explained in detail under Recruitment #5, One Door.

Tutor Development
• Identify available training / certification programs and requirements, such as eligibility, cost, timing, etc. to certify the tutoring program at the College.
• Perform gap analysis to determine what is needed to meet the requirements to become certified as a program.
• Develop an implementation plan, including budget, timing, people and training to pursue tutor program certification and the necessary individual certifications. Include time with faculty to gain relevant curriculum and course-specific knowledge to deliver specialized services.
• Execute against implementation plan.
• Schedule supplemental tutoring support services according to analysis of ‘at risk’ courses, ‘at risk’ student populations and corresponding committee recommendations.
• Promote Tutoring / Supplemental Instruction awareness via campus communications, incorporating in student orientations, course syllabi, LEC pamphlets and through all student services.
• Continue to certify new tutors as they are hired into the tutoring center and refresh or upgrade existing tutors’ certifications.

Mentoring
• Identify students who are willing / able to serve as mentors. They may be identified by faculty as ‘A’ students in current classes and could serve as mentors in ongoing or subsequent semesters.
• Determine what, if any, incentives should be made available to student mentors.
• Define process of how mentors are requested and assigned, session timings, length of sessions, Mentor/Student ratios, etc.
• Develop appropriate processes and systems to facilitate and track mentoring.
• Pilot mentoring program, review and enhance over time.

RISKS

Tutor Tracking Software
RISK – General system / technology feasibility, resource, implementation and adoption / compliance risks, further exacerbated by previous experience of MCCCD’s SIS implementation.

MITIGATION - Must capture detailed requirements during specification stage and deploy a solution that has little to no room for judgment or customization so that it will be used
consistently. Also, place great emphasis on change management and training, as well as ensuring system is reliable and accurate before rolling out across MCCCD.

RISK – Lack of qualified tutors.

MITIGATION – Hold supplemental instruction sessions where possible, since they can be in a group setting. Train students on study skills so that they can study effectively on their own.

**Mentoring**
RISK – Lack of mentors at community College level.
MITIGATION – Develop an incentive plan using student feedback to create the program. Incentives can be nonmonetary, such as early registration for next semester’s classes, or some similar remuneration.

**INTRODUCTION & PHASE 1 RECAP:**
**Driving Best Practice Implementation – Recruitment**

▲ 93% of all MCCCD students take classes exclusively at one College location that is within a six to nine mile radius of their residence.
▲ Each Colleges recruitment strategy should focus on;
_ The local population within their six to nine mile radius.
_ Attracting a student population that is demographically representative (age and ethnicity) of its local population using census data.
_ Tracking recruitment performance and the demographic characteristics of their student body against the local market.
_ Opportunities to increase market penetration of underrepresented groups to ensure that the College best reflects the local community and its needs.

**INTRODUCTION & PHASE 1 RECAP:**
**Driving Best Practice Implementation – Retention**

<table>
<thead>
<tr>
<th>Metric</th>
<th>MCCD</th>
<th>NCCBP Percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Course Withdrawal Rate (Dropout) 2008</td>
<td>19.0%</td>
<td>11.5% 8.8% 6.8%</td>
</tr>
<tr>
<td>Course Retention Rate (Completion) 2008</td>
<td>81.0%</td>
<td>88.8% 91.4% 92.9%</td>
</tr>
<tr>
<td>Fall to Spring Persistence Rate (Semester) 2008</td>
<td>61.0%</td>
<td>68.7% 71.5% 74.6%</td>
</tr>
<tr>
<td>Fall to Fall Persistence Rate (Year) 2008</td>
<td>45.0%</td>
<td>46.8% 50.7% 53.9%</td>
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</tbody>
</table>

▲ Icons - RED (Underperforming the NCCBP median).
▲ Data from National Community College Benchmarking Project Reports, 2008 includes 188 community Colleges; 2007 includes 178 community Colleges.
▲ NCCBP calculation formulas are not as applicable to their model Reporting Year - 2008 (Fall '06 - Spring '07); 2007 (Fall '05 - Spring '06).
▲ Withdrawal Rate (Dropout Rate) - number of Withdrawal (W) grades given at the end of the semester divided by the total number of grades (A,B,C,P,D,F,W) given at the end of the semester.
Retention Rate (Completion) - number of (A,B,C,P,D,F) grades given at the end of the semester divided by the total number of grades given at the end of the semester.

Fall to Spring Persistence Rate (Semester) - Continuing students in the Spring semester divided by the total number of Fall students, less graduating fall students.

Fall to Fall Persistence Rate - Continuing students in the recent Fall semester divided by the total number of previous Fall students, less graduating students.

**INTRODUCTION & PHASE 1 RECAP:**
Driving Best Practice Implementation – Achievement

<table>
<thead>
<tr>
<th>NCCBP Percentile</th>
<th>Percent completed in three years (Full time) 2008</th>
<th>16.9%</th>
<th>17.4%</th>
<th>25.7%</th>
<th>33.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent completed in three years (Part time) 2008</td>
<td>5.2%</td>
<td>5.1%</td>
<td>10.5%</td>
<td>15.0%</td>
</tr>
<tr>
<td></td>
<td>Percent transferred in three years (Full time) 2008</td>
<td>5.6%</td>
<td>18.2%</td>
<td>23.8%</td>
<td>30.3%</td>
</tr>
<tr>
<td></td>
<td>Percent transferred in three years (Part time) 2008</td>
<td>2.4%</td>
<td>11.8%</td>
<td>17.7%</td>
<td>26.0%</td>
</tr>
<tr>
<td></td>
<td>Percent of transfers graduating from four yr institution (in three years) 2008</td>
<td></td>
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<tr>
<td></td>
<td>Percent of MCCCD graduates in FT employment within 12 months of graduation (excluding Transfer students) 2008</td>
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</tr>
<tr>
<td></td>
<td>Percent of transfer graduates in FT employment within 12 months of graduating four yr institution 2008</td>
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<tr>
<td></td>
<td>Average salary of MCCCD graduate after three years &amp; % salary increase 2008</td>
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</tbody>
</table>

**Icons** - Green (Outperforming 75th percentile), Yellow (Outperforming 50th percentile), Red (Underperforming 50th percentile)

**Data from National Community College Benchmarking Project Reports.**

**NCCBP 2008 Report includes 188 community Colleges.**

**Completed students are identified by those who received degrees or certificates, including those also transferring.**

**Transferred students are identified by those who transferred, but did not receive degrees or certificates.**

**Reporting Year - 2008 (Enrollment Fall 2004)**

**BUDGET ANALYSIS: 2009-10 Budget Breakdown**

**Included in Analysis**

**Current Funds:**
General Operating Fund (110) $ 634,915,087

**Auxiliary Funds:**
Student Activities & Athletics (210) $ 3,615,917
Fund 230 (Partial) $ 29,958,197
Course Fees (250) $ 15,011,536
Total $ 683,500,737

**Not Included in Analysis**

**Auxiliary Funds:**
Student Activities & Athletics (210) $ 9,170,565
Other Auxiliary Programs (230) $ 57,768,573
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Food Service (270) $866,135
Non Credit Programs (280) $18,591,530,536

**Restricted Funds:**
State Government Awards (320) $18,958,435
Other Restricted (370) $170,915,978

**Plant Funds:**
State Aid: Unexpended Plant (710) $70,197,380
G.O. Bond: Unexpended Plant (730) $325,922,658
Revenue Bonds: Unexpended Plant (740) $26,400,000

**Debt Service:**
$1,482,627,592 (All Funds)
Debt Service: G.O. Bonds (810) $93,713,494
Debt Service: Revenue Bonds (820) $6,622,107
Total $799,126,855

BUDGET ANALYSIS: Functional View – General Operating Fund

▲ Functional Classification of Budgeted Expenditures:

**Budget View for Fund 110 by Functional Classification for FY2009-10**

**Function/Total**
- Instruction $275,848,636
- Public Service $1,355,186
- Academic Support $67,026,634
- Student Services $56,516,551
- Administration $63,956,351
- Operation & Maintenance $41,518,394
- General Institutional $65,648,622
- Scholarships $16,890,637
- Contingency $46,154,076
Total $634,915,087

BUDGET ANALYSIS: Function View Can Answer the Question . . .

▲ How do we know what we spend on Instruction at each College?

<table>
<thead>
<tr>
<th>College</th>
<th>Function</th>
<th>Charge Center Code</th>
<th>Charge Center Desc</th>
<th>Budget A&amp;M Roll-Up</th>
</tr>
</thead>
<tbody>
<tr>
<td>CGCC</td>
<td>Instruction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estrella</td>
<td>$18,347,917</td>
<td>$11,801,447</td>
<td>$41,256,793</td>
<td>$50,796,335</td>
</tr>
<tr>
<td>Glendale</td>
<td></td>
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<tr>
<td>Mesa</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scottsdale</td>
<td>General Institutional</td>
<td>161810</td>
<td>Enrollment Mgmt</td>
<td>$428,083 Enrollment Svcs</td>
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<tr>
<td>Rio</td>
<td>Student Services</td>
<td>141870</td>
<td>Enrollment Svcs</td>
<td>$361,879 Enrollment Svcs</td>
</tr>
<tr>
<td>South Mountain</td>
<td>Student Services</td>
<td>141870</td>
<td>Enrollment Svcs</td>
<td>$261,542 Enrollment Svcs</td>
</tr>
</tbody>
</table>

BUDGET ANALYSIS: … But Can’t Provide a Management Level View
▲ The Functional View does not always illustrate identical budget items across the ten Colleges
BUDGET ANALYSIS: … But Can’t Provide a Management Level View
▲ How do we know how much we spend on English Instruction at each College?

Charge Center                              Chandler Gilbert Estrella Glendale Mesa
111440 English/Journalism/Reading           $3,114,922
111480 English                             $1,407,387
111450 English & Journalism                $4,585,965
111470 English & Journalism                $768,820

BUDGET ANALYSIS: Object Code View – General Operating Fund
▲ The only other view available is the object code view which . . .

Example for Glendale College:
Charge Center: X 111440 English/Journalism/Reading
Object:: Residential                      2,314,561
Support, Classified                       68,073
Part-Time Wages                          1,000
Student Wages                            6,242
FICA                                      147,785
State Retirement                         223,968
Medicare Benefits                        34,563
Life Insurance 5K                        1,428
Disability Insurance-Long Term           3,574
Workmen’s Compensation                   4,541
Flex Benefits                            278,052
Copy Services                            9,400
Registration                             500
$ 3,114,922

BUDGET ANALYSIS: Functional View
▲ does not answer the question

BUDGET ANALYSIS: A&M Budget Roll-Up Creates a Management View
▲ College and District Roll-Up: A&M rolled up the charge center views into groups and subgroups to better analyze across the Colleges.

Please refer to paper copy of final report for breakdowns.

2 - BUDGET ANALYSIS: Other District Budget Issues
▲ College budgets do not reflect the true proposed cost of providing programs because
costs like medical/health insurance, FICA, building maintenance, professional development, etc. are being budgeted centrally. Such budget expenses should be forecasted and included in the various College and District Office budgets.

▲ Beginning fund balances are budgeted centrally versus within the College’s proposed/approved budgets. Fund balances should be part of the original budgets to account for how the one-time resources are proposed to be spent.

▲ New enrollment growth funds should be budgeted within the Colleges budgets. If enrollment estimates are not achieved then the Colleges would be required to offset the funds within their own budgets.

▲ Need for a revised MCCCD Budget Process that:
   _ Aligns available resources to priorities based on the institutional mission, goals, and vision of the system.
   _ Assigns accountability to campus decision makers.
   _ Fosters open and transparent communication within and across the system.

3 Procurement: Ideal State
The role of Procurement is to leverage and enforce the buying power of One Maricopa on key commodities and services while still maintaining the requisite level of purchasing flexibility for the ten Colleges to enable them to fulfill their mission to best serve students.

Role of District Procurement:
▲ Define district procurement strategy, policies and procedures
▲ Serve as resource, advisor & coach on purchasing for College requisitioners and fiscal agents
▲ Define performance measures
▲ Leverage spend across the District
▲ Manage supplier relationships and contracts
▲ Gather data and disseminate information
▲ Determine opportunities to improve processes
▲ Identify enabling technologies
▲ Manage catalog content

Role of College Procurement:
▲ Execute procurement strategy and follow policies and procedures
▲ Leverage spend within College
▲ Provide feedback and guidance for overall procurement strategy
▲ Submit and approve requisitions
▲ Support supplier relationships
▲ Help ensure compliance
▲ Execute procurement transactions
▲ Improve upon College-specific processes where appropriate

Linkages
▲ Governance Structure
▲ Policies and Procedures
▲ Service Level Agreement
▲ Performance Tracking
▲ Purchasing System
Impact on Student Success and Student Satisfaction: Maximize the effective use of funds so that more resources may be allocated to initiatives that directly drive student success and satisfaction.

3 – PROCUREMENT: Ideal State

Find the Money- Spend Analysis
• Clearly defined spend categories
• Aggregated spend by item, vendor and relationship
• Consumption patterns by College

Get the Money
Sourcing & Negotiation
• Category specific strategies
• Common tools, templates, and approaches
• Negotiation tactics and approach
• Total cost of ownership focus

Purchasing Process
• Consistent process from requisition to payment
• High degree of automation with clear approval levels
• Very efficient and effective

Keep the Money
Technology
Supplier Optimization
• Clear delineation of which suppliers are critical and why
• Resources aligned with key vendors
• Programs with top vendors across the District
• Annual improvement targets

Contract Management
• Clear and consistent approach to contracting
• Proactive approach to management (expiration, renewal, renegotiation, escalators or de-escalators, rebate recognition)

Enabler
Technology
• Extensive use of procurement technology for spend analysis, sourcing, negotiations, purchasing process, supplier management, and contract management
• Visibility across the District

3 – PROCUREMENT: Current State Observations

▲ MCCCD’s Central-led Procurement function currently embodies a number of the best practices:
_ Majority of spend (92%) is managed by the District Purchasing Department while the majority of the volume (76%) is managed by the Colleges fiscal agents.
_ Procurement practices are relatively standardized with a District Purchasing Procedures Manual and Employee Purchasing Guide in place and available on-line.
_ Purchasing requirements ensure increasing levels of supplier competition based on Purchase Order dollar amount to help ensure the best price is obtained and the best vendor is selected for more strategic, higher-dollar purchases.
_ The nine District Buyers (including the Director and Purchasing Manager) are organized by commodity type and are well trained/certified (three CPMs and five CPPBs).
A District purchasing card program with American Express is in place.
Standardized Purchasing training is in place for all requisitioners and mandated for all fiscal agents.
District Buyers are generally helpful and work collaboratively with the Colleges throughout the purchasing process.
A centralized purchasing system (CFS) is in place and utilized throughout the District for all procurement transactions.

3 – PROCUREMENT: Current State Observations

▲ However, opportunities for improvement in overall efficiency and effectiveness do exist in a few key areas:

_ College requisitioners have ability to purchase from any supplier or contractor, regardless of whether or not a contract is in place.
_ System data is not available to track spend detail and monitor contract compliance.
_ Formal structures do not exist to share similar commodity needs across the organization.
_ The District purchasing card program is not as widely adopted/utilized as it could be.
_ No formal vendor performance assessment and management process is currently in place.
_ There is no single source for up-to-date contract information for Colleges to reference to ensure they are leveraging negotiated discounts.

3 – PROCUREMENT: Current State Analysis (Contract Consolidation)

In reviewing the FY 2008-2009 spend in several key commodity categories, we learned that 80% of the spend in these categories was off contract. As a result, there appears to be some clear opportunities to do more in-depth spend analysis to generate savings through vendor rationalization and contract consolidation.

<table>
<thead>
<tr>
<th>Commodity Type</th>
<th>Vendors</th>
<th>Contracts</th>
<th>Total Spend</th>
<th>Spend on Contract (1)</th>
<th>Spend off Contract (2)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Print &amp; Mail Service</td>
<td>51</td>
<td>11</td>
<td>$2,870,095</td>
<td>$1,161,857</td>
<td>$1,708,238</td>
<td>59.52%</td>
</tr>
<tr>
<td>Media Advertising</td>
<td>34</td>
<td>0</td>
<td>$2,815,624</td>
<td></td>
<td>$2,815,624</td>
<td>100.00%</td>
</tr>
<tr>
<td>Learning Materials</td>
<td>15</td>
<td>1</td>
<td>$760,234</td>
<td>$47,220</td>
<td>$713,014</td>
<td>93.79%</td>
</tr>
<tr>
<td>Lab Supplies</td>
<td>8</td>
<td>2</td>
<td>$353,264</td>
<td>$162,812</td>
<td>$190,453</td>
<td>53.91%</td>
</tr>
<tr>
<td>Medical Supplies</td>
<td>12</td>
<td>0</td>
<td>$353,241</td>
<td></td>
<td>$353,241</td>
<td>100.00%</td>
</tr>
<tr>
<td>Athletic Supplies</td>
<td>11</td>
<td>2</td>
<td>$202,685</td>
<td>$79,169</td>
<td>$123,516</td>
<td>60.94%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>131</strong></td>
<td><strong>16</strong></td>
<td><strong>$7,355,143</strong></td>
<td><strong>$1,451,057</strong></td>
<td><strong>$5,904,086</strong></td>
<td><strong>80.27%</strong></td>
</tr>
</tbody>
</table>

Key Observations:
The enormity of purchasing options available to the Colleges, coupled with a lack of central authority on purchases, creates a purchasing environment that:

▲ Sub-optimizes purchasing scale across the MCCCD system,
▲ Disincentivizes vendors from providing their best prices due to a lack of exclusivity, and
▲ Creates a lack of purchasing uniformity across the ten Colleges.

(1) All dollars spent with vendors that are part of one or more active MCCCD contracts
(2) All dollars spent with vendors that are NOT part of an active MCCCD contract

3 – PROCUREMENT: Current State Analysis (P-Card Expansion)

MCCCD has a Purchasing Card program through American Express that is designed to authorize employees to make small-dollar purchases of materials and supplies in support of streamlining operations. In reviewing the total Purchasing Card spend for FY 2008-
2009, it is apparent that Purchasing Cards use is sub-optimized across the District.

# of P-Cards: 267  Total Spent:  $5,283,104  # of LPO $ Spent on P-Card: 39%

(1) Phoenix College does not limit their P-card spending to the $2,500 Limited Purchase Order limit

**Procurement Card Program Benefits:**
Enables cardholders, purchasing, and accounts payable staff to perform more efficiently and focus on the value-added aspects of their jobs by:
- Reducing the time needed to purchase and receive supplies.
- Reducing the number of requisitions and purchase orders.
- Reducing petty cash use and reimbursements.
- Reducing the number of checks issued.
- Reducing invoicing problems.
Cash incentive program (approx. 1% based on annual spend and speed of payment)

**3 – PROCUREMENT: Current State Analysis (Contract Consolidation)**
Assuming a very conservative 10% savings (industry averages are between 15% and 20%) through vendor rationalization and contract consolidation in these commodity categories alone, MCCCD could realize an additional savings of $590,000. If the scope were expanded to include all non-IT / Facilities and Maintenance supplies and services, the saving could be as much as $1.7 Million annually.

Grand Total: 327 vendors  78 contracts  Total Spend:  $24,334,245  
Spend on Contract: $7,086,073  Spend off Contract: $17,248,173  % of Spend Off Contract: 70.88%

**NOTE:** Analysis excludes all IT or M&O related supplies and services as these are included in the individual functional assessments and recommendations for each of these areas. Object codes that were included in this analysis are:  
Professional Services, Printing & Binding, Copy Services, General Supplies, Instructional Supplies, Advertising, Facilities & Rentals,Catalog Printing, Schedule Printing and Printers

(1) All dollars spent with vendors that are part of one or more active MCCCD contracts
(2) All dollars spent with vendors that are NOT part of an active MCCCD contract

**3 – PROCUREMENT: Current State Analysis (P-Card Expansion)**
In a study conducted by American Express, it was found that organizations can realize an average cost savings of $50 per transaction when utilizing a purchasing card versus going through the paper purchase order process. By increasing the overall procurement card utilization on $2,500 and under purchases across the District, MCCCD could realize an estimated annual cost savings of $350,000.

- The current Limited Purchase Order (LPO) threshold of $2,500 is low compared to industry standards which are typically between $5,000 and $10,000.
If MCCCD would raise their LPO threshold to $5,000, which is in line with the District’s capitalization policy, three benefits stand to be gained:

- Colleges can procure lower cost, non-strategic items more quickly and easily
- Improve reporting and spending analysis capabilities
- An additional cost savings of $81,000 could be achieved through increased procurement card utilization.

By expanding P-Card utilization AND increasing the LPO threshold to $5,000, MCCCD could realize a total cost savings of $430,000 annually.

### 3 – PROCUREMENT: Strategies & Actions (Contract Consolidation)

- Validate where savings opportunities exist in targeted spend categories, and determine the actual magnitude of those savings.
  - Analyze latest category-level spend detail to determine magnitude of spend, and consider market conditions to assess relative buying power
  - Work with procurement personnel and Colleges to learn more about MCCCD’s unique requirements, category-level contract status and sourcing history in targeted spend categories
  - Utilize the quantitative and qualitative information to develop attainable savings ranges for targeted spend categories

- Determine the best procurement technique for each spend category and customize methods for contract renegotiation/consolidation accordingly.
  - RFI/RFP Sourcing Event
  - Electronic Bidding/Reverse Auctions
  - Other

- Clearly communicate terms and benefits of consolidated group of vendors and negotiated contracts and enforce stricter procurement practices around purchasing on contract.

### 3 – PROCUREMENT: Strategies & Actions (P-Card Expansion)

- Determine the overall savings potential by obtaining quotes on purchases between $2,500 and $5,000 vs. not obtaining quotes and compare to savings from a $50 decrease in cost per transaction.

- Formally determine and communicate impact on College workload by increasing the LPO limit to $5,000.

- Modify policy to reflect change in LPO limit and ensure the change is clearly communicated and the impact understood across the District.

- Meet with Colleges and determine what modifications or enhancements are needed to increase P-Card utilization to 75% at their College and develop and implement strategies to make these enhancements:
  - Tighten internal controls and audit processes
  - Expand list of authorized P-Card vendors

### 3 – PROCUREMENT: Additional Recommendations

- Develop and implement a quarterly or semi-annual spend analysis process to proactively identify and address opportunities for vendor rationalization and contract consolidation.
Develop and maintain a centrally located, up-to-date listing of key vendors and contracts for commodities most frequently purchased by Colleges.

Develop and implement a formal contract management program, possibly to include a contract management system, to monitor and enforce vendor compliance with contract terms and conditions (timely delivery, volume and prompt payment discounts, etc.)

Consider implementing an eProcurement technology solution that will better enable detailed spend analysis and electronic bidding.

3 – PROCUREMENT: Total Cost Savings

By implementing the three recommendations outlined for the Procurement function, MCCCD could realize a total annual savings between $1.02 Million and $2.1 Million.

- Contract Consolidation: $590,000 (A) to $1.7 Million (B)
- Increase P-Card Utilization (keeping current LPO threshold): $350,000 (C)
- Increase P-Card Utilization AND increase LPO threshold to $5,000: $81,000 (D)

RANGE OF POTENTIAL SAVINGS

(A) Contract Consolidation $590,000
(C) Increased P-Card Utilization $350,000
(D) Increased LPO Threshold $81,000

TOTAL = $1,021,000

(B) Contract Consolidation $1,700,000
(C) Increased P-Card Utilization $350,000
(D) Increased LPO Threshold $81,000

TOTAL = $2,100,000
### 3 – PROCUREMENT: Implementation Plan

<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>MONTH</th>
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</thead>
<tbody>
<tr>
<td><strong>VENDOR RATIONALIZATION &amp; CONTRACT CONSOLIDATION</strong></td>
<td></td>
</tr>
<tr>
<td>1. Analyze existing category-level spend detail to determine magnitude of spend across the District.</td>
<td>1-6</td>
</tr>
<tr>
<td>2. Develop a list of 5 to 10 targeted spend categories where vendor rationalization and contract consolidation are both feasible and will have significant cost savings impact.</td>
<td></td>
</tr>
<tr>
<td>3. Work with procurement personnel and Colleges to learn more about MCCCD’s unique requirements, category-level contract status and sourcing history in targeted spend categories.</td>
<td></td>
</tr>
<tr>
<td>4. Utilize the quantitative and qualitative information to develop attainable savings ranges for targeted spend categories.</td>
<td></td>
</tr>
<tr>
<td>5. Determine the best procurement technique for each spend category and customize methods for contract negotiation/consolidation accordingly (RFP, Electronic Bids, etc.).</td>
<td></td>
</tr>
<tr>
<td>6. Clearly communicate terms and benefits of consolidated group of vendors and negotiated contracts and enforce stricter procurement practices through purchasing or contract</td>
<td></td>
</tr>
<tr>
<td>7. Design an implementation process and tools to facilitate regular detailed spend analysis including potential implementation of an e-procurement solution.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROCUREMENT CARD PROGRAM EXPANSION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Determine the overall savings obtained by obtaining quotes on purchases between $2,500 and $5,000 vs. not obtaining quotes and compare to savings from a 50 decrease in cost per transaction.</td>
<td>1-6</td>
</tr>
<tr>
<td>2. Formally determine and communicate impact to Colleges by increasing the LPO limit to $5,000 (increased volume of purchases that each College will be responsible for processing).</td>
<td></td>
</tr>
<tr>
<td>3. Modify policy to reflect change in LPO limit and ensure the change is clearly communicated and the impact is understood across the District.</td>
<td></td>
</tr>
<tr>
<td>4. Meet with Colleges and determine what modifications or enhancements are needed to increase P-Card utilization to 75% at College and develop and implement strategies to make the enhancements.</td>
<td></td>
</tr>
<tr>
<td>- Tighten internal controls and audit processes</td>
<td></td>
</tr>
<tr>
<td>- Expand list of authorized P-Card vendors</td>
<td></td>
</tr>
</tbody>
</table>

### 4 – INFORMATION TECHNOLOGY: Ideal State

The role of MCCCD IT is to support Student Learning, Faculty Teaching and College Operations through the effective and efficient use of Information Technology.

#### Role of District IT:

**Management & Leadership:**

- ▲ Strategic planning
- ▲ Defining policies & procedures
Funding & budgeting

Procurement

Administration of core, back-office functions:
- Infrastructure: Computing, Networking, Data Storage, Disaster Recovery, Telephony, Security
- Applications: Administrative systems, Enterprise systems
- Support Services: College IT requests, Help-desk, Training

Linkages
- Governance structure
- Service Level Agreements
- Performance tracking

Role of College IT:

Tactical leadership:
- Requirements gathering and needs-analysis
- Representing College needs at District-level

Administration of high-touch services for student, faculty, staff:
- Computer/Lab support
- Audio Visual support
- Instructional technology
- Printing, copying, imaging

Administration of College IT resources:
- Infrastructure and Applications

Impact on Student Success and Student Satisfaction: Enable improvement in quality and timeliness of student services and maximize the effective use of funds so that more resources may be allocated to initiatives that directly drive student success and satisfaction.

4 – INFORMATION TECHNOLOGY: Current State Observations

Inconsistent and inefficient use of technology resources throughout the District:
- Three different types of employee email applications: MEMO mail, Microsoft Exchange, Zimbra
- Three different Learning Management systems: Blackboard, WebCT, RioLearn
- Numerous different vendors for desktops and laptops: Dell, HP, Apple, In-house
- Far too many customizations to Enterprise systems

Unpredictable and non-satisfactory service levels are fostering independent, non-collaborative and ineffective financial cost decision-making:
- Time to make “technology solution” and “vendor selection” decisions: up to 2 years
- Time to resolve service requests for centralized Enterprise systems: up to 2 years
- General lack of usage of service levels and cost as IT drivers
4 – INFORMATION TECHNOLOGY: Current State Analysis – Organizational

Key observations:

▲ Six out of ten Colleges have a different reporting structure, resulting in misalignment of goals, objectives and priorities for IT projects across the Colleges and with District IT
▲ Position titles, roles and responsibilities of IT leaders are inconsistent across all Colleges and District IT, resulting in varying levels of decision-making authority and influence
▲ Decentralized organizational structure and lack of District-wide accountability are fostering suboptimal usage of capital and operational funds

4 – INFORMATION TECHNOLOGY: Current State Analysis – Financial

IT Capital Budget Allocation (2004 Bond)

▲ Colleges have considerable financial resources for IT capital expenditures
▲ Although existing District rules set guidelines for the use of these funds, there is no District-wide oversight of procurement practices to ensure consistent and cost-effective use of resources (i.e. IT Procurement oversight is an “approval” process not a technology solution and vendor selection process)
▲ There is an opportunity to optimize use of capital funds by improving procurement practices

▲ Per-FTSE Operational funding is inequitable across Colleges, resulting in underinvestment in IT at some Colleges and overinvestment by others
▲ A significant portion of IT Operating budget is allocated and managed by Colleges
▲ Decentralized management of Operating budget is fostering decision-making that is geared towards optimizing the Colleges not the system as a whole.
4 – INFORMATION TECHNOLOGY: Current State Analysis – Functional

▲ There are significant redundancies in IT functions and services across the District and College IT organizations.

▲ The current decentralized model fails to leverage the benefits of “One Maricopa”. As a result, the cost, quality and consistency of IT services are sub-optimal.

4 – INFORMATION TECHNOLOGY: Current State Analysis – Benchmarks

IT Organization (District-wide) is over-staffed

There is an opportunity to better leverage student workers for tactical IT functions

MCCCD should consider charging Student Technology fee
EDUCAUSE is a nonprofit association whose mission is to advance higher education by promoting the intelligent use of information technology. EDUCAUSE Core Data Service offers comparison data for campus information technology environments and practices. 147 2-year Colleges participated in 2008 IT Survey used for benchmarking.

4 – INFORMATION TECHNOLOGY: Strategies & Actions – Organizational Future

Recommendations:
- Restructure IT organizational, governance and service delivery model including definition of new Service Level Agreements
- Rationalize IT positions, redefine position titles, roles and responsibilities
- Recruit more student workers (to possibly replace FTE staff) for tactical IT roles

Specific Requirements:
- Highest level College IT leaders to have solid-line reporting to District-level CIO – this structure allows for District-level accountability of College IT personnel, better collaboration across Colleges, better alignment of IT goals, objectives and priorities, and faster decision-making.
- Highest level College IT leaders to have dotted-line reporting to College VP of Administrative Services – this introduces a dual accountability for College IT leaders to College-level stakeholders
- All highest level College IT leaders to have same positions and corresponding roles and responsibilities
- DO IT (to be led by Associate VC of IT) will function as CIO’s office – supporting District-wide technology initiatives, providing management and administrative leadership via specialized, functional departments.

4 – INFORMATION TECHNOLOGY: Strategies & Actions – Financial

- Centralize IT funding and budgeting decisions
  - Use of College-Managed IT Capital funds must be approved by a new District IT “Technology Solution and Vendor Selection” committee to ensure consistency in procurement of infrastructure and applications and leveraging of existing contracts
  - IT Operating funds must be budgeted and managed centrally by MCCCDD CIO

- Reforecast IT budget based on funding/FTSE, funding/FTE and Service level benchmarks
  - Determine current IT funding/FTSE, funding/IT-FTE and IT service levels for each College
  - Benchmark per-College metrics against Educause, Gartner and other relevant sources
  - Reforecast FY09-10 IT budget to be consistent across Colleges based on above metrics

- Consider charging a Student Technology Fee in the range of $100 - $140 per FTSE
  - Fixed fee of $3.33 - $4.67 per Credit Hour, OR
MINUTES
DECEMBER 9, 2009 SPECIAL BOARD MEETING

- Fixed fee of $5 - $7 per Credit Hour capped at 10 Credit Hours per semester

RANGE OF POTENTIAL SAVINGS
$6,800,000 – $9,500,000

RANGE OF POTENTIAL REVENUE ENHANCEMENTS
$7,300,000 – $10,250,000

4 – INFORMATION TECHNOLOGY: Cost Savings / Revenue Enhancements

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>MCCCD</th>
<th>Educause</th>
<th>Potential Cost Savings (conservative)</th>
<th>Potential Cost Savings (optimistic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Student FTE’s served per Staff FTE</td>
<td>169</td>
<td>200</td>
<td>$3,958,500</td>
<td>$4,970,048</td>
</tr>
<tr>
<td>(2) Ratio of Staff FTE to Student Worker FTE</td>
<td>39</td>
<td>6.5</td>
<td>$869,352</td>
<td>$1,557,600</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$4,827,852</td>
<td>$6,527,648</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>MCCCD</th>
<th>Industry</th>
<th>Potential Cost Savings (conservative)</th>
<th>Potential Cost Savings (optimistic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(3) Standardization of Infrastructure, Application and Services</td>
<td>$20,413,628</td>
<td>10% - 15%</td>
<td>$2,041,363</td>
<td>$3,062,044</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$2,041,363</td>
<td>$3,062,044</td>
</tr>
</tbody>
</table>

Grand Total - Potential Cost Savings                                 $6,869,215 $9,589,692

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>MCCCD</th>
<th>Educause</th>
<th>Potential Revenue Enhancement (conservative)</th>
<th>Potential Revenue Enhancement (optimistic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(4) Technology Fees per FTE Student</td>
<td>$ -</td>
<td>$140</td>
<td>$7,325,000</td>
<td>$10,255,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$7,325,000</td>
<td>$10,255,000</td>
</tr>
</tbody>
</table>

Grand Total - Potential Revenue Enhancement                      $7,325,000 $10,255,000

Grand Total                                                       $14,194,215 $19,844,692

1) Conservative = Elimination of 68 positions $58,000 Average Salary per IT personnel (Target = Median, 200)
   Optimistic = Elimination of 86 positions $58,000 Average Salary per IT personnel (Target = World Class, 210)
2) Conservative = Ratio of 15:1, replacing balance of 6.67% of Staff FTE with Student workers (960 hrs * $10.5/hr = $10,000/yr)
   Optimistic = Ratio of 10:1, replacing balance of 10% of Staff FTE with Student workers (960 hrs * $10.5/hr = $10,000/yr)
3) Estimating a conservative 10% savings (industry averages are between 15% and 20%) through vendor rationalization and contract consolidation, plus additional upside from cost reduction in operations, support, maintenance and training.
4) Conservative = Flat fee of $100/FTSE/year.
   Optimistic = EDUCAUSE Median of $140/FTSE/year.
4 – INFORMATION TECHNOLOGY: Strategies & Actions - Functional

▲ Centralize low-touch, commodity-type IT functions to leverage economies of scale.
▲ Keep high-touch IT functions at Colleges but standardize policies and procedures to increase cost-effectiveness and service-levels.
▲ Implement a District-wide Data Warehouse solution to considerably reduce redundant, College-level ERP customization and report generation efforts.
▲ Implement a centralized “Service Quality Management” function to develop, enforce and track Service Level Agreements between Central IT and College IT organizations.

4 – INFORMATION TECHNOLOGY: Implementation Plan

<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>MONTH</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REDESIGN ORGANIZATIONAL STRUCTURE, GOVERNANCE &amp; SERVICE DELIVERY MODEL</strong></td>
<td></td>
</tr>
<tr>
<td>1. Define criteria for centralization (District), decentralization (Colleges) and outsourcing (external) of IT functions. Map all IT service offerings using defined criteria to finalize scope for District IT and College IT organizations.</td>
<td></td>
</tr>
<tr>
<td>2. Design detailed IT Organizational Structure to support the redefined scope of functions and services.</td>
<td></td>
</tr>
<tr>
<td>3. Develop a shared Governance Model between District IT and College IT organizations</td>
<td></td>
</tr>
<tr>
<td>4. Design new IT ‘Service Delivery’ model including preliminary definition of Service Level Agreements</td>
<td></td>
</tr>
<tr>
<td>5. Right-size IT organization following a review and redefinition of IT job descriptions, roles and responsibilities, and competencies (may include re-allocation of resources between District Office and College IT)</td>
<td></td>
</tr>
<tr>
<td>6. Optimize Organizational structure, governance and service delivery model to function as a pure shared services model</td>
<td></td>
</tr>
<tr>
<td><strong>REVIEW POLICIES &amp; PROCEDURES</strong></td>
<td></td>
</tr>
<tr>
<td>1. Revise IT policies and procedures at both District Office and College levels in accordance with redesigned organizational structure and governance and service delivery models</td>
<td>1-6</td>
</tr>
<tr>
<td>2. Reline Service Level Agreements to reflect updated policies and procedures</td>
<td>7-12</td>
</tr>
<tr>
<td>3. Implement new policies, procedures and Service Level Agreements across the District</td>
<td>13-24</td>
</tr>
<tr>
<td>4. Gradually shift more planning, administration and procurement to District IT, allowing Colleges to focus on high-touch student-centric IT services</td>
<td></td>
</tr>
<tr>
<td><strong>REVISE IT FUNDING AND BUDGETING PROCESSES</strong></td>
<td></td>
</tr>
<tr>
<td>1. Centralize IT funding and budgeting decision-making for capital and operating funds</td>
<td></td>
</tr>
<tr>
<td>2. Refocus FY10-11 IT budget based on funding/FTSE, funding/FTE and Service level benchmarks</td>
<td></td>
</tr>
<tr>
<td>3. Consider charging a Student Technology Fee in the range of $100-$140 per FTSE</td>
<td></td>
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</tbody>
</table>
4 – INFORMATION TECHNOLOGY: Implementation Plan

<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>MONTH</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>1-6</td>
</tr>
</tbody>
</table>

**UNDETAKE NEAR-TERM COST-SAVINGS INITIATIVES**

1. Standardize core IT applications and services (e.g., Email, Calendar/Scheduling, phones (including VOIP), printers, desktop systems, Learning Management System, distant-learning technologies, student portals, etc.)

2. Review procurement practices, vendors and contracts for all IT infrastructure, applications and services to identify specific opportunities for vendor consolidation and contract renegotiation

3. Review all support and maintenance agreements (particularly for ERP systems) to identify specific opportunities to negotiate (with same or alternative providers) better terms, lower cost or both

4. Initiate vendor selection and contract renegotiation process

**PROCESS IMPROVEMENT INITIATIVES**

1. Standardize process and timing of College and District-wide IT Strategic planning

2. Standardize IT Project Management methodology across the District – incorporate ITIL concepts into the organization

**CRITICAL INITIATIVES**

1. Create a task-force to review and update proposal for Disaster Recovery site for MCCCD with a goal of board approval and implement a centralized, District-wide data-center and disaster recovery facility

2. Create a task-force to conduct District-wide requirements analysis for IT Security and risk management and establish dedicated information security staff, policies and procedures, and necessary infrastructure and monitoring applications

**STRATEGIC INITIATIVES**

1. Implement a centralized, District-wide CRM solution

2. Implement a centralized, District-wide data warehousing and business intelligence solution

3. Implement a hybrid, District-wide help-desk solution (alternative to the current, partial solution with PerceptIS, AskRIO)

4. Implement a centralized student tracking system with integrated Early-Alerts

5. Integrate widely used IT Applications (Placement testing tools, instructional software, etc.) with ERP applications (particularly SIS)

5 – HUMAN RESOURCES: Ideal State

**THE ROLE OF MCCCD HR IS TO:**

▲ Effectively and efficiently manage the employee lifecycle – “hire to retire”.

▲ Enable District HR to design and develops District-wide policies and procedures, and address high-volume transactions.

▲ Empower College level HR to administer and deploy policies and programs to address local needs.

▲ Provide for an increased through-put / decreased cycle time on major HR processes.

**Role of District HR:**

▲ Define District HR strategy, policies and procedures

▲ Serve as resource, advisor & coach for College HR professionals

▲ Handle high-volume transactions and inquiries from the field

▲ Develops HR solutions to be deployed at the local level in a timely manner
Linkages

▲ Governance Model & Structure
▲ Policies and procedures
▲ Service Level Agreement
▲ Performance Tracking

Role of College HR:
▲ Determine the unique HR needs of the College
▲ Deploy and administer District-wide policies, procedures and strategies
▲ Develop College-specific HR solutions
▲ Serve as a strategic advisor to College management

Impact on Student Success and Student Satisfaction: Maximize the effective use of funds so that more resources may be allocated to initiatives that directly drive student success and satisfaction.

5 – HUMAN RESOURCES: Current State Observations

<table>
<thead>
<tr>
<th>Current State</th>
<th>Result</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational structure and governance model not clearly defined at the</td>
<td>• Lack of accountability and role clarity between District and College HR staff.</td>
<td>• Inconsistent and /or lack of process and program around selection.</td>
</tr>
<tr>
<td>District and College Level.</td>
<td>• Significant time spent at Colleges on transactional activities results in underperformance in</td>
<td>• Inconsistent usage of Learning and Organizational development in the field.</td>
</tr>
<tr>
<td></td>
<td>• Inconsistent delivery and administration of HR policies and procedures.</td>
<td>• Lack of accountability for performance management process.</td>
</tr>
<tr>
<td>Inconsistent allocation of HR resources (experience and level) across the</td>
<td>• Various levels of service at each College.</td>
<td>• Some Colleges have experienced HR staff and others have analysts or coordinators.</td>
</tr>
<tr>
<td>District.</td>
<td>• Various levels of use of District support.</td>
<td></td>
</tr>
<tr>
<td>Lack of standardization of policies and procedures as well as standard</td>
<td>• Colleges unable to take action and make personnel decisions in a timely manner.</td>
<td>• Multiple policy manuals</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Recruiting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Hiring</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Terminations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• FMLA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Active Retirees</td>
</tr>
</tbody>
</table>
| Human Resources and Supervisory Training | • Increased workload to manage and make decisions according to the many policy manuals.  
• Supervisors ill-equipped/trained to address employee relations and performance management issues. | • Performance management  
• Corrective action |
| Compensation and Performance Management Systems Dated and/or Inadequate | • Systems do not tie to actual performance or student success.  
• Lack of accountability. | • Last compensation study done in 2006.  
• Multiple performance management processes, tools and rating scales. |
| Lack of Automation for Basic Data Entry and Employee Services | • Increased workload to manually process requests and enter data that could be handled online. | • Benefits open enrollment  
• Manager self-service  
• Employee self-service  
• Applicant screening |
| Inconsistent Communication Between the District and the Colleges | • Inconsistent application of policies, procedures and processes across the District.  
• Increased liability. | • Workflow  
• Automation of PARs  
• Performance management |
| | • 100% of HR staff interviewed at the Colleges cited communication as their primary barrier to successfully working with District HR. | |
5 – HUMAN RESOURCES: Analysis

Currently, Human Resources is right-sized to support the District from a personnel and cost perspective.

- 1:100 ratio of District-wide HR staff to total District-wide employees*.
- MCCCD’s total HR costs are approximately 1.37% of MCCCD’s total operating costs of $638,500,737**.

The allocation of HR resources at the District and the Colleges is misaligned.

- Traditional field support models would be a 1:200-300 ratio of HR staff to College employees. Ratios vary College to College.

Action: Redistribution of HR professionals across the District supported by a new service delivery model.

Return: Increased decision-making, efficiency and decreased cycle time for HR processes at the College level.
5  – HUMAN RESOURCES: Ideal State – Service Delivery Model

Needs:

**HR Solutions Center**

*Comprised of teams of technical HR experts (e.g. benefits design, compensation design, organization development, talent management, employee relations, etc.) who are shared by the Colleges.*

**Responsibilities:**
- System-wide Policies & Strategy for Employee Relations, Compensation, Benefits, Diversity, Employment, EEO, HRIS, Organizational Development and Training
- Evaluate Market Trends
- Best Practices / Common Processes
- Vendor Management
- Project Management
- District & Executive Management Employment Decisions

**HR Service Center**

*Responds to employee inquiries and processes HR transactions in order to significantly reduce Business Partner and Solutions Center involvement in routine administrative tasks and inquiries.*

**Responsibilities:**
- Executing Basic HR Transactions
- Maintaining and Updating Records
- Status Changes
- HRIS Maintenance and Queries
- Payroll & Benefits Inquiries
- First Level Support for HR Inquiries

**Solutions:**

**College HR Business Partner**

*Advises and provides services and solutions that meet the unique needs of the College. Implements and administers District-wide policies and procedures at the College level.*

**Responsibilities:**
- College-Specific HR Strategy, Reporting & Analytics
- Recruiting & On-boarding
- Employee / Manager Development
- First Level Employee Relations
- Policy / Program Implementation
- Employee Reclassifications
- Progressive Discipline & Termination (non-managerial employees)
Services:

**Client Groups – Faculty, Employees, Managers**

- Managers assume key support roles in the delivery of HR (e.g. reporting, performance appraisal, learning and development, and employee counseling).
- Self service enables employees and managers to process basic HR transactions.

5  – **HUMAN RESOURCES: Ideal State – Organizational Structure**

![Organizational Structure Diagram]

**Advantages**

- Reduced HR expense over time
- Consistent processes & policies
- Enhanced career progression
- Lean, flat organization
- Dissemination of best practices
- Solutions center creates cross-functional growth opportunities
- Scalable for future growth
- Skill specialization
- Colleges retain and grow local resources who understand any unique needs
- More responsibility/accountability for HR decisions at the Colleges

**Challenges**

- Some HR resources at the College level lack required skill/experience to serve in the Business Partner role
- Preliminary implementation costs
- Shift in culture for some Colleges, loss of reporting relationship but gain additional staff at the College
The new governance model will require a shift from individual employee group councils to one council across all employee groups.

HR Governance Council
- District Chancellor
- District Vice Chancellors
- College Presidents (10)
- College VP Admin Services (10)
- Employee Group Representation

Human Resources Organization
- District HR VC
- HR Service Center
- HR Solutions Center
- College HR Business Partners

Faculty Active Retirement costs MCCCD $2.3 Million annually over using adjunct faculty.

With the number of faculty eligible for retirement within the next 5 years, MCCCD could expect to save about $5 Million per year in perpetuity if the traditional trend of 39% of eligible people entering the Active Retiree program continues.
Faculty Mix

Cost Per Credit Hour

▲ The cost differential between an adjunct faculty member and an Active Retiree is approximately $30,000 annually or $2,366 per credit hour with an average load of 12.29 hours per faculty currently in Active Retirement today.
▲ The percentage of newly eligible retired employees taking advantage of the Active Retirement program last year was 39% (80% in 2008).
▲ MCCCD has 200 – 400 faculty members eligible for retirement in the next five years, with 186 faculty members eligible for retirement today.
▲ Eliminating the faculty Active Retiree program to new participants and converting existing Active Retirees to adjunct faculty will save the District $2.3 Million this year and savings can potentially increase to $5 Million + annually (Note: Assuming the 39% participation trend).
▲ NOTE: Analysis conducted only on Faculty active retirement – further savings will be achieved through the closing of the program to non faculty positions.

5 – HUMAN RESOURCE: Strategies & Actions

▲ Policies & Procedures
  ➢ Document and update HR policies and procedures, ensuring consistency
▲ Operating Model & Governance
  ➢ Develop a Governance Model between District Office and the Colleges to determine policies and how decisions are made
  ➢ Design new HR Service Delivery Model
  ➢ Design supporting HR Organizational Structure
  ➢ Standardize HR policies and procedures to build into the Service Delivery Model
MINUTES
DECEMBER 9, 2009 SPECIAL BOARD MEETING

- Develop HR metrics to support new model and manage overall performance of HR
- Shift more decision making to the Colleges, allowing District to take on more transactional, policy and program design

▲ Compensation & Performance Management
- Develop revised compensation philosophy, structure District-wide
- Standardize performance management process and tools (i.e. common approach, template and rating scale with interface to HRIS)

▲ HRIS

RANGE OF POTENTIAL SAVINGS

$2,300,000 - $5,000,000
(Active Retirees)

- Invest in further automation of HR forms and processes (i.e. online performance management, self-service performance appraisal management application, review and improve hiring process workflow)
- Implement employee and manager self-service
- Implement online Benefits Open Enrollment

5 – HUMAN RESOURCES: Implementation Plan

<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>ACTION</th>
<th>1 - 6</th>
<th>7 - 12</th>
<th>13 - 24</th>
</tr>
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<tbody>
<tr>
<td>SHARE\D GOVERNANCE &amp; HR DELIVERY MODEL REDESIGN</td>
<td>1. Develop ‘Shared Governance’ model between District Office and the Colleges to provide Colleges a voice in the strategy, operations, and tactics of HR</td>
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<td>2. Design new HR ‘Service Delivery’ model</td>
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<td>3. Review and redesign HR Job Descriptions, roles and responsibilities, competencies and Responsibilities</td>
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<td></td>
<td>4. Re-align staff between District Office and Colleges</td>
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<td></td>
<td>5. Gradually shift more decision making to the Colleges for HR process and policy administration</td>
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<tr>
<td>POLICIES &amp; PROCEDURES REVIEW</td>
<td>1. Document and update HR policies and processes at a District Office and College level to reflect the revised HR ‘Shared Governance’ and ‘Service Delivery’ models</td>
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<td></td>
<td>2. Design, test and implement mandatory training for HR and supervisors</td>
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<td></td>
<td>3. Communicate new policies and procedures across the District Office and Colleges</td>
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</tr>
<tr>
<td>COMPENSATION &amp; PERFORMANCE MANAGEMENT REDESIGN</td>
<td>1. Design and develop revised compensation philosophy and design—consistently good job performance is rewarded financially and through career advancement</td>
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<tr>
<td></td>
<td>2. Design communication and training and implement standardized employee performance management review process and tools</td>
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<tr>
<td>HR IT</td>
<td>1. Implement Employee Self Service (ESS) and Manager Self Service (MSS)</td>
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<tr>
<td></td>
<td>2. Design, test and implement Benefits Open Enrollment</td>
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<td></td>
<td>3. Design, test and implement ePerformance online tools and inputs (i.e. ePerformance online, self-service performance appraisal management application)</td>
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<td></td>
<td>4. Provide for electronic access to HR Policies and Procedures Documentation</td>
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</tbody>
</table>
6 – STUDENT TO FACULTY RATIO & MIX - Overview

▲ Phase 1 Best Practices lay the foundation for driving successful student completion.
▲ The ‘Class Size Model’ builds on the Best Practices and offers insight into improving classroom structure.
   ➢ The model uses standard multi-variable regression techniques to understand the relationships between different sets of data.

▲ What are the drivers of student success in the classroom?
   ➢ Student preparedness
   ➢ Quality of teaching instruction
   ➢ High touch environment (student to faculty levels)

▲ What information does MCCCD track that can offer insights into the optimal class structure?
   ➢ Course subjects
   ➢ Professor type (adjunct versus faculty)
   ➢ Type of student (evening student versus day)
   ➢ Historical student classroom levels and successful completions

6 – STUDENT TO FACULTY RATIO & MIX Mix – Class Size Model

The Class Size Model accounts for the correlation in successful course completions with student to faculty ratios within the classroom.

The Model works with the previously outlined “controllable” factors and does not account for student preparedness and instructional quality.

Model Factors:
▲ Historical classroom levels
▲ Class times
▲ Course type
▲ Faculty type

Exclusions:
▲ All courses other than lectures
▲ Self Paced, internet, and independent studies
▲ Roll-up courses
   ➢ One professor teaches multiple courses at the same time and location

Regression Analysis

Output:
A statistically relevant model that can assist in instructional staffing and funding

Details:
▲ 36,000 + courses analyzed
▲ Factors are relevant to a 99% confidence level
M I N U T E S
D E C E M B E R 9 ,  2 0 0 9  S P E C I A L  B O A R D  M E E T I N G

▲ Overall model is statistically relevant to a 99% confidence interval

6 – Class Size Regression Model Output
(Table on next page)

<table>
<thead>
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<th>Regression Statistics</th>
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<tr>
<td>Multiple R</td>
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<td>R Square</td>
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<td>Adjusted R Square</td>
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<tr>
<td>Standard Error</td>
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<td>Observations</td>
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<tr>
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<tr>
<td>df</td>
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<td>Regression</td>
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<table>
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<tr>
<th>Coefficients</th>
<th>Standard Error</th>
<th>t Stat</th>
<th>P-value</th>
<th>Lower 95%</th>
<th>Upper 95%</th>
<th>Lower 95.0%</th>
<th>Upper 95.0%</th>
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<td>Physical Sciences &amp; Math</td>
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<td>-13.91</td>
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<td>-6.95</td>
<td>-5.24</td>
<td>-6.95</td>
</tr>
</tbody>
</table>

6 – STUDENT TO FACULTY RATIO & MIX – What this could mean for MCCCD . . .

▲ Maricopa County’s budget shrank 5 %, or $122 Million this past year.
▲ MCCCD has already reduced operational budgets by 2 %.
▲ The current economic forecast for Arizona and the United States is still unclear.
▲ In times of budget reductions, the Class Size Model provides options to save money while maintaining the same level of service to students:
  ▶ MCCCD can increase class sizes in certain courses to new thresholds without negatively impacting student course completion.
  ▶ The improved efficiency could lead to $1.5 Million in annual savings (A)
  ▶ Additionally $2.5 Million annually (B) could be saved by increasing the proportion of instructional adjuncts by 10 % without impacting successful student completion.

Example: The model shows that Law courses can increase class sizes from 24 students to 33 without impacting student completion.
6  – STUDENT TO FACULTY RATIO & MIX – Optimizing Classroom Structure

▲ MCCCD has the opportunity to begin to move towards optimizing classroom structure for each program and course within the District.
▲ Improvements would focus on bringing a high-touch atmosphere by using the Ideal Class Size Model to determine class size structure.
▲ MCCCD can adjust the students to faculty ratios according to “optimal” as predicted by the model to account for:
   ▲ Increasing successful course completion to 90% from its current average of 72% would require an investment of $4.9 Million annually.

RANGE OF POTENTIAL SAVINGS

(A) Improved Efficiency  $1,500,000

TOTAL = $1,500,000

(B) Increase Proportion of Instructional Adjuncts  $2,500,000

TOTAL = $4,000,000

7  – FACILITIES & FLEET MAINTENANCE – Ideal State

Facilities and Fleet Maintenance has standardized service levels in the maintenance and operation and maintenance of grounds, facilities and fleet services to leverage efficient and cost effective standards to preserve the useful life of the District owned assets.

Role of District:
▲ Manage District wide contracts for services and supplies to drive cost savings.
▲ Consolidated Fleet operations to reduce operating, maintenance and capital acquisition costs.
▲ A formalized evaluation process that drives the management of annual maintenance projects and costs across the District.
▲ Provide master planning related to annual maintenance projects and major capital improvement initiatives.

Linkages
▲ Governance Structure
▲ Service Level Agreement
▲ Performance Tracking

Role of College Facilities M&O:
▲ Outsourced custodial services and grounds maintenance operations.
▲ Colleges manage outsourced provider service level agreements and performance.
▲ Colleges manage fleet operations with outsourced maintenance provider
▲ Use of rental vehicles to reduce capital acquisition costs
▲ Project management oversight of capital projects and annual maintenance projects
Impact on Student Success and Student Satisfaction: Consistent experience and expected service levels across all ten Colleges and campuses improves student satisfaction.

7  FACILITIES & FLEET MAINTENANCE – Current State

Eleven separate facilities, maintenance and operations departments:

- Each College and District operates independently.
  - Maintaining 5,720,465 square feet of facilities and buildings.
  - Grounds and landscaping of 1,577 acres of land.
  - Fleet size of 194 vehicles

- Different policies and practices implemented and utilized in each department which leads to varying standards and levels of service across the Colleges.

- Some Colleges partially outsource custodial and ground services while other Colleges manage in-house.

- Utility metering based on meter locations versus consolidated usage billing by location.

- There is no standard vendor contract for vehicle procurement and varied usage policies leading to variations across the District.

- Average wage for custodial employees appears to be $3.00 per hour higher than regional industry averages ($14.51 compared to $11.00 to $12.00 per hour) *

* From analysis by a national independent contractor of custodial and grounds maintenance services
7   – FACILITIES & FLEET MAINTENANCE – Recommendations

Create efficient facilities and fleet maintenance and operation programs

▲ Outsourcing opportunities
- Custodial services
- Grounds and landscaping services
- Fleet maintenance program operations

▲ Centralized operation opportunities
- Centralized HVAC maintenance contracts for all Colleges/District Office
- Create centralized pool of craft positions (electricians, plumbers, painters) to deploy across District/College

▲ Utility management
- Aggregated metering and consolidated billing of electric and gas utility services (College/District)
- Review of rate tariffs for all electric and gas utilities
- Volume purchase of gas (wholesale purchase)
7 – FACILITIES & FLEET MAINTENANCE – Cost Savings

▲ Potential savings range is between $7.9 and $14.9 million per year

▲ Savings achieved through standardization of custodial services and grounds maintenance to regional industry costs through outsourced service provider agreements:

RANGE OF POTENTIAL SAVINGS

(A) Custodial $4,175,000
Grounds $2,625,000
Electricity & Gas $1,100,000

TOTAL = $7,900,000

(B) Other M&O Opportunities $7,000,000

TOTAL = $14,900,000

7 - FACILITIES & FLEET MAINTENANCE – Strategies & Actions

▲ Outsourced Maintenance and Operations:
  ➢ Reduces risks and liability to the District while receiving consistent service for each College
  ➢ Creates uniform standards for quality in how facilities and vehicles are maintained
  ➢ Reduces annual operating costs and capital outlays
  ➢ Utilize College’s occupational program resources to maintain vehicles

▲ Development of standard District-level policies, procedures and service level standards:
  ➢ Standardize service levels in how buildings and facilities will be maintained
  ➢ A formalized evaluation process to prioritize annual maintenance projects across the District
  ➢ Benchmarked annual costs both internally and against accepted national measures to ensure efficiencies and quality
7 - FACILITIES & FLEET MAINTENANCE – Implementation Plan

<table>
<thead>
<tr>
<th>ACTIONS</th>
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<tr>
<td></td>
<td>1 - 6</td>
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<tr>
<td>FACILITIES &amp; FLEET MAINTENANCE</td>
<td></td>
</tr>
<tr>
<td>1. Outsource grounds, custodial maintenance and fleet maintenance</td>
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<tr>
<td>2. Create centralized pool of craft positions to deploy across the Colleges</td>
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<tr>
<td>3. Centralize HVAC maintenance contracts for all Colleges and District</td>
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<tr>
<td>4. Consolidated billing and aggregated metering of gas and electric utilities</td>
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</tr>
<tr>
<td>5. Review of rate tariffs for electric and gas utilities</td>
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<tr>
<td>6. Volume purchase of gas (wholesale)</td>
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</tbody>
</table>

8 - PUBLIC SAFETY – Ideal State

The role of a centralized Public Safety department is to assist, serve, and protect MCCCD students, employees and guests, promoting a safe environment conducive to student education and engagement.

Role of District:

▲ District Public Safety Director oversees the Public Safety function for MCCCD similar to a "Chief of Police" concept.
▲ Develop standardized and consistent policies and procedures for training and incident reporting.
▲ Common vehicles and uniforms
▲ Implement emergency management planning.
▲ Evaluate performance of each College Public Safety Director.
▲ Budget and allocate resources.
▲ Develop timely warning policy and procedure.

Linkages

▲ Governance & Structure
▲ Service Level Agreement
▲ Performance Tracking
▲ Reporting Standards

Role of College:

▲ Public Safety Director oversees the Public Safety function for the College similar to a “Precinct Captain” concept.
▲ Monitors daily operations, hiring and firing of officers, and staffing models.
▲ College President conducts performance evaluations of College Public Safety Director and monitors Customer Service Level Agreement.
▲ Communicates to students and employees public safety concerns, issues, and events.
▲ Monitors and reports incidents to District and College.

Impact on Student Success and Student Satisfaction: Consistent experience and expected service levels across all ten Colleges and campuses improves student satisfaction.
A public safety organizational chart with a consistent reporting structure across the Colleges:

- Each College continues to have a College Director of Public Safety.
- The College Director of Public Safety reports directly to the District Public Safety Director.
- The College Director of Public Safety regularly communicates with the College President on state of Public Safety at each College.

8 - PUBLIC SAFETY – Current State Observations

Currently there are ten different Public Safety departments operating independently of each other and the District.

- Each College possesses different practices, policies, and procedures and the duties of public safety officers vary greatly from one College to another.
- Each College manages their staffing model and organizational structure independently leading to inconsistent training and education for officers and public safety employees.
- The District public safety office has limited authority to mandate application of written policies and procedures.
- No central dispatch or communication system.
- Each College public safety department budgets for and purchases uniforms, vehicles, and equipment.
- Due to the inconsistent policies, procedures and level of safety provided, the District Office has assumed additional unnecessary liability.
- These variations in operating procedures have led to inconsistent student to officer ratios depending on the number of incidents at each College as well as varying numbers of reported incidents.

8 - PUBLIC SAFETY – Current State Analysis

The number of incidents reported do not correlate with the student populations or with officer to student ratios.
8 - PUBLIC SAFETY – Strategies & Actions

▲ Create a centralized Public Safety department:

➢ Implement a centralized Public Safety department with District Public Safety Director serving as the “Public Safety Director “Chief”.
➢ Each College has a public safety department with a director or “Precinct Captain”.
➢ The District Office and each College formulate a Customer Service Level Agreement to ensure quality public safety is provided to each College by the District.
➢ The College Public Safety Director meets frequently to monitor and discuss performance of Customer Service Agreement.
➢ The District Public Safety Director conducts performance reviews on each College Safety Director with input from the College Presidents.
➢ The MCCCD Public Safety “Police Chief” Director sets policies, procedures, and allocates resources to all public safety departments across the Colleges and sets incident reporting standards and procedures.
➢ The District Office purchases and provides uniforms, equipment, and vehicles for the College public safety departments.
➢ Create a centralized communication and dispatch system.

8 - PUBLIC SAFETY – Additional Benefits

Benefits of having a centralized department:

▲ A centralized public safety department will reduce the risk and liability to the District with standard operating procedures, law enforcement protocols, and incident reporting.
▲ The training, recruitment, and staffing of public safety officers will improve as a result of consistent policies and procedures.
▲ Resource allocation between Colleges to temporarily manage needs for increased staffing will reduce overtime and equipment costs.
A centralized system will increase the opportunities for involvement with the greater Phoenix and Maricopa County law enforcement communities.

Leverage public safety courses offered at MCCCD Colleges to provide officer training.

8 - PUBLIC SAFETY – Implementation Plan

<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>MONTH</th>
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<tbody>
<tr>
<td></td>
<td>1 - 6</td>
</tr>
<tr>
<td>Centralize department with “Police Chief” for District and precincts at each College, each College Public Safety Director reports to the District Public Safety Director as well as works indirectly with the College President</td>
<td>✔️</td>
</tr>
<tr>
<td>Develop standardized policies for officer training, weapons and equipment, staffing requirements, vehicles and uniforms</td>
<td>✔️</td>
</tr>
<tr>
<td>Implement a Customer Service Level agreement between the District Public Safety office and the College Presidents</td>
<td>✔️</td>
</tr>
<tr>
<td>Implement a standardized reporting policy to ensure consistent information is gathered at the District Office from each College</td>
<td>✔️</td>
</tr>
</tbody>
</table>

9 - OTHER PROGRAMS –

- Cashiers
- Accounts Payable
- Budget & Financial Planning
- Institutional Effectiveness/Research
- Academic/Student Affairs

9 - OTHER PROGRAMS – Current State Observations

Differing policies, practices, and procedures

- Various staffing levels and organizational structures leads to an inconsistent level of service for the students between each College.
- Inconsistent approaches to billing, student payments, and excess loan disbursement dates causes confusion for students and prevents opportunities to drive efficiencies.
- Central invoicing policy is not enforced.
- Limited application of procurement cards to reduce accounts payables processing time.
- Budget planning process based on historical based budgeting with limited central budget review and/or analysis of College/Districts budgets.
- Absence of instructional cost analysis making it difficult to identify strategies for investing resources to drive student success.
- Lack of consistency in utilizing industry benchmarking surveys to pinpoint areas of opportunities to improve retention and completion rates.
- Absence of integrated data warehouse for ease of integrating the various ERP applications for general data analysis and reporting (student, financial, and human resource reporting).
- Duplication of professional training and development within District Office and Colleges
- Duplication of academic assessment and research functions within Academic Affairs.
9 - OTHER PROGRAMS – Strategies & Actions

**Tuition Billing/Collections**
- ▲ Standardize financial aid disbursement cycles.
- ▲ Direct Deposit of excess financial aid and tuition reimbursements.
- ▲ Create a consolidated user friendly student bill accessible on MyMaricopa.

**Accounts Payable/Accounting**
- ▲ Centralized payment of invoices.
- ▲ Negotiation and application of early payment.
- ▲ Standardize functional reporting classifications and charge centers resulting from realignment of current chart of accounts.
- ▲ Adjust the P.O. funding level threshold to $5,000 from $2,500.
- ▲ Enhance use of procurement cards for improved spending reporting and discounts.

**Budget and Financial Planning**
- ▲ Formalize budget review process including centralized budget analysis, review and approval of budgets.
- ▲ Annual review of cost of instruction by academic discipline.

**Institutional Effectiveness/Research**
- ▲ Scheduled participation in student success/engagement benchmarking studies (Noel Levitz and NCCPB).
- ▲ Organizational oversight should be with Vice Chancellor for Academic Affairs/Student Affairs versus Business Services.

**Academic Affairs/Student Affairs**
- ▲ Standardize Professional Development Training and Faculty Leadership Training programs to avoid duplication.
- ▲ Centralize the Assessment and Research program within the Maricopa Center for Learning and Instruction.

9 - OTHER PROGRAMS – Cost Savings

- ▲ Direct deposit of excess Financial Aid Checks:
  - Projected **$300,000** savings based on an industry cost savings (paper check processing versus electronic deposit). MCCCD this would result in a $50,000 reduction in mailing costs and reduced staffing and other operating costs of $250,000.

- ▲ Enhance payment terms by negotiating favorable payment terms on payables:

- ▲ Eliminate duplication of Professional Development Training and Faculty Leadership Training within the Colleges and District Office budgets - **$207,000**

- ▲ Centralize Assessment and Research program within the Maricopa Center for Learning and Instruction - **$633,000**

**SUM OF POTENTIAL SAVINGS**
- Direct Deposit $300,000
- Payment Terms $1,211,824
- Eliminate Duplicative Training $207,000
Centralized Assessment  $633,000

TOTAL = $2,351,824

9 - OTHER PROGRAMS – Implementation Plan

<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>MONTH</th>
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<tbody>
<tr>
<td></td>
<td>1 - 6</td>
</tr>
<tr>
<td>TUITION BILLING/COLLECTIONS</td>
<td></td>
</tr>
<tr>
<td>1. Standardize financial aid disbursement cycles across all Colleges.</td>
<td></td>
</tr>
<tr>
<td>2. Implement direct deposit of excess financial aid and tuition reimbursements</td>
<td></td>
</tr>
<tr>
<td>3. Issue consolidated and user-friendly student bills accessible on MyMaricopa website</td>
<td></td>
</tr>
<tr>
<td>ACCOUNTS PAYABLE/ACCOUNTING</td>
<td></td>
</tr>
<tr>
<td>1. Centralized payment of invoices (all invoices sent to District or forwarded from Colleges within 5 days)</td>
<td></td>
</tr>
<tr>
<td>2. Negotiation and application of early payment terms for payables</td>
<td></td>
</tr>
<tr>
<td>3. Implement procurement card utilization for payment of goods and services</td>
<td></td>
</tr>
<tr>
<td>4. Standardized application of functional reporting classifications and charge centers resulting from realignment of current chart of accounts</td>
<td></td>
</tr>
<tr>
<td>5. Adjust the P.O. funding level threshold to $5,000 to mirror the current asset capitalization level</td>
<td></td>
</tr>
<tr>
<td>BUDGETING &amp; FINANCIAL PLANNING</td>
<td></td>
</tr>
<tr>
<td>1. Formalize budget review process including centralized budget analysis, review and approval of College and District Office budgets</td>
<td></td>
</tr>
<tr>
<td>2. Deployment of a new revenue allocation model to support incentives and accountability, no longer just based on FTSE</td>
<td></td>
</tr>
<tr>
<td>3. Annual review of instruction costs by discipline and department across the Colleges</td>
<td></td>
</tr>
<tr>
<td>INSTITUTIONAL EFFECTIVENESS/RESEARCH</td>
<td></td>
</tr>
<tr>
<td>1. Scheduled participation in student success/engagement benchmarking studies (Noel Levitz &amp; NCCPS)</td>
<td></td>
</tr>
<tr>
<td>2. Organizational oversight should be with Vice Chancellor for Academic/Student Affairs versus Business Services</td>
<td></td>
</tr>
<tr>
<td>ACADEMIC AFFAIRS/STUDENT AFFAIRS</td>
<td></td>
</tr>
<tr>
<td>1. Standardize planning, training, and programming resources to eliminate duplicate Professional Development and training funds</td>
<td></td>
</tr>
<tr>
<td>2. Centralize the Assessment and Research program within the Maricopa Center for Learning and Instruction</td>
<td></td>
</tr>
<tr>
<td>3. Move the direct reporting of the District Institutional Effectiveness to the Vice Chancellor for Academic/Student Affairs from Business Services</td>
<td></td>
</tr>
</tbody>
</table>

10 - SUMMARY – Total Cost Savings & Revenue Opportunities

As a result of implementing new cost saving initiatives, including efficient use of technology enablers, standardized policies and practices, and improved operating procedures, MCCCD can realize annualized benefits of a range from $29.2 to $48.2 Million.
### Procurement:

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology</td>
<td>20</td>
<td>$6.8 - $9.5</td>
</tr>
<tr>
<td>Human Resources</td>
<td>14</td>
<td>$2.3 - $5.0</td>
</tr>
<tr>
<td>Facilities, Maintenance &amp; Operations</td>
<td>11</td>
<td>$7.9 - $14.9</td>
</tr>
<tr>
<td>Other Programs</td>
<td>16</td>
<td>$2.4</td>
</tr>
<tr>
<td><strong>Sub Total:</strong></td>
<td>64</td>
<td>$20.4 to $33.9</td>
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</table>

### Additional Opportunities:

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
<th>Range</th>
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</thead>
<tbody>
<tr>
<td>Information Technology (Revenue Generation)</td>
<td>1</td>
<td>$7.3 - $10.3</td>
</tr>
<tr>
<td>Instruction Realignment</td>
<td>1</td>
<td>$1.5 - $4.0</td>
</tr>
<tr>
<td><strong>Sub Total:</strong></td>
<td>2</td>
<td>$8.8 to $14.3</td>
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</table>

### Total Cost Saving & Revenue Opportunities:

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Cost Saving &amp; Revenue Opportunities</strong></td>
<td>66</td>
<td>$29.2 to $48.2</td>
</tr>
</tbody>
</table>

**10 - OTHER PROGRAMS – One Maricopa “Target” (Explanation)**

**CENTRALIZED, STANDARDIZED**
Commodity like, transactional services; low impact on student success and satisfaction; high impact on efficiency / operational costs of MCCCD.

**DECENTRALIZED, STANDARDIZED**
High-Touch, personalized and tailored services; No efficiency gains from centralization, but high effectiveness and impact gains of standardization on student success and satisfaction.

**DECENTRALIZED, NON-STANDARDIZED**
Relevant in day-to-day operations and decision-making, but no efficiency or effectiveness gains from standardization or centralization; delivered close to the point-of-demand.

**10 - OTHER PROGRAMS – One Maricopa Current State**

**KEY**

- **Centralized, Standardized**
  - Business Services
  - Procurement
  - HR
Decentralized, Standardized

Decentralized, Non-Standardized
Recruitment
Retention
Achievement
Public Safety
Business Services
Facilities
IT
Procurement
HR
College Branding
College Course Offerings
College Resource Allocation

10 - OTHER PROGRAMS – One Maricopa – Future State

KEY

Centralized, Standardized
Public Safety
Business Services
Facilities
IT
Procurement
HR

Decentralized, Standardized
Recruitment
Retention
Achievement

Decentralized, Non-Standardized
College Branding
College Course Offerings
College Resource Allocation

10 - OTHER PROGRAMS – A New Definition of “One Maricopa”

THE VISION …

Our Blueprint for One Maricopa is defined as follows:

“Leveraging the best of Maricopa wherever that occurs for the benefit of all; utilizing standardization to drive efficiency and differentiation to drive effectiveness in order to optimize Maricopa’s ability to recruit and retain Completers.”
Concluding Comments:

President Clark approached the podium at the conclusion of Mr. George’s presentation and thanked him for the time it took to conduct their study and present their findings. There were basic components of oversight on the efficiency and effectiveness of the organization, especially during the current economic climate. It was important to garner information regarding these. A&M had been invited for a different perspective and in the last three hours we had heard descriptors and some were compelling. Looking at where we stand today we would be foolish not to look at these. Some causes for alarm were heard. She stated that this was a mission-critical time for Maricopa and as she reflected on what she heard in the report, the one thing that struck her was the kinds of “descriptors that she had heard such as “broken,” “disorganized” “redundant” “inefficiencies” “misuse” non-collaboration” “inequity in resources” “ill-equipped and ill-trained.” She expressed confidence that implementing some of the recommendations will cause an increase in student success and stewardship. Because Maricopa has even more students this year, achieving efficiencies is even more important. The solution would be to optimize who we are and communicate, consolidate, align, forecast, and monitor. She thanked employees for their efforts to achieve student success and that such positive efforts should not be minimized.

Ms. Clark invited the Chancellor to come forward and offer his comments.

Dr. Glasper said that he originally was prepared to ask questions, however since he was called to the podium to present remarks, he would save the questions for another time. He described A&M the report as comprehensive. He stated that he had heard, like everyone else, the descriptors which had in his mind redefined Maricopa in a four-month span, but cautioned that as others remember those descriptors that they should remember who they were. He said that there was a lot for us to learn about efficiency and organization in the report, however we were described moving into this study as an institution that’s in crisis but he did not believe that we were in crisis and because of that he urged employees to remember that as we move to this notion of one system that we do it for the right reasons, meaning employees’ motives should be to improve the institution, rather than to solve a crisis that does not exist. Dr. Glasper warned that the report did not take into account the fact that the District must accommodate the concerns of various regulatory agencies, including accrediting bodies, and that those concerns need to be a part of the review of the recommendations.

Dr. Glasper urged employees to use the recommendations to find the best practices for Maricopa, saying we could not run away from them even if we wanted to. He voiced his concern that any review of the recommendations be given enough time to understand, be able to act, and be effective because some of the recommendations involve personnel cuts. Maricopa is an organization that has been built over time and says that we value people. He stated he did not know where that stands at this point in time, expressing concern that adoption of the recommendations without adequate thought and preparation might negatively affect 40 years of history in this institution.

The Chancellor closed with a description of how the process would work: The Governing Board would be provided with recommendations and the Governing Board would make the decisions. We do not make decisions. We make recommendations.
Board Member Questions and Statements
Mrs. Pearson. Said that the A&M presentation did not allow enough time for members to ask questions as they went along. She suggested that all questions should be deferred until members have time to review the report. She also said that the picture of Maricopa envisioned by the consultants was just like the One Maricopa model described by Dr. Glasper 11 months earlier.

Mr. Walker excused himself and left.

Mr. Lumm asked a question about consolidating the three email systems used by the District. Mr. George responded that A&M is not making a recommendation on which one, but is saying the District only needs one. Mr. Lumm asked whether the District is properly structured administratively, in terms of who reports to whom. Mr. George said that consistency is important and lack of centralization, at least in some departments, is a problem.

Dr. Campbell excused himself and left.

Mrs. Pearson questioned whether consolidating contracts will stifle creativity. Mr. George responded it should not because the cases in which A&M advocated for consolidating contracts was for commodity items, such as laptop computers.

Lumm closed with a comment that he hoped the District would approach the process positively, and in the best interest of students.

Adjournment of Special Board Meeting: The special board meeting adjourned at 7:35 p.m.

Randolph Elias Lumm
Governing Board Secretary