

Ohlone College Bookstore Program Review Spring 2005

1. Program Description and Scope:

The Ohlone College Bookstore has been serving the students, faculty and staff of Ohlone College since the College first opened its doors. The mission of Ohlone College is to provide a center for learning, cultural development, career education and economic development. The Bookstore contributes to this mission by being the main source of textbooks and course materials that allows the students to achieve their goals of learning, cultural development, career education and economic development.

The Bookstore is a large employer of students allowing them to juggle both school and work and still succeed with their goals.

The Bookstore provides a local source of the required and recommended textbooks for all classes offered by Ohlone College. The textbook staff works closely with the faculty and with the academic departments to assure that the correct textbooks are ordered, stocked and available when the students need them for their classes. General school supplies and reference books as well as supplies specifically requested by the faculty for use by their students are stocked in the Bookstore.

Textbooks are available in the Fremont Bookstore, on line and at satellite locations. The Bookstore provides service to Newark Memorial High and to classes taught at the University of Phoenix. Textbooks are brought to both sites during the first 2 weeks of classes. An E-commerce site makes it possible for the students to order their textbooks on line. Students have the option of picking up their books at the Fremont Bookstore or they may have their books mailed to their home. This site makes it possible for the Bookstore to serve the students enrolled in distance education courses who may not be able to come to campus to pick up their books. It also offers the students an option to avoid standing in long lines at the beginning of each semester.

The enrollment information, showing the classes offered, the maximum and actual enrollment figures, instructors' names and location of the classes offered are transmitted from the Colleague computer system to the Bookstore on a regular basis. This information is uploaded into the Bookstore's computer on a daily basis during the heavy registration period and as needed during the rest of the semester. Academic departments on campus submit the textbook requisitions each semester and update the Basic Textbook List annually. The textbook staff communicates on a regular basis with these departments to assure that this information is received accurately and in a timely manner.

By using the current computer software application, Missouri Book System, the book and merchandise information is kept up to date. This software is utilized to order, receive, and return textbooks, general books and general merchandise. It allows the Bookstore to have current textbook information available to both the students and faculty at all times. A Point of Sale cash register system allows the inventory information to be kept up to date by recording the sales information.

The Bookstore Manager keeps abreast of the college bookstore industry by reviewing trade journals, word of mouth and reviewing changes that are identified at college bookstore conferences and meetings.

The Bookstore is owned by the college but is fully self-supporting. All expenses, including salaries are paid with sales revenue. The Bookstore also contributes annually to the Ohlone College General Fund and to the Associated Student of Ohlone College as well as various clubs on campus.

2. Relationship to Ohlone College Mission and Goals

Promote appreciation for and understanding of diverse races and cultures by expanding diversity of college personnel. The Bookstore has a wide range of ethnic backgrounds in the student staff as well as the full time staff. Two of the full time staff members are bilingual and one employee is "versed" in sign language. The Bookstore finds this helpful to students attending Ohlone as well as to all workers within the District.

Develop strategies across the Learning College model, utilizing methods and technologies for improving student course program completion. The Bookstore helps students by providing the necessary textbooks and supplies for their courses. In addition, the Bookstore provides on line convenience for purchasing. By employing students, this allows them to spend more time on campus so they may devote more time to their studies.

Promote continuous service for all personnel associated with the District and promote an organizational structure that is adaptable. The Bookstore provides desk copies to the faculty each semester until the actual textbook requested from the publisher(s) arrives for their use. The Bookstore accepts personal checks from District personnel up to \$20.00 over the amount of purchase or will cash a check for \$20.00. A 10% discount is given on most Bookstore merchandise to staff and faculty. Federal Express or UPS shipments may be done at the Bookstore with no additional charge for personal items. Departments on campus may also ship out from the Bookstore utilizing Federal Express or UPS. An ATM machine is available for students and faculty.

Promote the health, environmental, cultural and economic vitality of the community for the District. The Bookstore has imprinted their shopping bags with "Ohlone is a non smoking campus". As a service to the Health Center the Bookstore has distributed condoms at no charge when available. The Bookstore sells natural juices, health bars and soymilk to students.

Promote and maintain a clear, safe and healthy college environment through continuous engagement of students and college personnel. The Bookstore maintains a clean and safe environment inside the store. Chewing gum and cigarettes are not sold in the store to aid a cleaner environment for the campus.

3. Program Learning Outcomes

Outcome #1 The Bookstore will increase sales and profitability of the store.

The Bookstore has had a decline in sales due to many factors. More and more on line web sites are available providing competition off the campus. Some Publishers have been selling books overseas at lower prices than they are selling to Bookstores. These lower priced books are showing up on websites in the United States creating additional competition.

The Bookstore will explore new ways to promote sales and market the store. The Bookstore's web site will be advertised through KOHL Radio station and will be accessible from the main college web site. The Bookstore will design a bookmark for the Welcome Tables to hand out and will provide an informational sheet on "Why you should shop at the Bookstore". The Bookstore will include in their email "announcements" their URL and hours of operation. KOHL Radio Station will announce the same.

To increase sales and profitability, the manager will also look into a buying co-op and partners for better pricing on clothing and general merchandise. The Bookstore will reconfigure the merchandise layout of the sales floor so customers will see the merchandise from another vantage point. Buyers will bring in different merchandise with better margins and increase customer traffic through reconfiguring the store. Expenses will be reviewed and adjusted as needed. In June 2006 the Bookstore plans to have the sales and profitability move above the current level.

Outcome #2 Textbooks and Communications.

The textbook order processing at the Bookstore as well as updating the faculty is an on going issue that needs to be addressed. The Textbook staff will continually evaluate course enrollment to update and improve order processing.

Faculty notification via email, phone or printed form will be some of the ways the textbook staff will be following up. The staff will notify faculty about late text arrivals, improve on communication with deans and secretaries on the time line for requisitions as well as late assigned classes. A Basic Course List and Supplemental Course Listing will be printed 2 months prior to the start of the semester and be hand delivered to each department secretary for verification.

These procedures will start with Summer 2005 order processing and will continue to be done on a regular basis.

Outcome #3 Reorganize employee's job descriptions and cross train to better meet the needs of the store.

In January 2005 the Bookstore had one employee reassigned to the District. The remaining 4 full time employees and manager are now carrying the responsibility of one less person. Job descriptions will be reviewed and revised as appropriate. Cross training will be considered during the reorganization as will the staffing needs during the major Bookstore remodel.

The manager would like to complete the job descriptions and reorganization by October 2005 with the assistance of CSEA and Human Resources.

Outcome #4 Remodel the Bookstore with a state of the art design to increase sales and profitability.

The manager and staff will work with the District Architects and a Bookstore Designer to expand and renovate the Bookstore. This remodel will allow the store to offer more services, a larger floor capacity, better traffic patterns, and a more effective merchandise mix, which will all enhance service to students.

The Bookstore remodel planned for the future with a date yet to be determined

Outcome #5 Replace the security system.

The security system is old and is beginning to malfunction. It needs to be updated and/or replaced.

The manager has 4 quotes on the internal security system for the Bookstore. All the companies have come forward with the knowledge of replacing the existing cameras, wiring, VCR and large monitor. The Bookstore has requested a DVR be installed that will record through a PC with only motion being recorded. The companies were asked to quote on the security system for adaptability during remodel and for future in the new store.

The Bookstore target date to have a new system in place is July 2005.

Outcome #6 Review computer systems and point of sales cash registers and update when cost effective.

Computer mainframe systems are constantly being rebuilt and updated. The Bookstore's computer system and point of sales compatibility are narrowed down to 2 vendors that have complete full bookstore packages. One of the systems is currently in the bookstore and could be upgraded. Each of the systems has point of sales capabilities for gift cards. There could be possible use of EOPS, State Rehabilitation and other special department charges using gift cards as the replacement for extra paper work. As of this program review, there is only one system that has direct connection utilizing Datatel.

The Bookstore manager will update the current system as required and when cost effective.

Outcome #7 Breakeven Analysis of the Bookstore

Two breakeven analyses will be done for the Bookstore. One will have the sales and expenses of the operation during an interim time while in remodel and the second analysis will be for the full operation of the store.

Completion for August 2005.

4. **Assessment of Success in Reaching Program Outcomes**

Outcome	Timeline	Who and what is needed
<p>Outcome #1 Increase sales & profitability 1. Promote web site through Kohl Radio Station and advertise. 2. Look into a buying co-op & partner for better pricing on general merchandise. 3. Expand & reset merchandise for better display so they will be seen from a better vantage point. 4. Bring in new merchandise and products for students and faculty so there will be an excitement to come into the Bookstore. 5. Market the Bookstore through Web Advisor for students to register with the college and then be one of the next steps to do for ordering books. 6. Review expenses and adjust as needed.</p>	<p>Completed by June 2006 with on going updates Completed by August 2005 Completed by August 2005 Completed by August 2005 Immediately & On going, April 2006 Completed by June 2006</p>	<p>Manager & Kohl Radio Station Manager Manager and Buyers Manager, Buyers & Student Staff Manager Manager</p>
<p>Outcome #2 Textbooks and Communications 1. Update and review procedures in order processing as needed. 2. Evaluate courses for enrollment and adjust ordering accordingly and advise instructors via email, phone or printed form. 3. Follow up on late arrivals to the store by checking open purchase order list and calling publishers. 4. Work with secretaries & deans to improve ordering on time of textbooks requisitions and late assigned classes. Textbook staff will print Basic Course List and Supplemental Course Listing, 2 months prior to start of semester. Lists to be hand delivered to each department secretary for verification.</p>	<p>Completed by June 2006 with on going updates Completed by June 2006 with on going updates Completed by June 2006 with on going updates Immediately, twice or three times each semester as needed and on going</p>	<p>Manager & Textbook Buyer Textbook staff Textbook Buyer & staff Textbook Buyer & staff</p>
<p>Outcome #3 Reorganize employees' job descriptions and cross train jobs 1. Review and revise job descriptions. 2. Reorganize. 3. Cross training to be done prior to the reorganization and remodel of the Bookstore.</p>	<p>Completed by October 2005 Completed by October 2005</p>	<p>Manager & staff Manager, Staff, CSEA & Human Resources</p>

Outcome #4 Remodel the Bookstore	To be determined	Manager, Staff, Architects & Store Designer
Outcome #5 Replace Store Security System	Completed by July 2005	Manager & Security Company
Outcome #6 Review computer systems & point of sale cash registers	Update as necessary when cost effective	Manager, staff & Companies
Outcome #7 Prepare Break-Even Analysis	Completed by August 2005	Manager

5. Assessment of Program/Statistical Information

Criteria for measuring Program

1. Enrollment/Course History
2. Financial Statements
3. Sales History
4. Technology Changes
5. Faculty Surveys
6. Student Surveys
7. Industry Comparisons

A. Sales History Data

1. Sales History Data Table

Item #	Description	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	Projected	N Change	% Change
							Budget 2004-2005		
1	# Students FTES Served	8468	7121	8288	8272	8027		-441	-5.20%
2	# Course sections offered	2993	3731	4098	3988	3556		563	18.81%
3	Sales: Textbooks	\$2,270,537	\$2,330,016	\$2,415,570	\$2,473,679	\$2,286,943	\$2,170,450	\$16,406	.72%
4	Sales: Other	\$525,090	\$463,673	\$427,237	\$409,889	\$334,927	\$249,257	-190163	-36.22%
5	Total Sales	\$2,795,625	\$2,793,689	\$2,842,807	\$2,883,568	\$2,621,870	\$2,419,707	-173755	-6.22%
6	Gross Profit (Sales-Cogs)	\$762,013	\$721,685	\$761,399	\$710,767	\$702,765	\$592,900	-59248	-7.78%
7	Net Income	\$385,817	\$143,362	\$164,040	\$80,125	\$52,546	\$34686	-333271	-86.38%
8	Textbook Margin	26%	26%	26%	26%	26%	26%		6.00%
9	Titles ordered	1631	1473	1623	1714	1630		-1	-6%
10	Books sold	58343	54214	60248	59585	52560		-5783	-9.91%
11	Books returned (to vendors)	8486	6343	8217	12484	11718		3232	38.09%
12	Avg text dollar per FTES(Item #3 & 1)	\$268.13	\$327.20	\$291.45	\$299.04	\$284.90		\$16.77	6.28%

Assessment of Sales History Data *in table above*

- a. The number of FTES has decreased over the last 4 years while the number of sections offered has increased.
- b. Sales of textbooks increased 1% in the 02-03 fiscal year and decreased approximately 1% in 03-04.

- c. Sales of General Merchandise (Sales: Other) decreased .72% in 03-04 fiscal year due to a decline in Computer Hardware sales. The decrease of 80% computer hardware sales was a result in Computer retail outlets, ordering on line direct with IBM, Dell and Apple Computer, discounting computers, making it difficult for the Educational reseller to compete. Backpacks also decreased 35% with more and more competition at discount stores (e.g., Target and Wal-Mart). Computer software sales decreased 87% as more bundles of suites became predominant and software programs were being rewritten.
- d. The Bookstore showed a decrease of net income for the 02-03 fiscal year. The interest rate from the Fremont Bank dropped because of 9/11 and the Apple Computer Rebate checks were discontinued to the Bookstore as of January 2004. In addition, annual salaries went up.
- e. The textbook margin of 26% is comparable to the margins used at other California Community College Bookstores in the bay area. A survey done in October 2004 of seven stores, administered by the Bookstore at Chabot Community College, listed the average margin as 26%.
- f. Textbook titles ordered stayed the same in 03-04.
- g. The number of books sold during 2003-2004 fiscal year decreased, due to publishers selling international books to students on line and students using on line swap sites. (e.g., ebay) More students have computers and have become Internet savvy increasing accessibility for the average student to purchase on line elsewhere. The on line process has become a major alternative to shopping and remains a major competitor.
- h. Books are returned for a variety of reasons: More courses were cancelled, the sales do not meet the expectations, a wrong book is sent by the publisher, a new instructor is assigned to a class and prefers a different text and sometimes the instructors do not require the students to use the text that is assigned as a required title. Returns are costly as shipping charges are paid with freight costs in and out of the Bookstore. Occasionally the publisher will not allow returns and these books must be marked down “on-sale” and eventually written off. The Bookstore is currently working on the visibility of the store as well as their web site.

B. Technological Changes

- 1. 2000: The Bookstore purchased 2 new cash registers with software and scanners
 2001: A new point of sale controller was purchased for the Fremont Campus Bookstore. A new E14 Printer was purchased for the Newark Ohlone Center Bookstore for daily sales reporting.
 2002: A remote IBM point of sales controller was purchased for the Newark Ohlone Center Bookstore. 2 new modems and 1 scanner were purchased for the Newark Ohlone Center Bookstore for the point of sales system. Also purchased was a Lexmark printer and Version 2 of the POS cash register system. A modem and electronic journal were purchased for the Fremont point of sale system.

C. Program Participant Satisfaction *obtained from surveys*

- 1. **Faculty:** A survey was put into the faculty members’ mailboxes in this spring of 2005. 104 instructors responded. The survey covered the following areas:

- a. Availability of textbooks

	June 99-00	June 04-05	Percent Change
Occasional Shortages	47%	50%	+3%
Often Short	33%	22%	-11%

	June 99-00	June 04-05	Percent Change
Available 1 st Week	15%	12%	-3%
Available 2nd Week	30%	39%	+9%
Available 3rd Week	66%	49%	-17%

- b. Communication Issues

	June 99-00	June 04-05	Percent Change
Occasional Lack of Communication	41%	41%	No Change

Never Notified	38%	48%	+10%
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c. Customer Service

	June 99-00	June 04-05	Percent Change
Always Friendly & Knowledgeable	23%	35%	+12%
Usually Friendly & Knowledgeable	67%	45%	-22%

d. Product selection

75% felt the bookstore carried a good selection of merchandise while 69% felt the prices were high.

2. **Students:** A survey was emailed to 880 students in March 2005. There were 148 respondents.

a. Availability of textbooks

- i. The majority of the students reported no problems with the availability of textbooks, however the percentages of people reporting problems were 16%. - The percent was lower from 99-00 since there were not 2 locations surveyed.

Availability of Textbooks

	June 99-00	June 04-05	Percent Change
Available when needed	75%	77%	+2%

	June 99-00	June 04-05	Percent Change
First Week	27%	8%	-19%
Second Week	49%	31%	-18%
Third Week	24%	24%	No change

- ii. The majority of students reported the books as arriving during the second week of classes.

b. Communication

- i. 85% of students understood the bookstore refund policy and liked having it attached to the receipts.
 ii. 88% students also felt that the bookstore hours were sufficiently advertised.
 iii. 68% of students were not aware the bookstore sold books on-line, most think of the competitors i.e. Amazon.Com, e-bay, etc.

Understanding of Refund Policy

June 99-00	June 04-05	Percent Change
78%	85%	+7%

Operating hours adequate

June 99-00	June 04-05	Percent Change
76%	88%	+12%

c. Customer Service

The majority of students responded favorably to all questions pertaining to customer service, except for the length of time in line during the beginning of the semester rush and during buyback. The Bookstore is now working with the MBS System people and the Fremont Bank to install new pin pad machines that will alleviate waiting in lines. The Bookstore staff tells customers to go on line to the Bookstore's web site and once the pin pads are installed, there will no longer be "dial up" into phone lines, the credit card numbers will be cleared via the "net".

Waiting In Lines:

During Registration

	June 99-00	June 04-05	Percent Change
5 Minutes	10%	17%	+7%
5-10 Minutes	39%	47%	+8%
11-30 Minutes	30%	22%	-8%
More than 30 Minutes	21%	14%	-7%

First Week

	June 99-00	June 04-05	Percent Change
5 Minutes	4%	10%	+6%
5-10 Minutes	23%	32%	+9%
11-30 Minutes	44%	37%	-7%
More than 30 Minutes	30%	21%	-9%

During Buy Back

	June 99-00	June 04-05	Percent Change
5 Minutes	21%	19%	-2%
5-10 Minutes	42%	46%	+4%
11-30 Minutes	18%	26%	+8%
More than 30 Minutes	19%	9%	-10%

- d. Product Selection:
- i. 96% of the students reported that the supplies they need for classes were readily available.
 - ii. 38% responded that they felt the merchandise was competitively priced, while 59% felt it was not.
 - iii. 71% of the students felt the quality of the merchandise carried was good while the other 25% found it acceptable

Merchandise Competitively Priced

June 99-00	June 04-05	Percent Change
56%	38%	-18%

Quality of Merchandise

June 99-00	June 04-05	Percent Change
75%	71%	-49%

6. List of Strengths & Areas Needing Improvement**A. Strengths**

1. Technologically: The Bookstore continues to move with the times by updating the systems regularly and by using the current technologies. The capability to work with the district computer to upload current enrollment information has made a tremendous improvement in operations. The e-commerce has also been a great step forward and continues to be an asset.
2. Service: Both the students and the faculty rated the customer service in the bookstore as favorable. The bookstore has continued to expand its service at both Newark Memorial High and the University of Phoenix, and by offering on-line text ordering for the students involved in the distant education programs.

B. Areas needing improvement

1. The book ordering procedures need to be reviewed and updated to increase the availability of textbooks at the beginning of the semester. The Bookstore moved their internal calendar ahead of the previous schedule for Spring 2004 and now orders books one month earlier than in the past.
2. Communication with the faculty needs to be increased so they are more aware of problem situations. The manager will check the follow up process in the textbook area more frequently, and the textbook staff will send emails to division deans and instructors.
3. Communication with the department heads needs to improve to cut the costs of returns where they can be avoided. During the past 2 years, more and more sections have been added/changed with instructors being added/changed at the last minute. This causes books that were previously ordered for use in the section, to be returned and it requires that new books be ordered with rush shipping methods. These situations increase the cost of sales tremendously with the added freight charges.
4. Customer "wait time" needs to be improved. With the installation of pin pad or electronic signature machines attached to the cash registers, the Bookstore will receive clearance through the Internet.

7. Assessment of Outcome Measures from Previous Program Review

A. 1 year

1. Improve Textbook ordering procedures
 - a. Financially: The Bookstore has weakened since the last program review, however, it continues to remain self-supporting. Sales have decreased due to lower enrollment, the on line competition in textbooks and more direct marketing with on line computer sales.
 - b. “The Manager and textbook buyer will review procedures and update as needed.” The textbook calendar has been moved ahead of the regular schedule to accommodate better order processing.
 - c. “The textbook buyer will evaluate courses that regularly over-enroll and order accordingly.” Textbook buyer has checked and will continue to check past sales history and Datatel enrollment figures to do reorders on books if needed.
 - d. “The textbook buyer will purchase more copies of books for the current semester if the publisher is not planning a new edition, and the books will be used for the upcoming semester.” The mathematics and nursing books are carefully watched each semester in this case.
 - e. “Improve the follow up procedures with books that are late arrivals by checking open purchase orders and calling the publishers.” The textbook staff has filled out notification forms and emailed instructors on the status of their books.
 - f. “Work with the department secretaries/deans to improve the order time on textbook requisitions that are ordered late. Updated requisitions received will be periodically sent to the department secretaries/deans so they can review what has been ordered.” The Textbook Buyer has been running a “Course with no books ordered list.” Lists were hand delivered to each department secretary for verification.
2. Improve communication
 - a. “Develop and use a form to notify faculty about the status of books that may arrive late and improve the process of notifying faculty when the book has actually arrived if beyond the class start date.” Department notification form and email follow up have been done as soon as the status of book was determined.
 - b. “Send out memos to faculty requesting their assistance in the order process by ordering their books on time, notifying the textbook department if they know they will be using the same title/same edition in both the present and the following semester and by notifying the textbook department immediately if they have any problems or concerns with their textbooks.” Emails and phone calls have been effective in the past several years with a result of less non- returnable titles.
 - c. “Communicate with the area deans via email and telephone calls about problems that are the result of faculty not using books as requested.” Phone calls made to the deans have provided very positive results. The bookstore has had the faculty member adopt the title(s) in question for class use.
 - d. “Notify the students about the status of late arrivals by posting the information on the shelf tags.” “Books are on the Way” tags are slipped into the shelf card(s) for status of the perspective title. Each tag is removed when the books are received and shelved.
 - e. “Explore ways to notify Faculty and students of the availability of on-line shopping using the Bookstore’s website.” “Word of mouth” has been one of the biggest advantages for the store. As students come in to purchase textbooks, we encourage them to buy through the on line Bookstore. We also encourage students to purchase their late start classes and purchase parking permits on line.
3. Improve Customer Service
 - a. “Identify ways to shorten the amount of time customers need to wait in line during the first week of the semester and during buyback.” The computer system has been upgraded and we are now exploring options for new pin pads for the cash registers. The pin pads will alleviate the long lines at the cash registers during rush.
 - b. “Continue to look for ways to provide excellent customer service by reviewing industry information and contacts with others in the industry. Provide a suggestion box to solicit suggestions from both students and staff.” Full time staff of the Bookstore has been asked to “go the extra mile” with customers. The staff is spending more quality time with frequent customers, getting to know their needs and also their buying habits. The Bookstore staff have been taking time to call the Ohlone customers on the phone and have been sending emails to invite them for special sales and events. Merchandise, previously stocked, was put on sale in order to segue into new products.
 - c. “Explore ways to find additional employees during the busy periods. Perhaps engaging the services of a second temporary agency.” The Bookstore has been able to develop Other Hourly Employees, by

- bringing back “regulars” that have worked a previous rush. Some of the regular staff that comes back to the Bookstore are students that have graduated from Ohlone and are now attending a local 4-year school.
4. “Survey the faculty to measure the improvements made.” Survey was completed just prior to this program review.

B. 1-2 years

1. “Put in place an on line Faculty Requisition.” Currently under review.
2. “Replace the Bookstore main computer system with an updated model.” Currently under review.
3. “Replace the Point of Sale Controller with an updated model.” Currently under review.
4. “Survey the faculty and students to measure the improvements.” Survey was completed just prior to this program review.

C. 3-5 years

1. “Update the Point of Sale cash registers and increase the number of registers as needed.” Currently under review.
2. “If the bond issue passes, a new store will be built. This will improve the customer flow and increase the productivity in the store. If the bond issue fails, a major remodel will be planned to increase the customer flow and update the appearance and functionality of the store.” Timeline is yet to be determined.