

Business Services: Purchasing and Receiving

Program Service Review 2008-9

1. Program Description and Scope

The Purchasing/Receiving department serves the entire District for all of its acquisition needs. The Purchasing and Contracts department ensures the purchases of material and services at the most advantageous pricing by following the District policies for comparative shopping. By working with the departments on campus to obtain multiple quotes, the District often realizes significant savings. Purchases for materials and services over the State mandated bid thresholds are processed by formal bidding procedures as outlined in the State procedures.

The Purchasing department is responsible for seeking and ensuring vendor competition. Currently the department maintains a vendor database of interested vendors, uses the Blue Book of Building and Construction, and searches for prospective vendors on the Internet.

The Purchasing department is a key player in the development of contracts with contractors and vendors for Bond Projects and other public works. The Director of Purchasing, Contracts, and Auxiliary Services identifies, performs, and recommends award of public works bids and negotiates the initial contracts. Purchasing works with vendors on addendums, amendments, and change order processing to existing contracts.

A "just in time" ordering system for office supplies has been arranged by Purchasing so the using departments can order office supplies on-line and have materials delivered directly to their offices the next day.

The Purchasing department manages the surplus of District materials that are no longer needed; and the warehouse oversees public auctions or sales/donations according to State guidelines. Through the warehouse, attempts are made to find ways to recycle as much surplus as possible, especially electronic items (e-waste.)

Hazardous materials are used on campus in various departments for student learning and by facilities personnel. The Purchasing department, in conjunction with the Facilities department, is responsible for ensuring that the District is in compliance with State, Federal, and local regulations relating to the use of hazardous materials and the disposal of hazardous waste. The Purchasing department is also responsible for management of the required hazardous materials and hazardous waste document files, including the Hazardous Materials Business Plan (HMBP.)

Archiving District records is processed through the Purchasing and Receiving departments. Documents that are no longer needed in the department offices are collected in the warehouse then sent to an offsite vendor warehouse for storage. Guidelines for the required period of time archives are kept in storage are determined by state law and District Board Policy.

The District Buyer, working with individual departments and/or the travel agency, processes travel requisitions, makes travel arrangements, provides payment information to hotels and processes purchase orders when required for conference registrations.

The Purchasing office prepares, negotiates and maintains files of District contracts/agreements relating to purchases, bids, and services. The Director of Purchasing, Contracts, and Auxiliary Services reviews and signs contracts on behalf of the District and works with using departments to negotiate various contracts with vendors. Director acts as a resource providing advice and direction on contracting and other business issues.

The Director also works with legal counsel and trade organizations to ensure that the District is protected and in compliance with laws and regulations. Risk management duties include code compliance, risk analysis, and liability reduction.

The Director is responsible for producing and submitting board agenda items for the board to approve, ratify, or review. The Director attends most Board meetings to be available to provide information on contract approvals and other business related agenda items.

The Director maintains the District CalCard credit card program. The Director monitors card usage and verifies compliance with program procedures.

Negotiation and administration of District contracts, such as for shredding, document storage, utilities, service contracts, etc. are an integral part of the duties of the Director.

Oversight of Auxiliary Services, including Flea Market, campus food services, and the Ohlone College Bookstore, is also part of the program responsibilities.

The Purchasing staff also answers phone and email inquiries related to all areas of Purchasing, Contracting and Auxiliary Services.

The Receiving Department reports to the Purchasing Director. The Receiving department operates a central receiving facility for items purchased by the College. Listed below are the main functions of the Receiving department:

- Maintain the cleanliness and security of the warehouse
- Load and unload shipments
- Check incoming stock for conformity to purchase orders
- Accept and input receipts into the Datatel Colleague System
- Operate a forklift to move and lift materials
- Deliver equipment and other items on campus
- Answer phone calls and emails
- Provide information to campus personnel regarding purchased items and warehouse storage
- Identifies and tags fixed assets
- Surplus property storage and disposal

2. Relationship to and Successes in Obtaining College Mission and Goals

- **Goal III. Develop strategies to increase the proportion of full-time students, including learning communities, cohort groups, enhanced facilities, and improved course availability.**

The Purchasing department has worked closely with the Facilities department and the Bond office to enhance the facilities at the Fremont campus and for the construction of the new buildings, such as the Ohlone College Newark Center for Health Sciences and Technology and the new Student Services Building, in addition to contracting for improvements to existing classrooms and campus buildings. These new and enhanced facilities will improve course availability and increase the proportion of full-time students.

Since the previous Program Service Review the following achievements have been made in support of this goal:

Through a renewed cooperation with the Facilities Department, Purchasing has worked closely with Buildings and grounds to provide contract guidance/procedures and new forms that are easy to use and quick to be approved. Small urgent projects can now be started almost immediately while staying in compliance with state law and good business practice. Close involvement in construction contract changes and oversight of legal and compliance issues have helped to ensure the “most bang for the buck” on District projects. Oversight by the Purchasing and Contracts Department of over 40 construction bids and contracts required to build the new Newark Center contributed to the successful completion of that project. By attending governing board and other meetings to provide information and consultation, the Purchasing Office has helped to provide for more informed decision making.

- **Goal V. Promote the health, environmental, cultural, and economic vitality of the communities served by the District through programs of outreach, community services, and partnership ventures.**

Although no business related objectives were identified in this college-wide goal, the Purchasing and Contracts department is directly responsible for procurement of good and services that add to the economic stability of the community. Outreach programs to small and disadvantaged business and cultural awareness in purchasing and contracting activities helps to create partnerships and vendors and community leaders.

Since previous Program Service Review the following achievements have been made in support of this goal:

Partnership ventures and economic vitality activities include on-going working partnership (through the RFP process) with Brookhurst Development for development

of lease-leaseback parking structure; through relationship with copier vendor, able to secure new MFP devices for Fremont campus; improved Purchasing web page to provide better information for both campus employees and business community; started conducting surplus property sales; cleaned up and improved warehouse and mail room operations to provide better service to employees; negotiated better rates with FedEx and established new contract with California Overnight; implemented new CalCard program and expanded its use; improved Office Depot contract pricing by switching to the Foundation for California Community Colleges (FCCC) contract which also supports our partnership with the FCCC; filed for property tax exemptions for leased equipment to reduce budget impacts; partnered with Hazardous Materials consultant to update the Hazardous Materials Business Plan (HMBP) and improve campus safety/reduce liability; and updated archive storage procedures/forms. Developed new public works bid documents, settled 3 construction related law suits, and improved the Purchasing web page for easier community access. For increased efficiency in the warehouse and for better service to campus and community, new systems were implemented (including direct data input of receipts into Colleague); and, a Warehouse/Receiving Operations Manual was produced for the first time.

- **Goal VI. Promote and maintain a clean, safe, and healthy environment through continuous engagement of students and college personnel in campus preparedness, wellness, beautification, universal design, and environmental sustainability.**

The Purchasing department works closely with vendors and Ohlone departments to encourage the use of recycled products on campus. The Purchasing department and the Facilities department also work together to ensure a safe and healthy environment by developing and following proper hazardous materials and waste procedures. Both the Buyer and the Director are members of the SEMS emergency preparedness teams and the Buyer is an active participant on the campus safety committee.

Since previous Program Service Review the following achievements have been made in support of this goal:

Campus beautification and clean, accessible, safe campus environment activities include re-fixturing of the bookstore for a new, more inviting; more modern look; conducting bids and managing contracts for the Newark Center and SSB projects; prepared a contract for campus master planning; removed dangerous chemicals and hazardous materials from campus and initiated a complete survey of the campus for hazardous materials. Participated in completion and opening of the Newark Center while assisting in purchase of sustainable equipment and supplies. The Purchasing Office was redesigned to provide a more professional look, more efficient operation, and better working environment for the staff and visitors.

- **Goal VII. Increase public and private funds for educational programs, equipment, and facilities through entrepreneurial activities, grants, and the college foundation.**

By using strong comparative shopping procedures, whenever possible, the Purchasing department is able to save money not only in the general fund, but also for purchases relating to grants and other activities. These savings stretch the funds available for other materials and/or services that may be needed.

Since previous Program Service Review the following achievements have been made in support of this goal:

Entrepreneurial activities include contracting with new snack vending company for higher commission and new machines (funds to ASOC); negotiated with Fresh and Natural to provide food services at Newark (commission to ASOC); negotiate a contract through a third-party supplier for fixed price natural gas purchases through the winter and PG&E for annual electricity needs at reduced prices; conducted RFP and wrote contract for SIG to provide I.T. management services. Negotiated significant savings on \$200,000 purchase of replacement copiers resulting in reduction of hardware, electricity savings, and reduced supply and maintenance costs; and, provided better quality and more internal printing options for the campus. Improved customer service (as evidenced by survey results) has enhanced the perception of Purchasing as a value-added service; thus, increasing the use of the department with resulting savings of dollars and resources.

3. Assessment of Recommended Outcomes from Previous Program Review.

Outcome:	Timeline:	Results:
Outcome #1: Re-focus the work of the District Buyer by the Implementation of on-line requisition.	Testing and implementation: May 2005-July 2005 Full implementation: August 2005	A Beta test was conducted using volunteer departments. Most users discontinued using the system mostly because the interface was not easy to use. A new web based interface has been developed, so plans are underway to implement in 2009-2010.
Outcome #2: Focus on bond related projects.	Through 2008	Successfully completed 98% of Bond related contracts. Only completion of SSB, Secondary Effects, and Newark Sign remain to be completed. Wider distribution of CalCard Credit Cards for staff/faculty use for routine or small purchases has helped to decentralize the procurement process, reducing workload on Purchasing staff; thus allowing more time to concentrate on the Bond contracts & purchases.
Outcome #3: Review current processes, revise if necessary and eliminate un-needed procedures. Use piggyback contracts when available and cost effective.	January 2005-June 2006	New Board policies adopted reflecting the "permissive code". New, more flexible procedures have been implemented and posted on a new Purchasing web page. Wider distribution of CalCard Credit Cards for staff/faculty use for routine or small purchases has helped to decentralize the procurement process, reducing workload on Purchasing staff. Hazardous Materials Consultant hired to revised HMBP and Chemical Hygiene Plans.
Outcome #4: Update outdated forms and have appropriate forms available on the Business Services website.	January 2005-September 2005	In 2007-08 most of the Purchasing related forms have been revised and made available for on-line download or fill-in forms. New Director has provided some OJT to Buyer in Datatel use, buying techniques, and legal compliance.
Outcome #5: Training of Purchasing staff and provide training to campus community for purchasing department procedures.	December 2004-December 2005	Hazardous Materials Consultant hired to provide training and expertise on handling hazardous materials and compliance issues. Purchased UCC and other books/manuals.
Outcome #6: Travel procedures.	April 2005-December 2005	With the introduction of the Cal Card District credit card, travel procedures in Purchasing have been streamlined and reduced to providing hotel reservations.

4. Student Learning Impact

Although the Purchasing department is not directly involved in the instruction process, it does indirectly support the learning function by having the appropriate materials available for use in all classrooms and labs so that students can succeed in their studies. By working closely with the Bond and Facilities departments, the bids, contracts and/or purchase orders are processed to provide students with safe and updated facilities, classrooms, and equipment that is conducive to learning. Section 5 details these impacts.

5. Strengths and Relevant Data

A Purchasing Satisfaction Survey was sent out to all Deans, Directors, Supervisors, and Confidential employees (including Administrative and Executive Assistants) prior to this program review. Thirty-one people responded and, overall, the results were very positive for the Purchasing and Receiving departments with the average rating response on a scale of 1-5 (1=poor, 5=excellent) of 4.48. The results are summarized below.

Purchasing:

The respondents to the survey were asked to rate the following areas:

- **Purchasing/Requisition process for equipment and/or supplies**

100% of the people who claimed they used the services of the Purchasing department indicated that the services were “good” or above. This compares with 85.7 % in the previous survey. In the new survey, 46.7% rated the services as “excellent” compared to just 28.6 % for the same question previously. None rated the services below satisfactory in the current survey. This clearly indicates an improvement in overall satisfaction with the processes, procedures, and direction of the Purchasing Department.

- **Processing of travel requisitions**

97% of the people who claimed they used the travel services of the Purchasing department indicated that the services were good or better. This is a dramatic improvement from the 76.5% who found the services satisfactory or above in the last survey. A ten point improvement was also obtained in the number of people who rated the services as “excellent”, from 17% to 27%.

- **Ordering of office supplies—Purchasing’s On-Line ordering System.**

A high degree of satisfaction with the Office Depot on-line ordering system was indicated with an overall rating of 4.66 out of a possible 5.0. 100%, up from 95.6%, of the people who claimed they used the service indicated that the services were satisfactory or above. 65%, up from 56.5%, rated the services as “excellent”.

- **Customer service (this includes responding to phone calls and emails, answering the questions you have asked, friendliness and availability)**

Only one response indicated Customer Service in Purchasing was below par. This compares to 11.1% who rated the services below satisfactory in the previous survey. 77% rated the services as “excellent”. The average rating score for customer service was 4.7 out of 5.0 indicating a great deal of satisfaction.

Receiving:

The respondents to the survey were asked to rate the following areas:

- **Incoming Shipments**

In the previous survey, 69.6% of the responses indicated that the services were satisfactory or above. Today, that has improved to 93%. Compared to the 21.7% who rated the services as “excellent” previously, the current 37% is a dramatic improvement. The number of responses that rated the services below satisfactory was down from 30.4% to just 7%. However, the warehouse continues to be the lowest rated area within the department. With an average score of 3.96 out of 5.0, satisfaction with the handling of Incoming Shipments was the second-lowest rated question.

- **Deliveries**

Deliveries were the lowest rated question on the current survey with an average score of 3.83 out of 5.0. While dramatic improvements in satisfaction are indicated with 86% (up from 69.6%) of the people indicating that the services were satisfactory or above, improvement in delivery services needs to be addressed. Even though 36% rated the services as “excellent”, a vast improvement from the 17% previously, this is a reflection of the hard work of the new warehousekeeper hired last year. A one-man Receiving department cannot adequately service two campuses. Many of the negative narrative comments revolved around getting materials to the Newark Center.

- **Customer service (this includes responding to phone calls and emails, answering the questions you have asked, friendliness and availability)**

The new warehousekeeper is making great strides in improving customer service levels. In the last survey, only 66.7% of the people indicated that the services were satisfactory or above. Today, despite the problems with making deliveries to two campuses, 93.2% of the responses were “good” or above. In fact, 34.4% (compared to 20.8% previously) rated the services as “excellent”. The average rating score for customer service was 4.0 out of a possible 5.0.

Contracting:

The new survey added questions on Contracting, an area of expanding responsibility within the Purchasing and Contracts department.

- **Contract Review**

When asked about their satisfaction with the contract review process, those indicating they had used the service rated it at an average of 4.5 out of 5.0. 100% of those responding rated the service as “good” or better. 63% rated the services as “excellent.”

- **Meeting Deadlines**

A key component in contracting is meeting deadlines. Again the users of this service gave an average rating of 4.5 (out of 5.0) to the department's ability to do so. 100% of those responding rated the service as "good" or better. 63% rated the services as "excellent."

- **Contract Preparation/Negotiations**

Of the 9 responses of people using the services, 88.9% rated them as "very good" or better. With an average rating of 4.44 out of 5.0, there seems to be high level of satisfaction.

- **Solving Issues/problems in a timely manner**

100% of those responding indicated satisfaction with the service, rating it "good" or better. 57% rated the service as "excellent".

- **Customer service (this includes responding to phone calls and emails, answering the questions you have asked, friendliness and availability)**

With an average score of 4.76 out of 5.0, customer service in contracting was the highest rated question on the survey. 100% of the responses were "very good" or better; while 76.4 % rated customer service in contracting as "excellent".

On-Line Requisitions:

Comments indicated that nearly 2/3rds of respondents were so positive about the implementation of on-line requisitions that they would volunteer to be first to go live. Compared to the same questions in the previous survey, there were fewer concerns about system problems and lost information; and, there was a much more positive outlook.

Some responses were indicative of natural skepticism after the previous attempt to implement the program failed. Surprisingly, though, the majority of comments focused on solutions such as training, testing, and user friendliness.

General Comments:

The new survey also asked users of Purchasing services to provide an overall opinion or additional comments or suggestions. Below are some of those comments:

- "Overall, I find the Department to be helpful, efficient and friendly."
- "Excellent - appreciate everyone and all the hard work you do and support you give!"
- "Not customer service oriented with regards to recycling items such as used printer cartridges"
- "excellent - Your office and staff is doing an excellent job. Alex is a 10 star employee. Kevin is the same! My only suggestion would be that when we are ordering online, that there would be some assistance if need be at the time. The transition to the new copier was very smooth. When we need some info, Kevin was always very helpful."

- “Only problems I have ever had have been communication oriented. Keep the lines open and avoid jumping to conclusions before getting all the facts, please.”
- “Mark and Cyn has been great resource and have provided excellent turn around of reqs or any concerns. I would not change anything.”
- “Generally very positive. Cynthia Banuelos is extremely helpful and always a pleasant to deal with.”
- “Web page comments: ... clean layout and very easy to navigate. Overall I would say purchasing is working well as it is with the opportunity to grow through a more streamlined process.”
- “I like the recent changes and overall, the response time and contract issues from the past have been decreasing.”
- “Each person in the Purchasing Dept. has been very helpful and always willing to answer questions.”
- “I have been a constant user of the Purchasing Department for 30+ years, and I have never seen your department so efficient! I am always amazed at how quickly Cyn turns my requisitions around, and always promptly answers emails and phone calls with a very pleasant and positive attitude.”
- “Mark and Cyn have been VERY helpful in our efforts which make use of contracts, and they make sure we're doing so responsibly.”

Additionally, a **Staff Opinion Survey** was conducted in the spring of 2007. 123 classified and management employees took part. In this survey 95.6% of staff felt having sufficient numbers of qualified staff was important to the success of the college or felt it was strongly important (60.5%) while 60.2% believe that there was not a sufficient level of staff to support college programs. Purchasing and Contract Service is considered part of Business Services. In a question about the level of service provided by Business Services, 69.4% of the respondents indicated satisfaction with the services provided, while only 9% were dissatisfied.

The District also conducted an **Environment Scan of the Community**. Relevant results of that scan show...

Community colleges are meeting unprecedented demand for their services in a time when traditional public financial support is not increasing at the same rate, forcing new sources of revenue to maintain and expand programs and services.

Unemployment fell from 2003 to 2006, but rose from 4.5% in March 2006, to 5.5% in March 2008, and rose again in August 2008 to 6.9%. In times of unemployment, college enrollments often increase as residents seek retraining. (California Employment Development Department)

Among the 21 community colleges that comprise the Bay 10 districts, Ohlone is mid-sized with an annual headcount enrollment slightly above 18,000. Four of the Bay 10 colleges enroll 30,000+. Full time equivalent student (FTES) enrollment for the college ranks seventh at 4,000+ and is one of only eight Bay 10 colleges that have increased FTES since 2003-04. (California

Community Colleges Chancellor's Office) Ohlone is mid-sized with an operating budget just under \$50 million. This equates to a lot of buying power if properly utilized.

In most categories of employment, the number of staff has increased more than proportionately to student enrollment so that staff in 2007 was serving fewer students per staff member than in fall 2002. A notable exception is the categories of administration/management where the proportionate student-to-administration/management ratio has risen. Most dramatically, the ratio of students to administrators has risen 57.4% (from 411 students/administrator to 647 students/administrator) since fall 2002. (California Community Colleges Chancellor's Office)

6. Program Improvement Objectives

With the above data in mind, the following objectives are proposed to meet the college goals and provide maximum student learning impact.

Objective #1: (related to College Goal 4 and 7)

Re-focus the work of the District Buyer by the Implementation of On-Line Requisitioning.

A major concern continues to be the time spent by the District Buyer on various manual processes. The District Buyer still spends over 50% of her time entering purchase requisitions (data entry) and approximately 10% of her time copying or scanning purchase orders to distribute.

Although a review of purchase orders processed over the last three years indicates increased efficiency and success in decentralizing the procurement function, the need continues for a redistribution of duties for the Buyer so she is able to more effectively conduct buying activities.

Historical Purchase Order Data:

Fiscal Year	# of PO's Processed	\$ Value of PO's Processed	FTES
2003-2004	1,450	\$19,055,735.68	8,134
2004-2005	1,036	\$23,879,428.41	7,601
2005-2006	1,000	\$48,590,960.44	7,607
2006-2007	1,144	\$57,521,251.67	8,067
2007-2008	1,526*	\$12,117,035.62	8,456

*includes requisitions processed for direct pay voucher and credit card charges processed in Purchasing

The monthly average volume of purchasing transactions processed in 2007-08 was 127. Thus, the daily average is nearly 6 per day. Considering the buyer must log-in, input, convert the requisition to a PO, process the PO, print, and distribute each PO, there is hardly time to attend to other duties, let alone be expected to perform any real buying (comparative shopping.)

These numbers do not take into consideration the myriad of change orders to POs and contracts that must be similarly processed.

With Bond activity slowing, but the economic recession blossoming, the need for the buyer to concentrate on saving the District money and resources has become even more critical. The Bond increased the workload for Purchasing significantly. However, no additional personnel were added. Since the new Vice President of Administration and new Director of Purchasing and Contracts started in June of 2007, additional contracting responsibilities have been shifted to the Department, as well. A new Bond is anticipated in 2010, which will again increase workload issues for Purchasing. Since it is unlikely staff will be added in the foreseeable future, processes must be changed to allow more time to dedicate to larger and more complicated projects.

One area that is helping is the District's CalCard credit card program. In 2007-08 it was expanded to where over \$500,000 was expensed through this decentralization mechanism through nearly 60 cardholders. The CalCard is designed as a payment process more than a procurement alternative. Its real savings occur when the card is used for payments of routine transactions where a purchase order adds little or no value.

On-line requisitioning continues to be the single best hope in reduction of manual processes and the streamlining of the procurement procedures. The implementation of the Beta version of "on-line requisitions" by Business Services several years ago was not successful. This can be attributed to several factors including, poor user interface, insufficient training, lack of support, and an inability to convince users of the benefits. It was not a true web based "on-line" experience, since it was merely a GUI interface directly into Datatel. This created a cumbersome process for users and approvers.

Although, the greatest advantage to on-line requisitions will be a reduction of data entry for the Buyer, it will also allow individual departments to track status, look up vendor/account information, and reduce misplaced paper requisitions while improving turn-around time. It will also reduce errors due to handwriting confusion and lack of sufficient information.

A new interface has been created by Colleague and there is now sufficient interest (as indicated in the new survey) to activate a true on-line requisition system. An implementation plan is being developed, including a complete procurement process review, to ensure successful deployment. Purchasing staff and users will be trained and the roll-out will be systematic with emphasis on the advantages to the users. The previous roll out experience will provide valuable lessons in implementing the new system.

On-line requisitioning is planned to be initiated for the 2009-2010 fiscal year.

Student Learning Impact: Faculty and staff will spend less time "shopping" for materials and tracking orders, leaving more time for student contact.

Objective #2: (related to College Goal 4)

Training of Purchasing staff and provide guidance to campus community for purchasing department procedures.

This objective was not fully realized from the previous Program Service Review, partly due to understaffing and underfunding. However, opportunities will become available that would not require a great amount of resources or time to complete. An augmentation of a few thousand dollars to the previously stripped conference budget would help make this objective a reality. The Director will watch for networking opportunities, conferences, workshops, and meetings that would be appropriate for the Buyer and other staff to attend. Key to any training will be emphasis on professionalism and customer service. As this report is written the economy and budget is in turmoil. More than ever, experienced buyers are needed to help conserve District resources.

Student Learning Impact: A more efficient Purchasing and Receiving operation will get materials and services to academic and support departments faster, providing a better learning environment. A better trained buyer will save money and time in securing needed educational materials, providing more opportunities for savings and increasing the buying power of the limited resources available; thus improving student learning outcomes.

Objective #3: (related to College Goal 5 and 7)

Provide improved Receiving and Delivery services to both campuses by adding a delivery driver and truck. Bring archive storage in house for better access and maintenance.

As the 2008-09 Purchasing Satisfaction Survey indicated, satisfaction with the receiving/delivery process is lower than the overall department. During previous budget cuts, the delivery position was removed from the warehouse. The move of the duplicating center/mailroom to Building 1 left only one person to do all receiving and deliveries. While difficult, with help from Facilities personnel, the warehouse was able to “make do” serving the Fremont campus (albeit with low satisfaction levels.) In 2004-05 31.8% of respondents rated the customer service of Receiving as below satisfactory compared to only 6.8% today.

These great strides of improvement are being undermined by two major factors. First, and most importantly, is the addition of a second campus at Newark. The District had made no accommodation for receiving deliveries at the new center in the planning process. When it opened, it became a logistical nightmare for the warehouse. There are no union members capable of accepting receipts on site, and the one warehousekeeper cannot be in two places at once.

The major responsibility of the warehousekeeper is to receive shipments at the warehouse. Since these come in randomly, it is difficult to be gone from the warehouse for long periods of time (such as for a delivery to Newark.) With the Facilities department being stretched thin at two campuses, as well, continued assistance from them is not dependable. Unlike in the past,

where union members were available to “help out”, there is typically no longer anyone available in Building 10 to accept shipments. The exception is the Executive Assistant in Facilities who is usually on site. However, she is a CSEA unit member, and not allowed to do SEIU unit work.

To allow the warehousekeeper to become more efficient and provide the kind of coverage needed for two campuses, the District needs to provide a reliable vehicle of the appropriate size and capabilities that will be able to make a regular trip to Newark. A small box truck with lift gate would be ideal. In addition, a full or part-time dedicated employee is needed to ensure the warehouse is continuously covered.

The District currently spends upwards of \$1500 per month to a storage company to keep archive records. This cost will increase as more boxes are put into storage. Each time a box is put in or taken out, there are additional costs. Recently, there were charges of \$600 just to search for a box for Human Resources. With the addition of the employee and truck above, the warehouse would be in a position to bring this service back in house. By renting a local storage facility, boxes could be brought in or taken out as needed, or when deliveries are made to Newark. Many departments currently store these archive boxes on top of file cabinets or in back rooms, because of the trouble and expense of retrieving documents if needed. This creates a potential security risk for sensitive departments such as HR or Admissions and Records. For about the same cost as the outside service, the college could retain records, as required by law, in a safe, secure, and accessible manner. The plus would be easier access, better control on the maintenance and destruction of records, provide better security, and free up valuable space in offices all over campus. As an added bonus, the external storage facility, if large enough, could also be used for long-term storage of equipment or furniture, freeing up space in the warehouse to provide better space for the continuing sale of surplus items (resulting in additional revenue to the District.)

Student Learning Impact: A more efficient Receiving operation will get materials and services to academic and support departments faster, providing a better learning environment.

Objective #4: (related to College Goal 5 and 7)

Improve community and business relationships through increased accessibility, better outreach, and updated vendor lists.

One of the proven ways to increase savings and improve vendor service is to develop good vendor relations. The easier it is for companies to do business with the District, the more likely the college obtains better pricing, terms, and delivery. The governing board recently expressed a desire to improve business opportunities for local businesses. The Environmental Scan showed there is continued growth in computer, electronic, and technical services, consistent with the Silicon Valley environment (California Employment Development Department), all business that the college would potentially use. Further, the college doing business with adjoining counties can also be beneficial to the local economy because thirty-three percent of working county residents commute to work outside the county. Most commute to San Francisco County (72,000), Santa Clara County (70,000), Contra Costa County (36,000), and San

Mateo County (34,000) (United States Census Bureau.) By improving community and business relationships through increased accessibility, better outreach, and updated vendor lists the District will help the local community and save money.

The biggest obstacles faced by Purchasing to increased vendor contact are: Building 1, where the Purchasing and Contracting offices are located, is not convenient to the outside community; there is no designated vendor parking; and, the buyer has little time to meet with vendors. The District also needs to improve the way vendors are selected. Small, local businesses may not be aware of the opportunities existing for them here. Requests by vendors to be notified of upcoming procurements are kept in an old database file on the Buyer's computer with little or no search capabilities and no access by anyone else in the department.

Often vendor representatives will skip Ohlone because of the long and uphill walk to see potential clients. Vendors who do not regularly visit the campus do not obtain free parking permits, requiring them to either pay for parking or risk getting a ticket that carries a hefty fine. This discourages vendors from coming to campus. If the Purchasing offices cannot be moved to a more accessible location (such as Hyman Hall) reserved parking for vendors is critical. This could easily be accommodated in lot "N" which has relatively good access to Building 1.

Purchasing and Contracts will develop an on-line vendor registration system, which will be vendor-maintained, that includes commodity code reference fields. This would provide a searchable growing group of vendor and contractor resources. Participation in vendor fairs, trade shows, and outreach programs (such as specific targeted advertising) would also be helpful. These inexpensive means of outreach can pay huge dividends to the District as a whole by providing buyers with firsthand knowledge of products/services and face-to-face contact with potential suppliers.

Cooperative purchasing groups and networking with other local community college purchasing organizations will also help establish a cohesive vendor management program.

Student Learning Impact: Improved vendor relationships lead to more partnering with the business community. This additional access can lead to grants, gifts, and additional savings, in addition to better delivery and payment terms. More resources means better learning outcomes. Diversity in the market place can improve product mix, productivity, and community perceptions. Access to more vendors results in better competition and lower prices, stretching funding for additional educational programs.

Objective #5: (related to College Goal 4)

Prepare and submit to the President for approval updated and revised Administrative Procedure (AP) regulations for appropriate functional areas.

The Board of Trustees Policies and Regulations Manual is in the process of being reviewed and updated. As updates are finalized, they will replace the old version of the policies and regulations. To date, new Chapters 1-7 of the Policies (BP) have been posted. Related Regulations (AP) have not been addressed, creating (in some cases) conflicts between adopted

Board policy and the accompanying regulations/procedures. Purchasing and Contracts is responsible or partially responsible for Regulations resulting from Policy Sections:

[BP 6100 Delegation of Authority](#)

[BP 6330 Purchasing](#)

[BP 6340 Contracts](#)

[BP 6550 Disposal of Personal Property](#)

[BP 6600 Capital Construction](#)

[BP 6650 Sustainability](#)

The current AP regulations related to previous Board Policies are not relevant under current policy; and, can cause confusion among users of the Purchasing and Contracts department. Purchasing needs to develop these Administrative Procedures and submit them to the administration for review.

Student Learning Impact: Improved efficiencies and ease of use in the procurement process will encourage participation resulting in significant cost savings. Codified procedures have been shown to reduce the stress level of users and have resulted in higher levels of satisfaction, as evidenced by the recent Purchasing Survey. A more efficient Purchasing and Receiving operation will get materials and services to academic and support departments faster, providing a better learning environment.

7. **Action Plan and Assessment of Needs for Reaching Program Objectives**

Objective:	Timeline:	Resources:
<p><u>Objective #1:</u> Re-focus the work of the District Buyer by the Implementation of on-line requisition.</p>	<p>Testing and implementation: fall 2009 Full implementation: December 2009</p>	<p>Information Technology staff, Financial Services staff to set up parameters, and test sites. Procurement of software.</p>
<p><u>Objective #2</u> Training of Purchasing staff and provide guidance to campus community for purchasing department procedures</p>	<p>July 2009-June 2011</p>	<p>Human Resources, release time, professional organizations, budget augmentation to pay for training, workshops, and conference attendance.</p>
<p><u>Objective #3</u> Provide improved Receiving and Delivery services to both campuses by adding a delivery driver and truck. Bring archive storage in house for better access and maintenance.</p>	<p>June 2009-August 2009 Early 2010</p>	<p>Human Resources, budget augmentation to secure an appropriate vehicle and hire employee. Establish a budget for ongoing rental of off-site storage facility and one time equipment budget for material handling equipment.</p>
<p><u>Objective #4</u> Improve community and business relationships through increased accessibility, better outreach, and updated vendor lists.</p>	<p>2010 to 2012</p>	<p>Campus Police, Facilities, Cooperation with other CCDs, legal advertising budget, travel budget to attend vendor shows and outreach events.</p>
<p><u>Objective #5</u> Prepare and submit to the President for approval updated and revised AP procedures for appropriate functional areas.</p>	<p>FY 2010-11</p>	<p>President's Office for timeline and policy references; and professional organizations, Chancellor's Office, and other districts for direction and samples.</p>