

TRANSMITTAL LETTER

November 27, 2002

The Honorable Rick Perry, Governor
The Honorable William R. "Bill" Ratliff, Lieutenant Governor
The Honorable David Dewhurst, Lieutenant Governor-Elect
The Honorable James E. "Pete" Laney, Speaker of the House
Don W. Brown, Ph.D., Commissioner, Texas Higher Education
Coordinating Board

Fellow Texans:

I am pleased to present my performance review of Austin Community College (ACC). This review is intended to help ACC hold the line on costs, streamline operations, and improve services to ensure that more of every tax dollar is directed into the classroom, with the teachers and students, where it belongs. To aid in this task, I contracted with McConnell Jones Lanier & Murphy LLP.

I have made a number of recommendations to improve ACC's efficiency. I also have highlighted a number of "best practices" in college operations-model programs and services provided by the college's administrators, faculty, and staff. This report outlines 107 detailed recommendations that could save ACC more than \$15 million over the next 5 years, while reinvesting more than \$730,000 to improve educational services and other operations. Net savings are estimated to reach more than \$14.3 million that the college can redirect to the college classroom.

I am grateful for the cooperation of ACC's board, administrators, and community members. I commend them for their dedication to improving the educational opportunities offered to the residents of Austin and its surrounding communities.

I am also pleased to announce that the report is available on my Window on State Government Web site at <http://www.window.state.tx.us/tspr/acc/>.

Sincerely,



Carole Keeton Rylander
Texas Comptroller

c: Senate Committee on Education

House Committee on Public Education

The Honorable Gonzalo Barrientos, State Senator, District 14

The Honorable Jeff Wentworth, State Senator, District 25

The Honorable Terry Keel, State Representative, District 47

The Honorable Ann Kitchen, State Representative, District 48

The Honorable Elliott Naishtat, State Representative, District 49

The Honorable Dawnna Dukes, State Representative, District 50 (2003-District 46)

The Honorable Jack Stick, State Representative-Elect, District 50

The Honorable Glen Maxey, State Representative, District 51

The Honorable Dan Montgomery, State Board of Education, District 5

The Honorable Cynthia A. Thornton, State Board of Education, District

EXECUTIVE SUMMARY

In April 2002, Comptroller Carole Keeton Rylander announced that her Texas School Performance Review (TSPR) would conduct a review of the Austin Community College (ACC). Although, in December 2000, the ACC Board of Trustees had requested the review and voiced willingness to pay 25 percent of the cost of the review, that the financial challenges facing ACC made it prudent for her office to bear the full cost of the review. Work began in ACC on May 21, 2002, marking the first time that TSPR applied a new set of higher education audit protocols, resulting in a more comprehensive approach to higher education reviews.

After six months of work, this report identifies both exemplary programs as well as areas for improvement. If fully implemented, the 107 recommendations in this report could save the college a net of more than \$14.3 million over the next five years-savings that could be focused on improving education in the college classroom.

Expanding TSPR for Higher Education Institutions

The general powers of the Comptroller give the agency the ability to audit any entity receiving state funds. In 1999, shortly after Comptroller Rylander took office, school performance reviews of Texas Southern University and the El Paso Community College were released. These two reviews provided TSPR valuable experience in the higher education arena, but it was not until Rider 19, of the 2002-03 General Appropriations Act, which provided legislative intent for higher education reviews, that the Comptroller moved forward to expand TSPR's mission to include ongoing reviews of higher education. Rider 19 says the Comptroller's office "may conduct performance reviews of general academic teaching institutions during the 2002-03 biennium. Performance evaluations shall, as a minimum, consist of a review of fiscal and management operations; student services; curriculum; and benchmarks with respect to peer institutions."

TSPR, in cooperation with the Texas Higher Education Coordinating Board (THECB) and the Texas Association of State Senior College and University Business Officers, as well as individuals working in higher education institutions, began to develop a comprehensive set of audit protocols to use in higher education reviews.

Drawing upon Comptroller Rylander's goal of driving more of every education dollar directly into the classroom, she directed TSPR staff to share best practices and exemplary programs learned from these reviews, quickly and systematically, with all the state's colleges and universities and with anyone else who requests such information. Best practices as

well as the audit protocols can be found on the Comptroller's A+ Ideas for Managing Schools (AIMS) Database at <www.aimsdatabase.org>..

Under Comptroller Rylander's approach, consultants and the TSPR team will work with colleges and universities to:

- Ensure students and faculty receive the support and resources necessary to succeed;
- Identify innovative ways to address the college's and university's core management challenges;
- Ensure administrative duties are performed efficiently, without duplication, and in a way that fosters education;
- Develop strategies to ensure the college's and university's processes and programs are continuously assessed and improved;
- Challenge any process, procedure, program or policy that impedes instruction and recommend ways to reduce or eliminate obstacles; and
- Put goods and services to the "Yellow Pages Test": government should do no job if a business in the Yellow Pages can do that job better and at a lower cost.

Finally, Comptroller Rylander has opened her door to Texans who share her optimism about the potential for higher education, and she welcomes any suggestions to improve Texas colleges and universities at any time. The Comptroller believes colleges and universities deserve all the attention and assistance they can get.

For more information, contact TSPR by calling toll-free 1-800-531-5441, extension 5-3676, or see the Comptroller's Web site at www.window.state.tx.us.

TSPR in ACC

The Comptroller contracted with McConnell, Jones, Lanier and Murphy, a Houston-based firm, to assist with the performance review. The review team interviewed college employees, faculty, board members, employee groups, business leaders and community members, and held public forums at all six ACC campuses and the Highland Business Center on June 4, 5 and 6, 2002. To obtain additional comments, the review team conducted seven focus group sessions with various college and community organizations.

About 439 persons completed and returned written surveys, including 217 faculty, staff and administrators and 222 students. In addition, TSPR conducted a random telephone survey of 387 area households. Details from these surveys and public forums appear in **Appendices A through**

D. The Comptroller's office also received letters, e-mails and phone calls from faculty, students and community members.

ACC selected several "peer colleges" for comparisons based on similarities in student enrollment, budget and other factors. The colleges selected included North Harris Montgomery Community College District, San Jacinto College District and Collin County Community College District.

Exhibit 1 shows comparative data for ACC and its peer colleges.

**Exhibit 1
Demographic Characteristics of ACC,
Peer Colleges and the State
Fall 2001**

Community College District	Student Enrollment	Percent Hispanic	Percent African-American	Percent Anglo	Percent Other	Total Faculty	Tax Rate Per \$100 Assessed Property Value
Austin	27,577	21.2%	6.6%	62.2%	10.1%	1,502	.05
Collin County	14,179	7.5%	5.7%	73.5%	13.2%	755	.09
North Harris Montgomery	21,050	15.5%	10.5%	65.2%	8.9%	1,465	.11
San Jacinto	22,747	26.3%	10.2%	53.7%	9.8%	1,068	.09
State	447,998	29.0%	11.0%	52.0%	8.0%	N/A	N/A

Source: Texas Higher Education Coordinating Board; Texas State Auditor's Office; ACC and Peer Audited Financial Statements, Fiscal 2001; ACC Business Services and Peer Surveys.

TSPR also obtained data from THECB, the state agency responsible for overseeing community colleges in Texas, for information on community colleges in general and ACC specifically. In addition, information was obtained from the Texas State Auditor's Office.

Many TSPR recommendations would have no direct financial impact, but would improve the college's operations; others call for additional investments to make such improvements. In all, however, the

recommendations in this report would net area taxpayers nearly \$14.3 million by 2006-07.

Exhibit 3 provides a detailed list of costs and savings by recommendation.

Acknowledgments

The Comptroller's office and McConnell, Jones, Lanier and Murphy wish to express their appreciation to the ACC Board of Trustees, President Richard Fonté and the many college employees and community members who helped during this review. Special thanks go to Dr. Martha Oburn, associate vice president for Institutional Effectiveness, who served as ACC's liaison to the review team. She arranged for office space, equipment and meeting rooms, organized meetings, responded to requests and made other valuable contributions to the review team's effort.

Community Colleges in Texas

Community colleges play a vital role in Texas by providing a variety of offerings including technical and vocational programs; freshman and sophomore courses in arts and sciences; continuing adult education programs; compensatory education programs; workforce development programs; adult literacy classes; and, other basic skills programs.

Two-year academic programs lead to either an Associate of Arts or an Associate of Science degree and are designed to feed into baccalaureate programs. Two-year technical programs lead to an Associate of Applied Science degree and programs of shorter duration lead to occupational certificates.

Community colleges respond to the employment needs of citizens, agencies, businesses and industry through customized and contract workforce instruction, courses for professional certification or licensure, and general continuing education opportunities. They work cooperatively with local public schools to provide greater educational options for high school students through School-to-Work and Tech-Prep programs. School-to-Work programs provide students opportunities for early career exploration and counseling. The Tech-Prep program allows high school students to receive college credit for high quality technical courses taken in high school. In addition, concurrent course enrollment programs allow advanced students to take courses for concurrent credit in both high school and college.

Community colleges represent the largest segment of higher education in Texas. THECB predicts, in its *Enrollment Forecasts 2000-2015 Texas Institutions of Higher Education*, that enrollment is expected to reach 1.2

million students by 2015. The increased number should include 96,000 new community college students.

According to preliminary enrollments in fall 2002, THECB estimates community college enrollment at more than 500,000. Of the 50 community college districts in Texas, 39 are reporting record enrollment this fall reflecting an increase of 66,750 students from fall 2000. In addition, an estimated 250,000-plus are enrolled in workforce training programs. THECB attributes the increased enrollments to the slow growth in the state's economy.

Community colleges receive funding through a combination of state appropriations, which are based on a contact or instruction hour formula, as well as property taxes, tuition and fees.

ACC Background

As a founding board member and former president of the ACC Board of Trustees, Comptroller Rylander literally knocked on doors all over Austin to ensure a successful election to initially set up ACC. To this day, she continues to have a deep and abiding interest in the success of the college.

In December 1972, Austin voters approved a measure creating ACC, which was to be managed, controlled and operated by a joint Austin Independent School District (AISD) and ACC board. Less than a year later, in September 1973, ACC opened the doors of the Ridgeview campus in east Austin to 1,900 students. In 1982, ACC established an independently elected governing board; ACC's first step in trying to establish a tax authority independent of AISD. By 1983, ACC had grown to offer instruction at more than 60 locations in the Austin area. These locations included two major learning centers and a facility at Bergstrom Air Force Base. These facilities served 16,000 students enrolled in courses for college credit.

In March 1986, ACC passed a public referendum that authorized a tax rate of 5 cents per \$100 of assessed property valuation. This measure enabled the college to continue to grow and, by the end of 1987, the Pinnacle, Northridge and Riverside campuses were operational; the college also uses the Highland Business Center as an administrative center.

In 1993 and 1996, faced with probation, the college underwent an accreditation review by the Southern Association of Colleges and Schools (SACS). SACS recommended ways to improve the governance structure, policy implementation and the college's over-reliance of adjunct faculty. When the board hired Dr. Fonté in 1997, they charged him with bringing the college into compliance with SACS and directed him to implement the

one-college concept. ACC is organized as one college with multiple campuses and is accredited by SACS as a single institution. Instructional responsibilities are assigned collegewide. Conversely, other community college colleges are organized as "colleges" with each campus representing a self-contained entity headed by a provost or president.

Today, ACC serves nearly 28,000 students at six campuses including Cypress Creek, Riverside, Pinnacle, Northridge, Rio Grande and Eastview. The college also operates two centers, including Highland Business Center where the administrative offices are located and the Downtown Education Center. In addition, ACC has nine extension centers at area high schools including Akins, Fredericksburg, Hays, Round Rock, Westwood, Bastrop, Georgetown, Lockhart and San Marcos. ACC's courses include general education (university transfer), workforce programs, customized training for businesses, continuing education and developmental education.

The college offers 67 majors, including 19 associate of arts, 12 associate of science and 36 associate of applied science. In fall 2001, 27,577 students enrolled, with 24 percent full-time and 76 percent part-time students. Since fall 1998, ACC enrollment has increased 7.7 percent. The student population includes 61.0 percent Anglo, 27.1 percent Hispanic, 7.8 percent African-American and 4.1 percent other ethnicities.

ACC's taxing authority includes Austin, Leander and Manor Independent School Districts. Its 5 percent tax rate has remained unchanged since 1986 and is the lowest in the state. The 2001-02 annual budget is \$102.6 million, with 38.3 percent from state appropriations, 32.4 percent from tuition and fees, 21.9 percent from property taxes and 7.4 percent from other revenue sources such as grants, contracts and interest income.

In 2001-02, 72.8 percent of the college's budget funds payroll costs for ACC's 3,330 employees, including 47.7 percent faculty (12.5 percent full-time and 35.2 percent adjunct); 40.9 percent classified and hourly staff; 10.3 percent professional/technical staff; and 1.1 percent administrators.

Comptroller Rylander selected ACC for a performance review in April 2002 following a series of announcements regarding a serious budgetary shortfall and the college's plans for cutting costs to address the shortfall.

Since the announcement, the college has taken a number of actions to improve the college's financial position, yet challenges remain. ACC's administration and board reduced the fiscal 2002 budget by approximately \$3 million, including 5-percent budget reductions in academic and student affairs and 15 percent reductions in administrative areas such as travel and

supplies, and a reduction in course sections from those originally scheduled.

The college's stellar instructional and academic programs demonstrate ACC's emphasis on the primary purpose of a community college-to provide academic courses, workforce development and lifelong learning. ACC's continued focus on directing resources and services to its most important customer-ACC students-shows that the college's priorities are in the right place.

As ACC continues to improve its services and programs and looks toward future growth, the following key challenges were identified:

- Improving communication and governance;
- Restructuring the organization and controlling staffing levels;
- Enhancing financial controls and accountability; and
- Managing student growth and improving student services.

Key Findings and Recommendations

Improve Communication and Governance

Strengthen governance by conducting annual policy orientation workshops, team-building training and establishing controls for timely communication and requests for information between the board and president. In 1996, SACS cited the ACC board for micromanagement. In response, the board implemented the *Austin Policy Governance Model*, and has cautiously monitored every action, in some cases relinquishing authority to the administration by failing to hold them accountable for their actions. Mistrust once again is surfacing and, in frustration, some board members are becoming involved in day-to-day issues. When the board, as a whole, clearly outlines expectations and requires accountability for board goals and policies, a balance of power and trust can be restored.

Hold the president accountable for the successful implementation of the one-college concept. ACC's one-college concept is not working as it was originally intended. ACC's board implemented the one-college concept to promote a greater degree of policy implementation, uniformity of programs and services and cohesiveness among campuses through improved communication, collaborative decision-making and effective leadership. However, breakdowns in communication and ineffective processes have adversely affected hiring, budget decisions, organizational management, faculty workloads and student services. By holding the president accountable for diagnosing and re-energizing the process, the intended effectiveness of the one-college concept can be achieved.

Hire an independent mediator to categorize and help resolve the issues of discontent between the president and the faculty. The ACC faculty and president do not work well together, and the relationship between the two has deteriorated to the point that both parties are unable to focus on current issues. By hiring an independent mediator to resolve organizational conflicts, ACC could better negotiate and work collaboratively on establishing goals and objectives, carrying out shared governance and refining the one-college organizational approach.

Create a board policy reflecting a consensual definition of shared governance and implement a system to ensure its implementation. ACC policies have not been developed through a shared governance or collaborative decision-making process. Varying viewpoints and definitions of what shared governance is exist, as well as confusion over who has an active role in the policy development process, all contributing to the discontent among internal stakeholders. The college should collaboratively develop a shared governance definition and put into place a system to delineate the roles of each stakeholder in the policy formulation process.

Restructure the Organization and Control Staffing Levels

Restructure ACC's administration. ACC's current organization is not functionally aligned and some positions perform duplicate functions. For example, the functions of the provost and two executive deans continue to duplicate functions performed by the campus operations managers. By restructuring some reporting relationships and eliminating two executive deans, one provost and five administrative assistant positions, the college could save more than \$2 million over five years and eliminate redundancies.

Require the internal auditor to report administratively to the president and functionally to the Board of Trustees. The Internal Audit Department's reporting relationships are not properly aligned. ACC's internal auditor reports functionally to the president and administratively to the associate vice president, Institutional Effectiveness making it difficult to conduct objective reviews. Changing the reporting relationships will ensure the internal auditor's independence is not impaired and will provide direct access to top management and to the Board of Trustees.

Apply enrollment criteria in the course scheduling process to maximize the use of faculty and classroom space. The average 2000-01 ACC class size for full-time and adjunct faculty declined from 1997-98 levels. Enrollment maximums are based upon classroom size, availability of equipment and requirements of accrediting agencies for regulated programs. By evaluating each section individually for appropriateness and raising the

average class size to 21 students from 19.6 students for full-time faculty and 19.4 students for adjunct faculty would require 25 fewer full-time faculty and 80 fewer adjunct faculty, resulting in annual savings of more than \$2.3 million.

Implement custodial allocation formulas that conform to industry standards. ACC employs and contracts for more custodians than the peer average; custodians clean less gross square feet per custodian than the peer average and ACC spends more per gross square foot for custodial services than the peer average. ACC's in-house custodians also duplicate many of its contractor's cleaning responsibilities. Implementing custodial allocation formulas would bring the college in conformity with industry standards and save nearly \$210,000 annually.

Enhance Financial Controls and Accountability

Eliminate stipend payments for routine work assignments. ACC routinely and inconsistently pays stipends to employees for various reasons. The stipends provide another vehicle for the college to increase employee pay beyond the approved pay scales. The stipend policy and administrative guidelines are not well defined nor publicized. In 2001-02, ACC paid more than \$706,500 to 622 employees. The individual stipend amounts ranged from a low of \$12 to a high of \$8,830 annually. By having the Human Resources Department perform a cost-benefits analysis of the stipend program, ACC can thoroughly review the eligibility requirements for the stipends and determine what stipend can and should be eliminated.

Eliminate the ACC Foundation's dependency on the college's budget to cover administrative expenses. The ACC foundation is a Texas nonprofit corporation supporting the educational mission of ACC by providing funding for student scholarships, ACC programs and facilities through donor gifts and endowments. Since 1997, ACC has funded its foundation's administrative expenses. The foundation's budget has increased over the last five years by more than 71 percent. Many colleges and universities use an annual fund drive to solicit donations to support its foundations' operating costs. By eliminating the funding for the ACC Foundation's operational expenses, the college could save nearly \$121,000 annually.

Institute an ongoing change management program for the college's computer system. The use of Datatel software is controversial because of the belief by user groups that it does not help employees perform their jobs, resulting in some users continuing to operate with various spreadsheets. This software is used for managing ACC's accounting, financial, purchasing and student record functions. The college has worked with the vendor to address the concerns, with varied levels of success. By implementing a change management program that has

executive management support and promotes user buy-in for change, the college can take advantage of the planned upgrade during 2002-03 and address customer support and comprehensive user training, the issues that have plagued the system since its original installation.

Develop cash flow forecasts to use as a cash management tool. ACC does not prepare cash flow projections beyond one day. By using cash flow projections as a planning tool, the college will be better able to predict and prepare for future cash requirements before the actual need arises.

Develop a model to project healthcare costs and to better budget for healthcare for ACC's employees. ACC does not have an accurate method of estimating the amount of local dollars required to pay for healthcare for its employees. As a result, the college cannot predict how long its Employees Retirement System supplement will last or how many employees the money will cover. The lack of an accurate projection model contributed to ACC's fiscal 2001 budget deficit, which resulted largely from insurance payments ACC paid in excess of state allocations. A projection model could help the college plan for future healthcare costs and help ensure that the college is not caught short mid-year.

Require requisitions for all purchases more than \$1,000 and establish penalties for noncompliance. Many budget authorities and employees requisition goods after they have been received and no penalties are imposed for violating policy and circumventing procedures. In essence, the college processes these purchases after the fact. Purchasers are allowed to disregard procedures without being held accountable and the college is not imposing penalties for repeated violations. In addition, it is labor intensive for the accounting clerks to pay vendor invoices that lack purchase orders. By enforcing purchasing policies and procedures and holding all ACC staff accountable, the college can ensure not only that all state laws are being complied with, but also improve the purchasing function's efficiency.

Develop a comprehensive contract management plan and assign contract management responsibility for all auxiliary and support services to the Purchasing Department. ACC does not have a centralized contract monitoring function to manage all aspects of contract administration and ensure optimum contract performance. In January 2002, the Purchasing Department employed a contract coordinator to monitor the financial performance of ACC contracts, however, this position focuses primarily on coordinating the Purchasing Card Program and not the financial performance of contracted services. No one position or department is responsible for financial and operational performance oversight of contracts. By developing a comprehensive contract management plan, ACC could analyze operational and financial performance, conduct

regular interaction with vendors, perform site inspections, require staff training and ensure compliance with legal requirements that would allow ACC to negotiate more lucrative contracts.

Manage Student Growth and Improve Student Services

Encourage out-of-district communities to join the ACC district. ACC has the lowest number of annexed communities and the lowest percentage of assessed property value in comparison to its peers. Of the total number of communities served, 90 percent are out-of-district and only 10 percent are in-district. While ACC has aggressively tried to educate school districts and community members about the benefits of ACC, the Texas Election Code prohibits the college from using public funds for political campaigns for annexation. This does not, however, prevent students and community leaders from providing information and materials about annexation and the educational benefits of ACC to communities through political action committees.

Revise board policy by adding a cost-of-education pricing model as an additional method for determining out-of-district tuition. ACC does not factor the cost of education into its determination of out-of-district tuition rates. ACC's \$81 out-of-district tuition rate is 150 percent higher than the peer colleges' \$34 average rate and 204 percent higher than the \$28 state average. A study commissioned by ACC found that most other colleges' rates are based on a percent of the cost of education and estimated ACC's cost of educating out-of-district students at \$73 per credit hour, \$8 less than the college's \$81 current rate. This higher out-of-district tuition has resulted in a decline in out-of-district enrollment, resulting in a loss of state funds. By amending board policy to include the cost of education as a factor in setting the out-of-district rate, while maintaining the revenue-based model would allow ACC to develop a more equitable out-of-district tuition rate that would encourage rather than discourage out-of-district student enrollment.

Encourage student accountability by charging fees for late registration and class schedule changes. ACC does not charge fees for special services such as late registration or schedule changes that require additional work, and reduces the college's ability to provide timely service to other students. Although not intended to be a profit generator, by charging fees at a level to recover the increased costs, fewer students may request such services, which will allow the Student Services Department to be more efficient.

Increase patrol officers' salaries to ensure vacant positions are filled, officers are retained and campuses are safe and secure. ACC's Police Department is so under funded and understaffed that it cannot ensure

adequate coverage at all campuses or provide essential equipment, supplies or continuing training for officers. ACC's starting patrol officer's pay, \$20,866, is the lowest among its peer colleges and local law enforcement agencies. Because five patrol officer positions are vacant, ACC implemented mandatory overtime for existing officers, resulting in excessive overtime costs. Increasing the patrol officers' salaries would help attract candidates to fill the vacant positions, and reduce overtime costs, some of which ACC could use to ensure an adequate budget for other safety and security essentials.

Eliminate the mailing of course schedules to ACC households and encourage the use of online searchable class schedules. ACC mass mails 508,000 course schedules each semester to all households within its service area, costing the college \$340,000 for postage and printing annually. ACC could save approximately \$156,000 annually in postage and printing fees by sending a postcard notification and eliminating bulk mailing of all schedules, and investing in an online searchable system, prospective students could download the college's schedule, and course information would be accessible within moments to anyone interested in enrolling.

Improve training and information on Early College Start to targeted high schools in the service area. ACC has not consistently disseminated information regarding the Early College Start program that provides free tuition and fees for college-accredited courses to area high school students. The program is one mechanism that colleges use to meet a legislative mandate requiring high schools with low college entry rates to establish a partnership with an institution of higher education and to implement a plan to increase those rates. By increasing Early College Start training and communication with principals, counselors and parents at area high schools with low participation rates, ACC should increase student participation in the program by 1 percent, resulting in increased state funding of more than \$12,000 annually.

Exemplary Programs and Practices

TSPR identified numerous "best practices" in ACC. Through commendations in each chapter, this report highlights model programs, operations and services provided by ACC administrators, faculty and staff members. Other colleges and universities throughout Texas are encouraged to examine these exemplary programs and services to see if they can be adapted to meet their own needs. TSPR's commendations include the following:

ACC's board critically evaluates its performance after each meeting during the "Quick Meeting Review" section of its agenda in an effort to

continuously improve efficiency and effectiveness of its meetings. The ACC board uses a method to evaluate its effectiveness after each board meeting called the "Quick Meeting Review." At the end of each board meeting, members critique their performance of what went right and what went wrong. Board members agreed that this form of self-policing has improved their effectiveness as policy makers. When members get bogged down on issues or when someone crosses the line between policy and administration, board members discuss it at the end of the meeting.

ACC responds to the needs and interests of the community and businesses through Continuing Education and workforce training opportunities. ACC offers a broad range of non-credit, cost-neutral courses including job-entry training, professional continuing education training and technological and industry certification courses. The college operates the high Technology Institute that offers certification in state-of-the-art technical programs and the Health Professions Institute, the area's major health care training provider. By offering this range of both professional and human-interest courses, ACC promotes lifelong learning and service to the public, business and industry.

ACC's developmental education programs integrate innovative learning opportunities and teaching formats for all students. ACC provides a variety of learning opportunities and services such as the Academic Triangle and Developmental Reading to help under-prepared students meet their educational goals. ACC counselors and faculty work with students with a variety of learning styles to complete remediation courses and complete state-mandated educational requirements. By including diverse options for students and by measuring student outcomes, ACC's developmental faculty are effectively engaging students and having a positive effect on their learning.

ACC's Web database makes it possible to enter, analyze, download and access performance data for continuous program improvement. The Office of Institutional Effectiveness (OIE) monitors a centralized Web database for assessment data entered and subsequently used as part of its formal "unit" or program review process. OIE staff assist unit staff, write measures and gather data for customized improvement plans for any program submitting a request. By providing this easy Web access and by continuously monitoring assessment data, ACC's programs base improvements on performance measures.

ACC ensures accurate accounting of enrollments by purging students for non-payment of tuition and fees. Since fall 2001, ACC instituted a process to de-register students who do not pay their tuition within one week of their registration. Some ACC staff credit this registration process for a large portion of the 6-percent increase in credit enrollment that the college

experienced in 2001-02. By following this accounting process, ACC efficiently uses classroom space, ensures that more seats are taken and more sections filled at the time classes start and maintains accurate enrollment information necessary for course cancellation decisions.

ACC developed a business and industry collaboration model creating educational programs to enhance the development of a quality workforce. ACC teams educators with area business leaders and key community groups including the Austin Chamber of Commerce, Austin WorkSource - Capital Area Workforce Development Board and Capital Area Training Foundation in industry "clusters." This model includes an annual college and career fair, classroom guest speakers, business and industry tours and on-site job internships. By connecting employers and educators, students receive high quality work-based learning experiences and employers connect with the next workforce initiating a future return on their investment.

Student services administrators communicate division priorities, issues and problems to staff in an efficient and timely manner. The associate vice president for Retention and Student Services does an excellent job of communicating department and college issues to the administrative staff. The associate vice president holds weekly meetings and posts a weekly newsletter to the division web page. As a result, the efficiency and effectiveness of the department has improved dramatically.

The Student Services Department cross-trains staff to perform additional responsibilities at multiple units and departments. Most student services departments have limited staff for the volume of students they serve. When staff in one department misses work for meetings on other campuses, attend professional development conferences or leave work for health reasons, other staff provide coverage in their place. Well-trained staff that know the policies and procedures for more than one area provides critical service when staff shortages exist in other units.

ACC develops its budget using an online budget program that is accessible over the Intranet for authorized personnel. ACC uses a web-based budget development program that allows budget authorities to input their budgets online. The program highly automates budget development and compilation by eliminating manual budget forms and iterative duplicative processing. After budget officers enter their budget requests, the next level supervisor makes appropriate changes that then is available to the next level supervisor. This process continues until the budget is presented to the Executive Leadership Team and ultimately to the board for approval.

ACC lowered the costs of workers' compensation and property casualty insurance by obtaining bids and by using an insurance consultant to assess RFP responses, review claims history and reevaluate policy deductibles. ACC used a professional insurance consultant to assess insurance bids and evaluate deductibles, resulting in significant savings on its insurance programs. ACC's workers' compensation carrier notified the college in November 2001 that their rates would rise 288 percent to \$449,326, so instead, ACC obtained bids and found coverage estimated at \$280,000 per year.

ACC implemented the Purchasing Card Program (PCard) for purchases less than \$1,000 to reduce cost and improve purchasing efficiency. In November 2001, ACC piloted 37 users to test purchases through the use of the PCard for small dollar purchases less than \$1,000. The PCard program was established with a major bank through the state's purchasing cooperative and is designed to reduce an organization's administrative costs for repetitive transaction processing tasks, such as authorizing, tracking and paying small purchases. ACC plans to implement the program collegewide with approximately 100-300 users in late fall 2002.

ACC operates a comprehensive Web site that provides students and the community with useful resources and information about the college. ACC maintains a comprehensive Web site that includes detailed information about academic and workforce departments, continuing education, adult basic education, distance learning, including Early College Start and Tech Prep programs. ACC's Web site features tier menus that allow for direct, one-click access, to 71 different links and submenus. Maintaining a comprehensive Web site provides another avenue for ACC to communicate with its students and the community.

Savings and Investment Requirements

Many of TSPR's recommendations would result in savings and increased revenue that could be used to improve classroom instruction. The savings identified in this report are conservative and should be considered minimums. Proposed investments of additional funds usually are related to increased efficiencies, savings or improved productivity and effectiveness.

TSPR recommends 107 ways to save ACC more than \$15 million in gross savings over a five-year period. Reinvestment opportunities would cost the college more than \$730,000 during the same period. Full implementation of all recommendations in this report could produce net savings of more than \$14.3 million by 2006-07.

Exhibit 2
Summary of Net Savings
TSPR Review of Austin Community College

Year	Total
2002-03 Initial Annual Net Savings/(Costs)	\$473,867
2003-04 Additional Annual Net Savings	\$3,368,614
2004-05 Additional Annual Net Savings	\$3,497,921
2005-06 Additional Annual Net Savings	\$3,497,921
2006-07 Additional Annual Net Savings	\$3,497,921
One Time Net Savings/(Costs)	(\$26,000)
TOTAL SAVINGS PROJECTED FOR 2002-2007	\$14,310,244

A detailed list of costs and savings by recommendation appears in **Exhibit 3**. The page number for each recommendation is listed in the summary chart for reference purposes. Detailed implementation strategies, timelines and estimates of fiscal impact follow each recommendation in this report. The implementation section associated with each recommendation highlights the actions needed to achieve the proposed results. Some items should be implemented immediately, some over the next year or two and some over several years.

TSPR recommends the ACC board ask college administrators to review the recommendations, develop an implementation plan and monitor its progress. As always, TSPR staff members are available to help implement these proposals.

EXECUTIVE SUMMARY

Exhibit 3 Summary of Costs and Savings by Recommendation

	Recommendation	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	Total 5-Year (Costs) or Savings	One Time (Costs) or Savings
Chapter 1 - Governance and Leadership								
1	Strengthen governance by conducting annual policy orientation workshops, team-building training and establishing controls for timely communication and requests for information between the board and president. p. 34	(\$4,800)	(\$2,400)	(\$2,400)	(\$2,400)	(\$2,400)	(\$14,400)	\$0
2	Create a continuing education system that targets board members' professional needs. p. 35	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Adopt the state travel guidelines for all ACC employees and board members. p. 37	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Restructure ACC's administration. p. 43	\$298,119	\$444,953	\$444,953	\$444,953	\$444,953	\$2,077,931	\$0
5	Hold the president accountable for the	(\$1,700)	(\$3,400)	(\$3,400)	(\$3,400)	(\$3,400)	(\$15,300)	\$0

	performance measures in all strategic and master plans. p. 60							
11	Implement an administrative rule requiring the administrator requesting legal services to review and sign off on all legal invoices before they are approved for payment. p. 64	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Chapter 1 Total	\$291,619	\$439,153	\$439,153	\$439,153	\$439,153	\$2,048,231	(\$20,000)
Chapter 2 - Instruction and Academic Support								
12	Delegate instructional decision-making to those with the most information about the issues and hold them accountable. p. 73	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Improve the structure and functions of campus-based instructional management to be more responsive to both faculty and students. p. 75	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Develop a formal plan for continuous improvement of Adult Education that links outcomes, operations, instructional methodologies.	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	data collection and evaluation. p. 86							
15	Formally review mainstreaming as the best organizational model for delivering developmental education at ACC using student performance, satisfaction and best practices as measures. p. 93	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	Ensure that ACC workforce education programs satisfy the Texas Higher Education Coordinating Board's effectiveness criteria. p. 103	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Evaluate the ability of the new schedule-planning model to maximize enrollments, classroom space and scheduling flexibility. p. 107	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	Apply enrollments-per-section guidelines to the course scheduling process. p. 109	\$0	\$2,308,325	\$2,308,325	\$2,308,325	\$2,308,325	\$9,233,300	\$0
19	Improve training and information on Early College Start provided to targeted high	\$0	\$12,221	\$12,221	\$12,221	\$12,221	\$48,884	\$0

	Chapter 3 Total	\$50,000	\$143,650	\$145,500	\$145,500	\$145,500	\$630,150	\$0
Chapter 4 - Human Resources Management								
26	Implement a strategic planning process to develop the Human Resources Department goals, objectives and priorities that are linked to ACC's comprehensive master plan. p. 174	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	Merge Staff Employment and Faculty Employment sections into one functional area, and reclassify the faculty employment supervisor position to recruiter. p. 176	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	Implement the use of the Human Resources Department's Procedures and Guidelines form and develop a comprehensive departmental operating procedures manual. p. 177	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	Develop a plan to update all job descriptions and establish a schedule for routine updates. p. 179	\$0	\$0	\$0	\$0	\$0	\$0	\$0

30	Develop a useful report format to analyze and measure employee turnover statistics. p. 182	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	Develop a process for the Human Resources Department to conduct exit interviews. p. 184	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Revise the administrative rule, conduct training, implement a compliance monitoring process and comply with federal regulations in completing I-9 forms. p. 186	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Develop a plan and communication strategy to improve employees' understanding of the salary placement process. p. 188	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	Conduct a cost-benefits analysis of the stipends program and eliminate stipends for routine work performance and assignments. p. 192	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Develop recruitment strategies to increase the faculty	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	diversity. p. 197							
36	Eliminate the three vacant positions in the Human Resources Department. p. 198	\$37,548	\$64,368	\$64,368	\$64,368	\$64,368	\$295,020	\$0
37	Ensure professional development initiatives comply with the intent of the Southern Association of Colleges and Schools' requirement. p. 203	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	Strengthen the professional development program to include measurable performance results. p. 206	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	Reassess the effectiveness of the professional development requirements. p. 208	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Chapter 4 Total	\$37,548	\$64,368	\$64,368	\$64,368	\$64,368	\$295,020	\$0
Chapter 5 - Financial Management								
40	Eliminate the three vacant positions in the Business Services Department. p. 224	\$51,189	\$87,752	\$87,752	\$87,752	\$87,752	\$402,197	\$0
41	Prepare balance sheets at the end of each month, and include them in the board's reporting	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	packet. p. 230							
42	Produce a budget document that serves as a communications device, policy document and financial plan. p. 231	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	Eliminate the practice of distributing hard copies of monthly budget reports, and train budget officers on how to use the online budgeting system. p. 233	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	Encourage out-of-district business and community leaders to educate their communities about the benefits of joining the Austin Community College district. p. 241	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	Require the internal auditor to report administratively to the president and functionally to the Board of Trustees. p. 243	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	Hire one staff auditor for the Internal Audit Department. p. 245	\$0	(\$36,908)	(\$44,290)	(\$44,290)	(\$44,290)	(\$169,778)	\$0
47	Adopt an internal audit charter	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	reconciliations current and develop internal reconciliation and monitoring procedures. p. 264							
54	Expand direct deposit marketing efforts through use of the Intranet, weekly publications, incentives, partnerships with banking institutions and direct deposit week campaign. p. 266	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Chapter 5 Total	\$51,189	\$50,844	\$43,462	\$43,462	\$43,462	\$232,419	(\$6,000)

Chapter 6 - Asset and Risk Management

55	Approve and implement cash handling policies and procedures for miscellaneous cash receipts processed outside of the Cashier's Office. p. 278	\$0	\$0	\$0	\$0	\$0	\$0	\$0
56	Transfer all bank balances to interest-bearing checking accounts. p. 279	\$359	\$1,076	\$1,076	\$1,076	\$1,076	\$4,663	\$0
57	Develop cash flow forecasts to use as a cash management tool. p. 281	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Form a task force to develop an automated solution for reconciling the	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	Chapter 6 Total	\$359	(\$28,193)	(\$30,854)	(\$30,854)	(\$30,854)	(\$120,396)	\$0
Chapter 7 - Purchasing and Contract Administration								
66	Require requisitions for all purchases more than \$1,000 and establish penalties for noncompliance. p. 312	\$0	\$0	\$0	\$0	\$0	\$0	\$0
67	Update the commodity coding in the purchasing system and train staff to use the system. p. 314	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	Develop a vendor evaluation process. p. 315	\$0	\$0	\$0	\$0	\$0	\$0	\$0
69	Develop a comprehensive purchasing policies and procedures manual. p. 317	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70	Develop and implement a Facilities and Operations policy and procedure for procurement of goods and services. p. 319	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	Develop a comprehensive contract management plan and assign contract management responsibility for all auxiliary and support services to the Purchasing Department. p. 323	\$0	\$0	\$0	\$0	\$0	\$0	\$0

72	Develop a policy that establishes standards for contract renewals of existing auxiliary and support service contracts. p. 326	\$0	\$0	\$0	\$0	\$0	\$0	\$0
73	Secure exclusive rights to the ACC logo. p. 327	\$0	\$0	\$0	\$0	\$0	\$0	\$0
74	Develop specific performance measures to improve bookstore operations, customer service and monitor the performance monthly. p. 329	\$0	\$0	\$0	\$0	\$0	\$0	\$0
75	Document all contract evaluation processes and perform regular comparative analysis to ensure contract prices are competitive. p. 330	\$0	\$0	\$0	\$0	\$0	\$0	\$0
76	Annually monitor the cost and benefit of retaining ownership of the golf course. p. 332	\$0	\$0	\$0	\$0	\$0	\$0	\$0
77	Formalize the inventory/receiving procedures manual and cross-train all staff in the receiving process. p. 333	\$0	\$0	\$0	\$0	\$0	\$0	\$0
78	Eliminate the supply and materials inventory	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	and develop alternative uses for available space in the Service Center. p. 336								
79	Use first-class barcode postage rates and regularly update the student database with correct mailing addresses to reduce postage costs. p. 338	\$3,008	\$9,023	\$9,023	\$9,023	\$9,023	\$39,100	\$0	
	Chapter 7 Total	\$3,008	\$9,023	\$9,023	\$9,023	\$9,023	\$39,100	\$0	

Chapter 8 - Information Technology

80	Implement a knowledge management program using a single point of entry for search, analysis, collaboration and information management. p. 351	(\$137,500)	(\$137,500)	\$0	\$0	\$0	(\$275,000)	\$0
81	Develop a collegewide software and technology procurement process for all ACC departments. p. 354	\$0	\$0	\$0	\$0	\$0	\$0	\$0
82	Update and monitor the status of the disaster recovery plans. p. 355	\$0	\$0	\$0	\$0	\$0	\$0	\$0
83	Institute an ongoing change	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	management program as the updated software is installed. p. 357								
84	Reactivate the Finance and Human Resources user groups. p. 358	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Chapter 8 Total	(\$137,500)	(\$137,500)	\$0	\$0	\$0	(\$275,000)	\$0	\$0
Chapter 9 - College and Community Relations									
85	Eliminate the mailing of course schedules to ACC households and encourage the use of online searchable class schedules. p. 376	\$47,980	\$155,888	\$155,888	\$155,888	\$155,888	\$671,532	\$0	\$0
86	Eliminate one Publications assistant position in the Marketing and College Relations Department. p. 379	\$14,533	\$29,066	\$29,066	\$29,066	\$29,066	\$130,797	\$0	\$0
87	Develop a volunteer program for ACC. p. 386	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
88	Compare the results of the total return on the investment portfolio to appropriate benchmarks. p. 396	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
89	Eliminate the ACC Foundation's dependency on the college's budget to cover administrative	\$0	\$120,818	\$120,818	\$120,818	\$120,818	\$483,272	\$0	\$0

	expenses. p. 398							
90	Develop an alumni association. p. 399	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Chapter 9 Total	\$62,513	\$305,772	\$305,772	\$305,772	\$305,772	\$1,285,601	\$0
Chapter 10 - Plant Operation and Maintenance								
91	Develop and implement space standards and a space planning process, including written policies and procedures. p. 410	\$0	\$0	\$0	\$0	\$0	\$0	\$0
92	Develop a facilities condition survey. p. 412	\$0	\$0	\$0	\$0	\$0	\$0	\$0
93	Establish a work control center in the Facilities and Operations Department. p. 414	\$0	\$0	\$0	\$0	\$0	\$0	\$0
94	Develop and implement a deferred maintenance plan. p. 416	\$0	\$0	\$0	\$0	\$0	\$0	\$0
95	Develop and implement a formal preventive maintenance program. p. 417	\$0	\$0	\$0	\$0	\$0	\$0	\$0
96	Develop and implement formal maintenance management policies and procedures. p. 418	\$0	\$0	\$0	\$0	\$0	\$0	\$0
97	Implement custodial allocation formulas that	\$104,865	\$209,730	\$209,730	\$209,730	\$209,730	\$943,785	\$0

	conform to industry standards. p. 421							
98	Enforce the technical provisions and specifications of the collegewide custodial contract. p. 422	\$0	\$0	\$0	\$0	\$0	\$0	\$0
99	Establish a combination centralized and decentralized system for managing custodial services and hire a collegewide custodial manager. p. 424	\$0	(\$2,253)	(\$2,253)	(\$2,253)	(\$2,253)	(\$9,012)	\$0
100	Develop and implement standard procedures, methods and administrative forms for ACC construction management and administration. p. 427	\$0	\$0	\$0	\$0	\$0	\$0	\$0
101	Prepare a design standards manual. p. 428	\$0	\$0	\$0	\$0	\$0	\$0	\$0
102	Implement a comprehensive energy management program. p. 431	\$839	\$3,358	\$3,358	\$3,358	\$3,358	\$14,271	\$0
103	Increase patrol officers' salaries to ensure vacant positions are filled.	\$0	(\$24,024)	(\$24,024)	(\$24,024)	(\$24,024)	(\$96,096)	\$0

	officers are retained and campuses are safe and secure. p. 435							
104	Develop a database and a back-up tape system that will interface with ACC's computer system. p. 436	\$0	\$0	\$0	\$0	\$0	\$0	\$0
105	Eliminate leased vehicles for faculty and staff that are not cost effective. p. 439	\$9,427	\$14,140	\$14,140	\$14,140	\$14,140	\$65,987	\$0
106	Develop and implement policies and procedures on vehicle acquisition, maintenance and disposal and develop strong punitive measures for unauthorized purchases. p. 440	\$0	\$0	\$0	\$0	\$0	\$0	\$0
107	Develop a vehicle tracking database system that will interface with ACC's computer system to ensure adequate vehicle maintenance and repairs. p. 441	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Chapter 10 Total	\$115,131	\$200,951	\$200,951	\$200,951	\$200,951	\$918,935	(\$36,036)
	Gross Savings	\$617,867	\$3,604,368	\$3,606,218	\$3,606,218	\$3,606,218	\$15,040,889	\$0
	Gross Costs	(\$144,000)	(\$235,754)	(\$108,297)	(\$108,297)	(\$108,297)	(\$704,645)	(\$26,000)
	Total	\$473,867	\$3,368,614	\$3,497,921	\$3,497,921	\$3,497,921	\$14,336,244	(\$26,000)

Total Gross Savings	\$15,040,889
Total Gross Costs	(\$730,645)

Net Savings/(Costs)	\$14,310,244
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Chapter 1

GOVERNANCE AND LEADERSHIP

This chapter reviews Austin Community College's (ACC) governance and leadership in the following sections.

- A. Governance and Board Policies
- B. Management and Organization
- C. Planning
- D. Institutional Policies and Procedures
- E. Legal Services

Effective governing boards focus on the decision-making process and must plan and provide resources for achieving institutional goals. The ability of community college boards to perform these duties effectively is often determined by their acknowledgement that the president is responsible for policy implementation, planning and day-to-day operations of the college.

BACKGROUND

In December 1972, Austin voters approved a measure creating ACC, which was to be managed, controlled and operated by a joint Austin Independent School District (AISD) and ACC board. Less than a year later, ACC opened the doors of the Ridgeview campus in east Austin to 1,900 students. Though the college was in its infancy, much of the occupational faculty had known each other for years, having worked together at the Gary Job Corps Center.

The next important milestone in ACC's evolution came in 1982 when ACC established an independently elected governing board. This had two critical consequences for ACC. First, the college began to pay rent to AISD for the use of its facilities. Secondly, an independently elected board was ACC's first step toward establishing a tax authority independent of AISD. A measure that would have created a tax base for the college administered through AISD failed to win voters approval in April 1981.

Another major organizational shift came with the opening of the Rio Grande campus in 1975. ACC would now contend with the complexities of managing services over multiple locations. To better manage ACC, the president instituted a "cabinet" style of governance where the vice presidents and campus deans met with the president weekly to update one another on the status and issues at each location. This was a departure from the centralized "one-college" concept of governance; paradoxically, one to which ACC has since reverted. A cabinet style of governance

allocates greater decision-making authority to individual campus leaders than a strictly centralized form of governance.

By 1983, ACC offered instruction at more than 60 locations in the Austin area and served 16,000 students. These locations included two major learning centers and a facility at Bergstrom Air Force Base.

To accommodate a rapidly growing student population, ACC assembled a major facilities construction and acquisition initiative from 1985 to 1987. However, the college had a severely limited capital budget due to a lack of tax revenue. The 1985 Texas Legislature required community colleges to secure local tax revenues to supplement state aid. In March 1986, ACC passed a public referendum that authorized a tax rate of 5 cents per \$100 of assessed property valuation. This measure enabled the college to continue to grow and, by the end of 1987, the Pinnacle, Northridge and Riverside campuses were operational; the district also used the Highland Business Center as an administrative center. Together these campuses and the business center served an enrollment that exceeded 20,000 students. **Exhibit 1-1** shows the name and location of each campus and the business center.

Exhibit 1-1
Names and Locations of ACC Campuses and Business Center
2002-03

Campus	Location
Cypress Creek	1555 Cypress Creek Road Cedar Park, Texas 78613
Eastview	3401 Webberville Road Austin, Texas 78702
Northridge	11928 Stonehollow Drive Austin, Texas 78758
Pinnacle	7748 Highway 290 West Austin, Texas 78736
Rio Grande	1212 Rio Grande Street Austin, Texas 78701
Riverside	1020 Grove Boulevard Austin, Texas 78741
Highland Business Center	5930 Middle Fiskville Road Austin, TX 78752

Source: ACC Web site, <www2.Austin.cc.tx.us>.

Over the course of this rapid development, the cabinet style of governance had evolved to the point where each campus exercised independent decision making over such issues as scheduling, staffing, supervision of faculty and signature authority. The task of ensuring that the campuses worked in unison was left to division chairs and department heads whose primary jobs were to oversee services at individual campuses.

This management system also was referred to as an "umbrella" governance structure; campuses made independent decisions regarding instruction and then worked through coordinators to ensure that there were no conflicts between locations. However, in 1993, a Southern Association of Colleges and Schools (SACS) accreditation review team concluded that the umbrella system had grown unwieldy and recommended that ACC find ways to resolve its issues of board governance, policy implementation and an over-reliance on adjunct faculty.

On February 1, 1997, the Board of Trustees hired current President Dr. Richard W. Fonté, and charged him with bringing the college into compliance with SACS. The board also directed Fonté to implement the board policy mandating a "one-college" concept of governance intended to bring a greater degree of policy follow-through, cohesion among campuses and a uniformity of service delivery quality.

Exhibit 1-2 provides a summary of the three most important SACS findings from the 1993 report and the follow up report in 1996, the impetus for the one-college system of governance. The 1993 SACS report determined that ACC had an over-reliance on adjunct faculty and did not properly implement board policy. The 1996 report concluded that the college had poor board-level governance. Because ACC responded positively to its suggestions, SACS allowed the college to conduct an alternative self-study for accreditation review before the next SACS visit on March 3, 2003.

Exhibit 1-2
Finding Areas Covered by 1993 and 1996 SACS Recommendations

SACS Findings Area	ACC Response
Poor Board Level Governance (1996 Report)	<ul style="list-style-type: none"> • Implement governmental method based on the John Carver Policy Governance Model. • Compressed and modified board policy manual.
Incomplete Policy Implementation Follow-through (1993 Report)	<ul style="list-style-type: none"> • Created institutional effectiveness model to integrate planning, budgeting, evaluation and assessment. • Created Office of Institutional Effectiveness. • Created and regularly updated institutional effectiveness initiatives including: <ul style="list-style-type: none"> ○ College-wide Performance Measures; ○ College-wide Balance Total

	<ul style="list-style-type: none"> Quality Management Initiatives; <ul style="list-style-type: none"> ○ Key Process Reviews; ○ Instructional Program Reviews; ○ Unit-level Institutional Effectiveness Measures; ○ College-wide Surveys; and ○ Internal Auditor's Reports
<p>Over-reliance on Adjunct Faculty (1993 Report)</p>	<ul style="list-style-type: none"> • Hired more full-time faculty over a five-year period. • Slightly decreased the number of adjunct faculty members. • Limited the number of sections taught by adjuncts. • Created board policy addressing faculty workloads and roles. • Created board policy addressing employment of adjunct faculty.

Source: 1993 and 1996 SACS Report and ACC Self-Study Proposal, 2000.

President Fonté eliminated many faculty-held coordination and department head positions to lessen what he saw as a problematic bureaucratic structure. These positions and responsibilities were brought together in a more centrally controlled organizational structure designed to provide uniform service across campus locations while saving the college money.

Chapter 1

A. GOVERNANCE AND BOARD POLICIES

The responsibilities of the ACC Board of Trustees can be divided into two broad areas. The board determines the long-range priorities and objectives of the college. Boards typically try to determine in what ways the college will improve in the next three, five or 10 years. Boards also assist with the development and approval of the mission statement of the college. The second broad task is providing policy oversight and direction to the president. The board must be the financial and policy steward of the college, or in the words of one board member, "the guardian of the community's interests in the college." Both of these areas of responsibility ensure that the board and college fulfill their responsibilities to the community.

ACC's Board of Trustees consists of nine members, elected at large by place, serving six-year terms. Board elections are held every even-numbered year on the first Saturday in May. Three members are elected in each even-numbered year on a rotating basis. The members of the current Board of Trustees are listed in **Exhibit 1-3**.

Exhibit 1-3
ACC Board of Trustees
2001-02

Name	Title	Term Expires	Length of Service as of November 2002	Occupation
Rafael Quintanilla, Place 5	Chairperson	2004	5 years	Attorney
Dr. Barbara Mink, Place 7	Vice Chairperson	2006	2 years	Graduate Dean
Allen Kaplan, Place 9	Secretary	2006	8 years	Executive
Dr. Lillian Davis, Place 1	Member	2008	6 years	Executive
John Hernandez.	Member	2008	5 months	Real Estate

Place 2				Broker
Nan McRaven, Place 3	Member	2008	5 months	Executive
Beverly Watts Davis, Place 4	Member	2004	10 years	Youth Project Director
Beverly Silas, Place 6	Member	2004	4 years	Executive
Dr. John Worley, Place 8	Member	2006	8 years	Attorney

Source: ACC Web site, <www2.Austin.cc.tx.us>.

The 2001-02 Board of Trustees budget is presented in **Exhibit 1-4**.

Exhibit 1-4
ACC Board of Trustees Budget
2001-02

Account Code	Description	Amount
5211	Professional/Technical Salaries	\$45,415
5410	Hourly Salaries	\$3,072
5510	Overtime Salaries	\$2,000
5900	Employee Benefits Pool	\$1,515
6300	Supplies Pool	\$7,715
6400	Travel Pool	\$34,715
6500	Operating Costs Pool	\$12,000
6562	Duplication	\$9,000
6565	Telephone	\$2,600
Total		\$118,032

Source: ACC Budget, 2001-02.

Board meetings are held on the first and third Monday of each month at 6 p.m. in Room 201 of the Highland Business Center at 5930 Middle Fiskville Road. The first meeting of the month is a regular meeting during which the board considers and votes on agenda items. The second meeting of the month is a work session for planning, focused discussion and strategic reviews, during which the board reviews items for discussion and

possible action at the regular meeting the following month. The work session gives board members an opportunity to listen to input and gather data critical to decision making. In accordance with board policy, the board does not vote on any item it is hearing for the first time barring a highly unusual circumstance.

The public is welcome to attend all meetings and citizens wishing to address the board must sign a "Citizens Communication" form before the regular meeting is called. During the Citizen's Communication period, the board chairperson allows each person three minutes to address the board and multiple citizens may speak on the same topic. Although the board typically places no limit on the number of speakers, the chair has the right to limit the number of people speaking on the same topic. Board members do not directly respond to citizens' communications at the meeting and take no action on issues raised during the Citizen's Communication period. Full-time Faculty Senate, faculty, employee and student groups also are allotted five minutes each to speak before the board.

Two weeks before each board meeting, the president and executive leadership team meet to draft a proposed agenda for the board meeting. The president and board officers then finalize this agenda after review on the Tuesday before the regular meeting or the work session. ACC board policy requires the president to deliver the agenda and supporting material to board members five days before each meeting date. Accordingly, the board assistant delivers agenda packets containing supporting materials to each board member on the Wednesday before the regular meeting or work session. Board members may call the president or members of the executive leadership team if they have questions.

The board assistant prepares the official minutes of board meetings. The board secretary, along with other board members and the president, reviews the official minutes for accuracy and completeness prior to approval. The board tapes executive sessions and the board's attorney keeps the audiotapes in a locked bank box. Special meetings of the board are called as necessary.

FINDING

One of the most significant steps that the ACC board took to comply with the 1996 SACS recommendation was to reduce the size of the policy manual without losing the substance of its policies. According to the college's Web site, the policy manual was, "Unworkable... a chaotic mixture of a few strategic policies, some ad-hoc responses to specific problems and a mass of administration-developed rules for operational procedures."

To clarify the roles of the administration and board, from 1995 to 1997 the board underwent an eight-step policy compression exercise that was highlighted by categorizing 176 policies into four status areas. **Exhibit 1-5** shows the eight steps of the process. The exhibit shows how policies were streamlined and made easier to read and understand.

Exhibit 1-5
ACC Policy Consolidation Process
1995-1997

Step	Action
1	Division of existing policies into seven groups; Group A: Results to be produced, Group B: Board Operations, Group C: College Operations, Group D: Instruction, Group E: Planning and Evaluation, Group F: Personnel and Group G: Budgeting. (1995)
2	Development of board policy principles, which allowed the president to create administrative rules subordinate to the rules of the board without getting board approval. (1996)
3	Development of a "top-level" General Executive Directives and Limitations policy based on the work with a consultant. (1996)
4	Repeal of all 83 Group A policies (180 pages), transferring them to presidential authority as administrative rules. (1996)
5	Adoption of a policy on Monitoring Policy Compliance. (1996)
6	Adoption of seven consolidated policies to replace the 54 Group B policies. (1996)
7	Adoption of seven more consolidated policies, including some substantive additions on topics such as due process, to replace 23 Group C policies. (1997)
8	Adoption of an annual board calendar, which schedules board activities on policy review, environmental scanning and results evaluation. (June 1997)

Source: ACC Web site, <www2.austin.cc.tx.us/board/main>.

The result of this process was 25 pages of only the most pertinent policy guidelines. According to the board and administration, what the manual lost in size it more than made up for with ease of use and clarity. The board plans to create a policy review plan at its November 2002 meeting to ensure that the manual stays concise and comprehensive. This process was of great help to the board in reducing micromanagement since it removed 83 policies from board purview and made them the president's responsibility.

Board members cited the SACS review as the driving element behind their effort to steer clear of micromanagement and uniformly cited their role within the college as one of policy and goal setting, not policy implementation and administration. This understanding has not gone unnoticed outside the college. Members of the business community said during focus groups that it appears that the board does a good job "staying out of the day-to-day stuff and is focused on leading the college."

COMMENDATION

ACC trustees underwent a policy compression process to decrease a significant number of policies and authorized the president to create administrative rules addressing those policies without board approval.

FINDING

ACC board meetings are available to the public through a variety of media. For those who cannot attend a meeting, minutes of each session are recorded and kept on file. In addition, tapes of the session are kept on videocassette and are available on the Internet. Audio and video recordings of meetings dating from September 2000 are also available online. In fact, ACC makes streaming video of its board meetings available on its Web site by noon on the day following the board meeting. Board meetings are also broadcast on cable television on the Thursday following the meeting and are shown again the following Tuesday on a local television channel that does not require cable. The board has extended its ability to communicate with a far greater number of people than can attend meetings. By using these media, ACC stakeholders can stay abreast of the events and issues facing the board as well as decisions the board makes.

COMMENDATION

ACC keeps the general public informed of its board's actions in several ways.

FINDING

The SACS review team admonished ACC for failing to implement certain board-approved policies. To prevent this from happening in the future, a board assistant records each data request from board members during board meetings and work sessions. These data requests are logged and distributed to the appropriate administrator for response.

The president is also expected to update the board on the status of each item as well as any outstanding policy initiatives. The president does this through a weekly newsletter, by responding to requests made during previous sessions and by using e-mail to provide answers or updates on the status of a request.

Ultimately, the board expects the president to respond to all requests, and to let them know when a response can be expected. Several board members commended the president for responding consistently and quickly to requests for data.

COMMENDATION

ACC's board implemented a monitoring system for data requests to ensure board-approved policies are implemented.

FINDING

Board members consistently evaluate the board's performance after each meeting. ACC's board allocates time in the agenda at the end of each meeting and work session to review the meeting and critically evaluate what went right and what went wrong during the meeting. After each regular meeting and work session, the chairperson asks each member to quickly assess how effectively they felt the meeting was managed and if they thought the objectives of the session were met. The agenda item is titled "Quick Meeting Review" and the chairperson allows each board member to give their candid evaluation of the meeting, rating the meeting on a scale of one to five, with five being the best. For example, members of the review team attended the regular meeting held on June 3, 2002, at which time several members rated the meeting a "three," noting the board got bogged down during its discussion of financial issues, thereby prolonging the meeting. One member suggested that the discussions be more focused in an effort to move the meeting along.

The majority of board members told the review team the "Quick Meeting Review" enables them to critically review the board's performance, improves the efficiency of board meetings and allows individual members to self-police. One member said "it is not uncommon for a member to point out that someone may have crossed the line between policy and administration."

COMMENDATION

ACC's board critically evaluates its performance after each meeting during the "Quick Meeting Review" section of its agenda in an effort to improve the efficiency and effectiveness of its meetings.

FINDING

ACC stakeholders and the general public interact with board members online through an e-mail message system. The board established an e-mail message system to enable the public to post messages to inquire about board policy issues and administrative procedures. The public sends e-mail messages to <board@austin.cc.tx.us>; however, board members respond only to policy issues, referring all administrative questions to the president. After board members refer administrative questions to the president, they routinely followup with the president to determine if the administrative questions were addressed in a timely manner.

Policy issues that require a board response are answered on a first-come, first-served basis. Any of the board members may respond to e-mail from the general public and, to ensure coordination, their replies to any queries are visible to all board members. This helps ensure that the board responds with a single voice.

The president and the staff assistant to the board also automatically receive any messages sent to this e-mail address. This permits the administration to track all messages sent to this address and report to the board the volume and substance of administrative issues and inquiries sent by email.

The board's e-mail message system allows the public to provide input on ACC-related issues, ask relevant questions affecting ACC policy and administration, and obtain direct responses to their questions from board members and administrators. The majority of board members told the review team that this is an excellent method for sharing information with ACC stakeholders, their constituents and the general public.

COMMENDATION

ACC's board created its own e-mail message site at <board@austin.cc.tx.us> to provide a forum for questions related to board policies and administrative issues.

FINDING

In the 1996 SACS review, the college was cited and placed on probation due in large part to the micromanagement of the board. But, in the process of correcting that issue, the board has relinquished some control and authority that a governing board should exercise. In frustration, some board members have begun to make additional requests for information of the administration. Board policy clearly distinguishes the policy-making

duties of the governing board from the administration and faculty's responsibility to administer and implement policy.

In an effort to move away from micromanagement, the board adopted the *John Carver Policy Governance* model from 1992 through 1999. The Carver model is a system of principles, concepts and methods designed to help boards govern efficiently, which ACC has modified and renamed the *Austin Policy Governance Model*. **Exhibit 1-6** provides a summary of the principles of the *Austin Policy Governance Model*.

Exhibit 1-6
Principles of the *Austin Policy Governance Model*

Principle Area	Purpose of Principle
Policy-Based Governance	<ul style="list-style-type: none"> • Keep board focused on determining and expressing the goals and values of its owners. • Delegate to the president the authority to implement the great majority of college rules and procedures. • Board should set its own agenda of directives to the president instead of responding to administration-driven proposals. • Work as a committee of the whole. • Board should spend the bulk of its time determining the goals and objectives of the college and making sure that these items are linked to the needs of the community. • Prevent the board from being caught in policy bottlenecks due to a backlog of items awaiting policy address. • Engage in policy manual consolidation process, which entails converting existing policies into administrative rules. • Position the board to proactively create preventive policy rather than emergency response policies.
Policy Reform	<ul style="list-style-type: none"> • Make sure that the policy manual addresses issues of institution-wide concern such as tuition, budget and developmental education rather than the approval of individual purchase orders. • Orient policies to provide strategic directions that are concise and value-driven.
Policy Development	<ul style="list-style-type: none"> • Board chair maintains the responsibility for coordinating the board policy agenda.

	<ul style="list-style-type: none"> • Entire board votes every six months to establish items for future consideration. • Board-wide vote agenda is intended to facilitate the board acting as a "corporate body." • Create a range of options by developing alternative wordings of policies under consideration. This is intended to reward novelty of thought, not just fluency. • Create a means of arriving at efficient final decisions with a modest investment of meeting time and without the use of board or staff committees. • Never use policy to address an emergency. Instead rely upon the judgment of the president.
<p>Policy Compliance Monitoring</p>	<ul style="list-style-type: none"> • Provide systematic staff reports that provide a comprehensive view of the college and opportunities for improvement. • Board secretary maintains sole responsibility for the investigative authority of the board into potential areas of college noncompliance with board policy.

Source: ACC Board of Trustees, Austin Policy Governance Model.

Board Policy B-1(3) specifically states: "There are no unwritten board directives. The only policies, decisions, authorizations or limitations in effect at the board level are those explicitly listed as policies or active resolutions in the board minutes or Web site after a public vote of adoption. Individual or collective statements by trustees in any other forum have no authority in college operations. All trustees shall be informed whenever the administration takes actions that address a request or suggestion from a trustee. When an administrator attributes an action to a board directive, the relevant written directive(s) must be identified." While this requires the entire board to be informed whenever the administration addresses requests from an individual board member, it does not specifically require individual information requests to be delivered to the president through the chairperson.

The disparity between views of board members and the president highlights the differences between board members' and the president's perceptions of how the *Austin Policy Governance Model* is implemented, as well as their distrustful relationship. As a result of this mistrust, the relationship between some board members and the president is sometimes inordinately strained, which then results in additional burdens for administrative staff.

Policy development should ensure that the board speaks with a collective voice-striving to reach a point of unity, not to curb debate, but to bring order and efficiency to discussions. Clearly, that process has failed when a board member announces that he or she is "packing up" as happened when the June 3, 2002 meeting ran long due to extended discussion.

The policy calls for the president to highlight for discussion any unusual items related to the college, such as the 2000-01 budget deficit. However, some board members told the review team that the president was not forthcoming about warning the board of the 2000-01 budget deficit *until* January 2002, when it was too late to take preventative measures. The president does not agree that he did not discuss the looming 2000-01 budget crisis with the board and told the review team he followed board policy precisely when notifying the board in late December 2001 of the impending deficit and providing a board-approved plan addressing the 2001-02 budget crisis by late January 2002. The president also asserts that he reported the potential shortfall during his evaluation by the board in December 2001.

Certain board members said that the president has inaccurately reported information to the board. As a result, once the board receives a report from staff, several board members consistently ask for additional supporting documentation. One high-level administrator told the review team that, "One of the difficulties is that if reports and data look like they have been massaged too much by the administration then they [the board] are upset. Some [board members] want the executive summary and others want the executive summary plus the whole pile of data that went into it."

Since some board members also do not trust information the administrative staff provides them through the president, individual board members request a variety of reports from the dais during regular meetings when actions are to be considered. The majority of the administrative leadership team said the board does not speak with one voice, requiring them to provide detailed reports to individual board members that take considerable time to prepare, which takes away from the time they have for their administrative and management responsibilities. Some board members confirmed to TSPR that their colleagues often request staff to provide information during regular meetings on action items that have been reviewed in board work sessions without forwarding these requests through the chairperson of the board. These meetings are supposed to be for voting on items, not providing background information.

During the June 3, 2002 regular board meeting, the review team observed the effect these specific requests have on administrators and staff. Toward the end of the meeting, the president presented the board with an extensive memorandum addressed to him from the executive vice president, dated

May 29, 2002, in which the executive vice president was responding to comments made in an e-mail message to an individual board member by a member of the Adjunct Faculty Association. The memorandum was 27 pages long, including attachments, which addressed topics such as scheduling, compliance with the Texas Academic Skills Program, the collegewide advising committee and publicizing adjunct-faculty names in the course schedule. In addition to the executive vice president, nine ACC administrators provided substantive input for the memorandum. Some of the board members were clearly surprised at the level of effort required of the administrative staff to comply with a specific request by an individual board member, considered it excessive and reiterated during the meeting that the board had previously agreed to channel all requests for data during regular meetings through the chairperson.

Recommendation 1:

Strengthen governance by conducting annual policy orientation workshops, team-building training and establishing controls for timely communication and requests for information between the board and president.

Creating controls to ensure board members and the president adhere to the *Austin Policy Governance Model* means that the board will retain its authority and control when acting as a board of the whole. The orientation workshop will reinstruct trustees on the proper procedures of the board, which will improve governance and monitoring.

Team-building training should begin with establishing clear expectations of the administration regarding information needed for decision-making. Board members should attempt to understand their colleagues and the president and work together to advance the mission, goals and objectives of the college. For the team-building sessions to be effective, board member and the president should:

- talk about and work through differences that may exist;
- listen to and respect each other's points of view;
- resolve even the most difficult internal communication problems; and
- put the interests of all ACC students above personal differences.

Revising Board Policy B-1(3) to require all individual member requests from the dais to be delivered through the chairperson will ensure the board will speak with one voice and, when that voice is heard, the administration should be held accountable for carrying out the will of the board.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president directs the Purchasing Manager to issue request for proposals to conduct team-building retreats from at least three team-building facilitators.	January 2003
2.	The president and board review the proposals and select a team-building facilitator to conduct the workshops.	February 2003
3.	The president schedules a two-day team-building retreat at a location away from ACC facilities.	March 2003 and Annually
4.	The board, president and central administrative staff attend the two-day retreat and establish clear expectations regarding decision making.	March 2003
5.	The president, in conjunction with the board secretary, drafts a revision to Board Policy B-1(3).	March 2003

FISCAL IMPACT

The cost of each team-building session will be limited to the fees and expenses charged by one facilitator for two days. Professional fees are approximately \$1,000 per day, with an additional \$200 per day for expenses (\$1,200 x 2 days x 2 sessions = \$4,800). Two sessions should be held in 2002-03 and one session in each year thereafter. Holding annual policy orientation sessions can be done with existing resources.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Strengthen governance by conducting annual policy orientation workshops, team-building training and establishing controls for timely communication and requests for information between the board and president.	(\$4,800)	(\$2,400)	(\$2,400)	(\$2,400)	(\$2,400)

FINDING

Board members receive no training in areas such as financial management. However, they are required to make decisions about complicated issues such as refunding bonds and intricate funding formulas.

Board members said that part of the reason for the budget shortfall was their own lack of financial knowledge. The board is hampered because the training they receive is not related to specific skills like financial management and organizational structure.

In addition, board members tend to attend the same conferences and professional development workshops. Without attending different workshops, the board members do not have new information to share with other board members. According to a current board member, "this is why we are having a hard time becoming a learning organization." While some members said that one benefit of attending conferences together was that they could grow closer as a team, another said that they did not see the point of going, especially if they had been to the same training the year before.

Another shortcoming of the professional development program is that the skills of individual members are not inventoried. Without such information, members cannot determine which training opportunities would help broaden their skill sets.

Some community college boards and four-year university boards identify specific areas of continuing professional education that they want to improve and use a "train-the-trainer" approach to ensure that board members get the most from attending conferences and continuing professional education workshops. The train-the-trainer approach allows specific board members to attend workshops or conferences related to areas the board has identified for improvement and share those insights and concepts with the full board. This allows board members to attend a variety of conferences simultaneously and optimizes the exposure of the full board to creative ideas and techniques for improving their governance skills in targeted disciplines.

Recommendation 2:

Create a continuing education system that targets board members' professional needs.

Each year the board chair should survey individual board members to obtain input about the types of continuing education training they would like to attend to enhance their governance skills and their effectiveness as board members. This will ensure that the training opportunities offered adequately address the professional needs of the board members. This also will help the board avoid duplicative training courses.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The board chairperson polls board members to identify continuing education topics on which they wish to have additional training.	January 2003
2.	The board chairperson directs the president to assist the board	February

	with developing a targeted professional education program for board members.	2003
3.	The president meets with the board to identify specific, targeted continuing education training desired by individual members.	March 2003
4.	The president identifies professional education opportunities and presents a calendar to the board during its work session.	April 2003
5.	Board members attend continuing education workshops and seminars as appropriate.	June 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's board does not have a travel policy or an administrative rule that specifies the types of travel and related activities and expenses that are appropriate for board members, administrators and faculty conducting college business. Board Policy A-8, Student Travel, and Board Policy G-3, Reimbursements, are the only travel-related policies specifically adopted by the board. Board Policy A-8 primarily covers student safety in all activities that require student travel. Board Policy G-3 relates to the reimbursement of college employees for job-related expenses and local travel. Administrative rules for both policies outline specific guidelines for implementing board policy. For example, Administrative Rule 7.03.001 specifically states "travel for official college business may be related to the execution of one's job, or to development activities to maintain or increase professional training. Travel may be for in-district or out-of-district purposes." The administrative rule specifically outlines how taxpayer dollars will be used and provides specific examples such as lodging in reasonably priced accommodations and reimbursing actual expenses whenever they are less than the per diem rate.

ACC spent \$53,316 for board travel and related expenses from September 1, 1999 through May 20, 2002, including \$14,817 in 1999-2000, \$22,820 in 2000-01 and \$15,679 through May 20, 2002. Members of the review team reviewed all travel invoices and noted board members incurred expenses primarily for airfare, lodging, meals, ground transportation, parking and registration traveling to Association of Community College Trustees conventions and legislative updates. However, during the review of travel invoices, members of the review team found an instance in which ACC reimbursed a board member's tuition for participation in Leadership Texas. Tuition for Leadership Texas is not a travel-related expenditure.

Without a board travel policy and a related administrative rule to guide its implementation, board members must exercise their judgment as to the type of travel and related expenses appropriate to charge to ACC.

ACC's travel policy contains an antiquated provision related to out-of-state lodging per diem and does not establish guidelines for employees attending conferences. Sections 3b and 3c of the travel guidelines discuss out-of-state lodging per diems and state, "The per diem rate for lodging is \$65 for in-state travel and \$75 for out-of-state...Prior approval of the vice president is required for reimbursement of actual expenses when they exceed the per diem rate..." The per diem is so low that supervisory approval for amounts exceeding \$75 per day has become the rule rather than the exception because employees typically average \$100 or more per day for out-of-state lodging. As a result, supervisors approve "excess" out-of-state lodging per diems, which are then approved by the vice president. **Exhibit 1-7** shows that at least one peer uses a different out-of-state per diem criteria, which generally amounts to actual cost.

**Exhibit 1-7
ACC and Peers Travel
2001-02**

Description	ACC	North Harris Montgomery	San Jacinto	Collin County
Lodging Per Diem (in-state)	\$65	N/A	N/A	Reimburses actual cost
Lodging Per Diem (out-of-state)	\$75	N/A	N/A	Uses each state's published per diem
Meal Per Diem	\$30	N/A	N/A	\$26 (in-state)
Mileage Allowance	\$0.30	N/A	N/A	\$0.30

*Source: ACC's Travel Guidelines and Administrative Rule G-3; TSPR peer survey.
N/A - Information was not available or received from the peer.*

The accounts payable supervisor stated that employees generally cannot find out-of-state lodging within the approved rate. However, employees are not required to submit documentation supporting available rates. Consequently, the supervisors and the vice president approve the lodging request based on the employees' unsupported request.

Of ACC's peers, Collin County Community College (CCCC) does not stipulate a maximum lodging per diem. Instead, CCCC uses the published per diem of each state where the travel is incurred as a guide for

reasonableness of lodging costs. CCCC's accounts payable staff reviews the initial request for travel and questions lodging costs that appear excessive or unreasonable.

The Texas Building and Procurement Commission does not extend the state's purchasing services to community colleges, stating they do not meet the definition of an institution of higher education. The state's travel services provide low-cost and highly flexible travel rates by negotiating favorable contracts with vendors for these services. Institutions of higher education are not required to use the travel agency services contracts, but are required to use all other travel services contracts when purchases are made using general revenue funds or educational and general funds as defined by the Education Code, §51.009.

Some school districts and community colleges have travel policies that follow the state's travel guidelines. These guidelines are available on line at www.window.state.tx.us/comptrol/san/fm_manuals/tag_man/00tag_man/tag_toc.html. If an employee or a board member elects to stay in a more expensive hotel, or spends money on alcoholic beverages or movie rentals during their travel, the district simply does not reimburse the individual for that portion of the expense.

Organizations typically have travel policies that specify expenditures for which board members can claim reimbursement. Usually, the president or the chief financial officer reviews and approves travel reimbursement requests in accordance with their travel policy.

Recommendation 3:

Adopt the state travel guidelines for all ACC employees and board members.

Adopting collegewide travel guidelines will ensure consistency with the type of travel expenditures for which board members and college employees can claim reimbursement. Each board member and college employee should be knowledgeable of the types of travel expenditures that are reasonable and acceptable when traveling on college-related business.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services, obtains a copy of the state online travel guidelines and presents them to the board and president.	January 2003
2.	The board and president review the state guidelines and	January

	determine ways to adopt the guidelines.	2003
3.	The vice president, Business Services instructs the controller to identify and obtain policies of comparable colleges and industry travel costs, prepares an analysis and recommendations for changes to ACC's travel guidelines and submits to the president and board for approval.	January 2003
4.	The vice president, Business Services instructs the controller to communicate, train and implement the travel guidelines.	February - March 2003 and Ongoing
5.	The president and board approve the travel guidelines.	March 2003
6.	The controller's office monitors and enforces compliance with periodic review of guidelines and travel policies.	Monthly

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 1

B. MANAGEMENT AND ORGANIZATION - PART 1

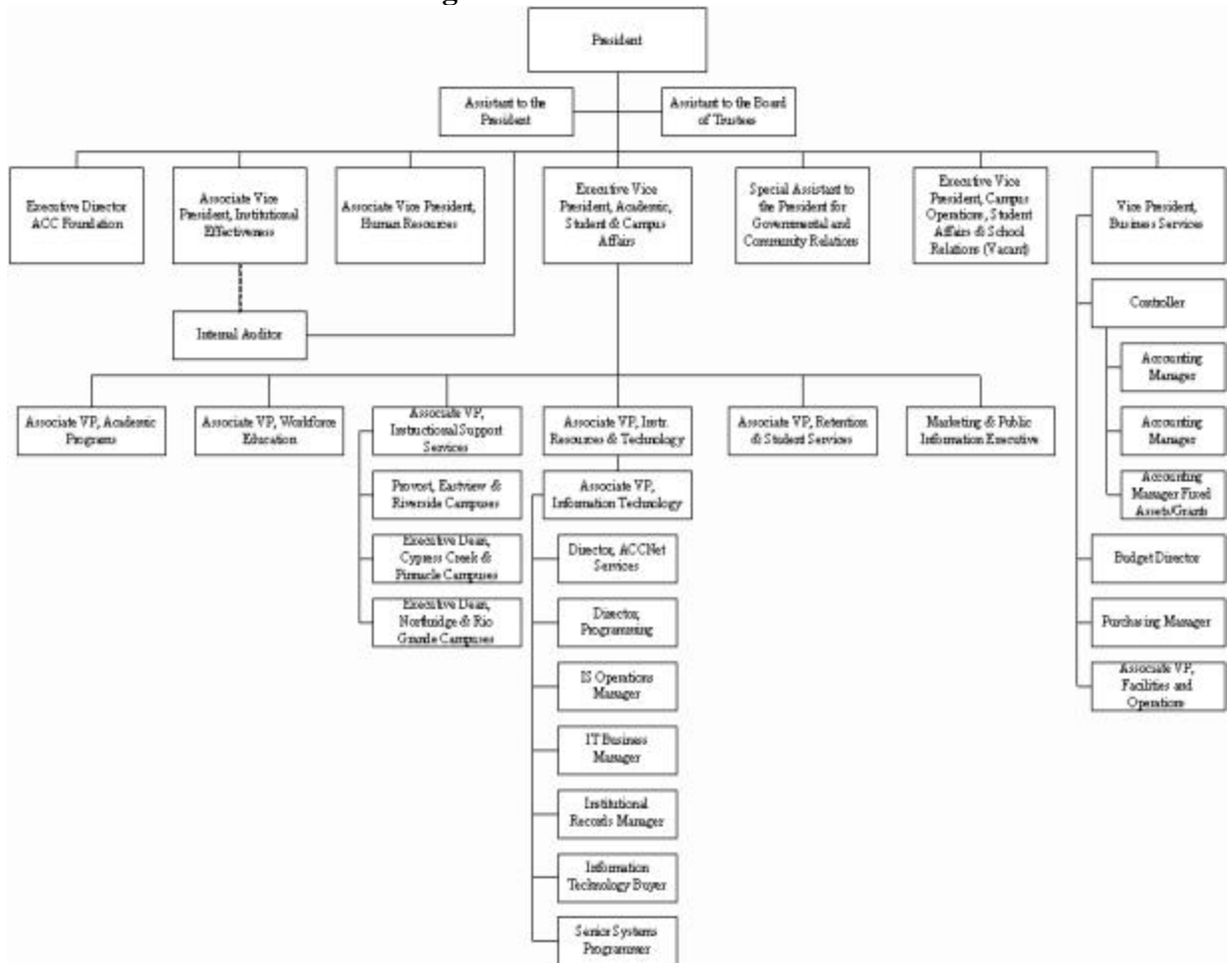
The president's executive leadership team (ELT) is the college's top-level administrative management team and consists of the executive vice president, vice president for Business Services, associate vice president for Institutional Effectiveness and the associate vice president for Human Resources. The president meets with his executive leadership team each Monday morning and allows all members to present and discuss issues in their respective areas that may potentially affect other areas.

The administrative leadership team (ALT) is the college's "extended" administrative management team and consists of associate vice presidents of academic and business units, executive deans, provosts, academic deans and directors. The president meets with this team monthly to disseminate information from executive leadership team meetings and to discuss topics of interest to team members. The president also meets separately with employee groups each month.

ACC's organization structure, effective August 1, 2002, is presented in **Exhibit 1-8**.

Exhibit 1-8 ACC Organization Structure

August 2002



Source: ACC Web site <<http://www3.austin.cc.tx.us/evpcss/orgref/orgcharts.htm>>.

FINDING

ACC's executive vice president developed a comprehensive reference guide for faculty and staff members who have questions regarding academic, student and campus affairs. The document is entitled Organizational Reference 2001-02, and faculty and staff use this resource to determine the chain of command and sequential steps and levels involved in resolving issues or concerns. For example, if an adjunct faculty member wants to resolve academic issues related to curriculum, he or she would bring the issue or concern to the appropriate department task force chairperson or program coordinator. If the issue or concern cannot be resolved there, the next level of authority is the appropriate instructional dean. If the issue or concern cannot be resolved with the instructional dean, the final level of authority rests with the associate vice president of Academic Programs or Workforce Education.

Pages two through four of the Organizational Reference contain a matrix that serves as a referral guide for academic, student and campus affairs. The matrix organizes sample issues under the following categories: adjunct faculty, full-time faculty, academic operations, students, textbooks, grades and campus- or facility-related issues. Under each of these categories on a horizontal axis are potential issues faculty or staff members may encounter, such as student complaints, interviews, hiring faculty, technology requests, course schedule development, financial aid, registration and maintenance. The vertical axis of the matrix contains the appropriate level of authority responsible for resolving the issues or concerns. The matrix uses the numbers one through five to determine the sequential levels through which the resolution of the issue or concern must be routed. This referral guide ensures that faculty and staff members have a method for determining how best to resolve specific issues or concerns.

The Organizational Reference also documents ACC's internal communications structure and defines the roles and responsibilities of college councils, task forces, committees and teams. The document lists each task force, council, committee or team within ACC and its current membership, along with telephone extensions, building locations and e-mail addresses. The Organizational Reference also contains up-to-date organizational charts and job descriptions for each position on the administrative leadership team.

COMMENDATION

ACC developed a comprehensive organizational reference guide for improving internal communication, defining the roles and responsibilities of internal stakeholders and documenting the conflict resolution process.

FINDING

ACC's organizational structure contains instances where more than one position is responsible for performing the same duties. For example, the organization presented in **Exhibit 1-8** shows the Marketing and Public Information Executive reporting to the executive vice president for Academic, Student and Campus Affairs. Although the position markets ACC programs, publishes student services materials such as catalogs, schedules and brochures, and oversees ACC's Web Committee, it does not primarily support academic, student or campus affairs. Additionally, the associate vice president for Information Technology does not report directly to the president. The president told members of the review team he has the associate vice president for Information Technology report to the associate vice president of Instructional Resources & Technology

because it "reflects the best thinking about linking informational technology and instructional leadership."

Board policy requires the president to implement organizational changes once each year, based upon the experience of the previous academic year. According to the president, organizational changes are implemented to provide a stable structure for faculty and staff. The organization presented in **Exhibit 1-7**, effective August 1, 2002, reflects organizational changes for 2002-03. Despite the president's claim that organizational changes promote stability, members of the faculty and staff told the review team that annual reorganizations contribute to instability rather than assure stability.

ACC's organization for 2002-03 includes two executive dean positions and one provost position, each responsible for serving as the institutional leader of two campuses as well as collegewide processes. The employees in these positions perform some duties similar to those performed by the campus operations managers, ACC's director of Support Services, the director of Student Recruitment or the director of Community Outreach. **Exhibit 1-9** presents a comparison of job duties for the provost, executive deans and campus operations managers.

Exhibit 1-9
Comparison of Job Duties for the Provost,
Executive Deans and Campus Operations Managers

Essential Job Duties	
<i>Provost and Executive Deans</i>	<i>Campus Operations Manager</i>
<ul style="list-style-type: none"> • Supervises campus managers, Learning Lab, Testing Center and designated staff. • Develops, in collaboration with others, strategic goals and assessment measures for assigned campuses. • Develops and oversees campus budgets. • Determines community educational needs and works with academic leadership to ensure that curricula and courses meet these needs. Achieves efficient course scheduling and the coordination of course offerings for campuses based upon student demands and institutional 	<ul style="list-style-type: none"> • Manages and monitors the campus facility and assigned support services to ensure effective and efficient operation. • Supervises office support staff primarily by prioritizing activities, monitoring performance and authorizing expenditures. Also supervises evening and weekend personnel, duplication and custodial services. • Works as a liaison with campus police and

<p>needs in consultation with academic leadership. Develops flexible scheduling to meet community and business educational needs.</p> <ul style="list-style-type: none"> • Chairs the campus Community Advisory Committees. • Acts as liaison between other campuses, community groups, agencies and businesses. • Participates and plays a leadership role, when necessary, in community activities related to ACC. • Seeks alternative sources of funding and partnerships to support new campus initiatives. • Facilitates professional development opportunities on campus for faculty and staff. • Provides input to academic program evaluation via the established college system. • Resolves student grievances via established college procedures. • Facilitates integration of student development and academic support services on campus by working with appropriate staff. 	<p>maintenance personnel to ensure campus needs are met.</p> <ul style="list-style-type: none"> • Prepares budget recommendations by collaborating with campus staff to assist the campus provost and executive dean with developing the budget. • Assists with the development and implementation of campus procedures by collaborating with students and staff and by making recommendations to the campus provost and executive dean. • Coordinates and plans various campus renovations including Americans with Disabilities Act improvements and one-college changes in building designs, as approved by the provost and executive dean. • Approves and coordinates the use of facilities by college and community groups using established procedures. • Directs and coordinates campus communications programs including telephone, ACCNet and data services. • Provides information to staff and the general public regarding campus matters.
<p><i>Provost, Eastview and Riverside Campuses</i></p>	<p><i>Campus Operations Manager</i></p>
<ul style="list-style-type: none"> • Develops and implements minority recruitment. • Designs and implements strategies for attracting and enrolling minority 	<p>None</p>

<ul style="list-style-type: none"> students. Assists in developing professional development strategies responsive to the needs of minority students. 	
Designated College-wide Process	
<i>Executive Dean, Cypress Creek and Pinnacle Campuses</i>	<i>Campus Operations Manager</i>
<ul style="list-style-type: none"> Designs and implements job placement system for ACC graduates in collaboration with academic and student affairs leadership. Establishes ongoing communication with major employers and communicates their needs to appropriate college leadership. Serves as institutional contact for the ACT. 	None
<i>Executive Dean, Northridge and Rio Grande Campuses</i>	<i>Campus Operations Manager</i>
<ul style="list-style-type: none"> Supervises Academic Testing Centers. Develops and implements testing center procedures. Develops and implements collegewide testing standards for equipment, software, staff and faculty training. 	None

Source: ACC Organizational Reference 2001-02, Job Descriptions.

Exhibit 1-9 shows that the provost and executive deans perform duties that campus operations managers assist them with, such as budget preparation and community activities. The provost and executive deans have no instructional oversight and provide leadership for campus administration including facilities planning and work to improve instructional services. The campus operations managers, who report to the provost and executive deans, perform similar management activities.

The provost and executive deans also conduct designated collegewide processes that include minority student recruiting, testing center

supervision and working as a liaison between employers and ACC leadership. According to ACC job descriptions, the director of Support Services serves as districtwide "process owner" of the learning labs and testing centers and the director of Student Recruitment is responsible for recruiting. The director of Community Outreach is responsible for assisting the provost with community outreach coordination and develops and implements recruitment strategies for underserved populations. Additionally, ACC works in partnership with the Capitol Area Workforce Development Board, through its director of Workforce Development, and with the business community to provide employment opportunities for ACC students. Consequently, collegewide activities performed by the provost and executive deans overlap with activities performed by other units within the college.

The provost and two executive deans have an administrative staff to help them carry out their responsibilities. These positions cost ACC \$431,993 in salaries annually. The salaries of the provost, executive deans and administrative assistants are as follows:

Provost, Eastview and Riverside campuses	\$98,157
Senior Administrative Assistant, Eastview and Riverside campuses	\$42,445
Executive Dean, Cypress Creek and Pinnacle campuses	\$77,007
Senior Administrative Assistant, Cypress Creek and Pinnacle campuses (1)	\$37,276
Senior Administrative Assistant, Cypress Creek and Pinnacle campuses (2)	\$34,995
Executive Dean, Northridge and Rio Grande campuses	\$79,115
Senior Administrative Assistant, Northridge and Rio Grande campuses (1)	\$34,995
Senior Administrative Assistant, Northridge and Rio Grande campuses (2)	\$28,003
Total Cost of Annual Salaries	\$431,993

The president's August 1, 2002 organizational changes reflected a reduction of the executive vice president's span of control to six direct reports and reassigning reporting relationships to some administrators. However, there are instances in which the organization still is not functionally aligned and where some positions are performing duplicative functions.

Recommendation 4:

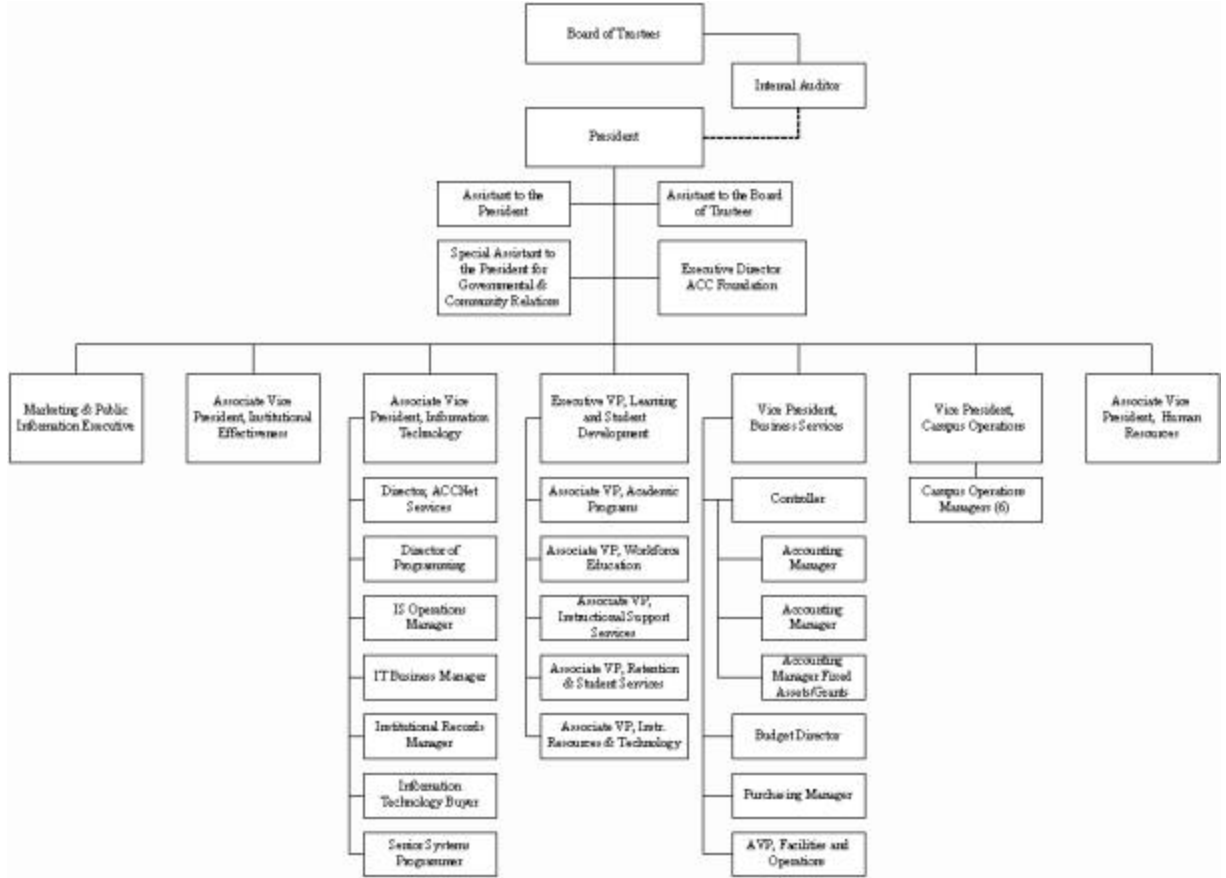
Restructure ACC's administration.

The president should restructure ACC's administration by:

- eliminating the provost and executive dean positions along with their administrative staff and transferring campus administration and operations responsibilities to the campus managers. The president should also transfer designated collegewide processes to the directors of Support Services, Student Recruitment and Community Outreach as appropriate;
- having the Marketing and Public Information Executive report directly to the president;
- changing the name of the executive vice president for Academic, Student and Campus Affairs position to executive vice president for Learning and Student Development;
- changing the name of the executive vice president for Campus Operations, Student Affairs and School Relations position to vice president for Campus Operations, filling the position and realigning the reporting relationship of the six campus operations managers to report to this position;
- having the associate vice president for Information Technology to report directly to the president;
- changing the special assistant to the president for Governmental and Community Relations and the executive director of the ACC Foundation to staff positions reporting to the president; and
- having the internal auditor report functionally to the board and administratively to the president.

Exhibit 1-10 presents the proposed ACC organization.

**Exhibit 1-10
ACC Proposed Organization**



Source: TSPR.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president informs the executive and administrative leadership team of plans to restructure the organization and the schedule for individual meetings with the affected administrators.	December 2002
2.	The president restructures the organization, eliminating the provost and executive dean positions and related administrative staff.	December 2002
3.	The president implements the reorganization.	January 2003

FISCAL IMPACT

Eliminating the provost and executive dean positions will require eliminating their administrative support staff. The salaries and benefits for the provost and administrative assistants are:

Executive Deans (2)	\$156,122
Provost	\$98,157
Senior Admin. Asst. (5)	\$177,714
Total Salaries	\$431,993
Fringe Benefits Rate (3%)	x 1.03
Total Salary and Benefits	\$444,953

Since the reorganization will be effective January 2003, the annual savings will be prorated over eight months for 2002-03 as follows:

Total Annual Salary and Benefits	\$444,953
Multiply by 8/12 (67 percent)	x 0.67
Total Salary and Benefits for Eight Months	\$298,119

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Restructure ACC's administration.	\$298,119	\$444,953	\$444,953	\$444,953	\$444,953

FINDING

ACC's "one-college" concept is not working as the board intended. ACC is guided by board policy that emphasizes the one-college concept-that it is organized as one college with multiple campuses-reflecting its accreditation by the Southern Association of Colleges and Schools (SACS) as a single institution. Instructional responsibilities are generally assigned across college. For example, curriculum development, program review, staffing and institutional effectiveness are activities with broad-based implications across all campuses. ACC's board implemented the one-college concept to promote a greater degree of policy implementation, uniformity of programs and services and cohesiveness among campuses through improved communication, collaborative decision-making and effective leadership from the president.

The president maintains that while the board has reviewed the one-college concept policy on several occasions, they have yet to make any substantive changes. The president also told the review team that major changes, calling for increased campus-based service delivery, have already

been implemented, though TSPR team members found limited evidence of this.

The management of ACC's instructional and academic support responsibilities is highly centralized compared with most multi-campus community colleges. Most college districts with more than one campus have a central administration headed by a chancellor or president with individual colleges or campuses headed by presidents, provosts or vice-presidents. Peer colleges, for example, consider themselves college districts and each campus is a self-contained entity headed by a president or provost with an operational structure specific to a single campus. ACC had a similar structure prior to 1997, when the current president was hired.

The 1997 re-organization of ACC reduced competition among campuses for budget resources and improved consistency of curriculum within disciplines across campuses. The board's decision to reorganize ACC to emphasize the one-college concept centralized authority for instructional programs as well as operations. Although the transition took several years, the current structure, which includes an executive vice president for Academic, Student and Campus Affairs; two associate vice presidents for instructional programs; four academic deans and six workforce education deans; taskforce chairs and program coordinators who report to the deans, has been in effect since fall 2001.

The president and faculty have been at odds over a host of issues during the president's tenure, with disagreements in subjects ranging from salaries, hiring procedures and organizational management. Much of this conflict is rooted in the president's board-supported implementation of the one-college system within the first few months of his arrival. As a result of this move to centralize administrative control—thereby doing away with a number of positions and offices—administrators told the review team that some faculty "will never forgive him." Further complicating matters, the faculty senate has twice issued votes of no confidence in the president's ability to effectively lead ACC.

From the board and administration's point of view, the rationale behind the one-college concept was eliminating the duplication of services and focusing more faculty time on the classroom. During 1996-97, the instructional leadership was governed by an umbrella system of 111 division chairs and department heads. The compensation for faculty fulfilling the duties of these positions is measured in lecture equivalent hours (LEH). During this time, these 111 division chairs and department heads accounted for 1,576 LEH or the equivalent of 43.7 full-time equivalent faculty (FTEF) members.

After the implementation of the one-college concept in 1997, instructional leadership was organized under deans, task force chairs and program coordinators responsible for discipline throughout the college rather than division chairs and department heads with campus-specific duties. Under this structure, all curriculum and faculty decisions are made on a collegewide basis, not campus-by-campus. Though a greater number of people are now involved in instructional leadership, as a whole they have fewer LEH.

During 2001-02, there were 157 deans, associate deans, task force chairs and program coordinators, and assistant task force chairs and program coordinators. They accounted for 1,651 LEH for the year, or FTEF of about 45.8 faculty. However, while they account for a higher number FTEF, they are also overseeing more students, services and an additional location, the Highland Business Center, which ACC opened in 1998. In addition, the college has seen its enrollment increase substantially. As a result, the administration says the one-college concept saves ACC money in reduced management layers and administrative costs.

Exhibit 1-11 compares the one-college concept of deans, task force chairs and program coordinators with the umbrella system of division chairs and department heads.

Exhibit 1-11
1996-97 Umbrella System versus 2001-02 One-College Concept

Area of Measurement	Umbrella System	One College Concept
Number of Instructional Leaders with Release time LEH	111	157
Total release time LEH (Annual)	1,576	1,651
FTE Faculty	43.7	45.8
FTE Students (Annualized)	40,808	43,765
FTE Students/FTE Faculty	934	956
Number of Campuses	5	6
Average FTE Faculty per Campus	8.74	7.63

Source: ACC Office of Institutional Effectiveness.

In contrast, the faculty said the presumed savings of the one-college system as measured by fewer faculty per campus does not tell the whole

story. One faculty member said students are frustrated by the slower response time and lack of flexibility that exists when instructional decisions are not made on campus. The faculty has passed a plan through the faculty senate that would allow scheduling, student support and coordination to be handled at the campus level. The president told the review team that the administration has responded by distributing a copy of the "Referral Guide for Academic, Student, and Campus Affairs" to every instructor, and by creating a committee to review academic supervisory positions, distribution and responsibilities.

Exhibit 1-11 shows that, on average, fewer faculty members are used for instructional leadership. However, this also may lead to decreased service quality and effectiveness. First, more students are seen by fewer faculty advisors, which means less individual attention. Nevertheless, the faculty plan does not call for a dismantling of the one-college concept, but instead for changes in the way it is administered and how information flows through the system. While the dispute over the one-college concept served as the launching pad for the deterioration of the relationship between the president and faculty, most of the issues now under discussion are based on differing ideas for making the system work effectively.

In the one-college concept, the administrative leadership team (ALT) operates as the college's administrative management team. However, this is not a decision-making body and no minutes of their meetings are kept. The president meets with the ALT monthly to disseminate information from executive leadership team meetings and to discuss topics of interest to team members; however, members of the ALT said the president does not communicate well with them. A majority of ALT members said his communication style contributes to a chaotic crisis management-oriented atmosphere within the college that ultimately affects the quality of services provided to students. The president confirms that his style of management has given rise to criticism from administrators who, he believes, do not fully understand his strong delegation style of management. The president makes a limited number of day-to-day operations decisions. From the president's view, these misperceptions about his delegation management style have caused confusion about how he operates and how administrators perceive his effectiveness.

The majority of ACC's instructional administrators are not empowered to make decisions that are typically made at their level of authority. At ACC, formalized administrative rules and guidelines, as well as memos, written in most cases by the president or executive vice president, govern who makes different types of decisions or who has signature authority on various types of recommendations. Both faculty and administrators said that this not only delays action but also frustrates those who need timely responses. Decisions on hiring, staffing, course scheduling, faculty

overloads and budgets must be passed up the line, sometimes through several administrative layers. Faculty, deans and other instructional administrators repeatedly said that this system of checks and balances is cumbersome, unwieldy and unresponsive. Several program administrators reported waiting months for decisions to be made. This may cause the college to lose faculty members or delay the introduction of a new program or action.

Most decisions about exceptions to the allowable teaching overload policy (any courses taught above the regular teaching load with a prescribed maximum LEH), for example, may not need the approval of the executive vice president. Associate vice presidents may not need to be as involved in course scheduling now that deans have campuswide authority for their program areas. Colleges that are more decentralized than ACC generally assign such decisions to campus instructional leaders who have the most information about a subject. This speeds up response time and empowers mid-management with the authority and accountability to carry out the decisions.

The majority of the ALT said the president has a directional leadership style whereby he simply tells subordinates what to do and that tends to place confrontation ahead of conciliation. Moreover, one administrator told the review team "the president will make administrative decisions affecting your area in a vacuum with members of the executive leadership team and tell you about it after the decision is made." In the administrators' view, this management style renders the ALT powerless to provide collaborative input into decisions that affect the day-to-day operations of the college and, ultimately, the quality of programs and services delivered to students.

For example, on May 29, 2002, the budget director informed the associate vice presidents and deans—who are members of the ALT—of the decision to freeze budgets for their respective organizational units after a decision had been made within the ELT to remove the funds from the accounts. In some cases, the funds removed from organizational units' budgets had already been spent, which caused problems with some of the units' ability to pay for supplies and materials purchased before the budget freezes. The administrators over the affected budgets were not given an opportunity to contribute to the decision of how the cuts should be made in their areas and were not notified of the cuts until the money had been frozen.

Poor communication within the administration and between the administration and the board further undermine the effectiveness of the one-college concept. In the words of one administrator, "we cannot rely on information to come down from the top; we must pursue information."

The executive vice president, in an effort to improve implementation of the one-college concept, encourages collaborative decision-making and maintains open communication and access to information throughout the college. He developed a discussion document entitled "ACC Internal Communication Structure, 2001-2002" and presented the document to the board on May 6, 2002. The document illustrates ACC's current internal communication structure and outlines some of the values and issues related to shared governance. The executive vice president believes these should be openly discussed to improve communication throughout the college. However, the college has not adopted a singular definition of shared governance, though the president asserts that discussions related to shared governance are under way. The document includes the executive vice president's guidelines for effective communication including instructions on how to manage expectations, meetings, communication, conflicts and rumors. It also contains protocols for addressing student and faculty concerns, e-mail broadcasts and requesting institutional legal counsel.

Despite the efforts of the executive vice president, the majority of ACC administrators identified poor leadership by the president and ineffective communication as the primary weaknesses within ACC's organization. They consider both to be the drivers for the absence of shared governance between the ELT and ALT and between the faculty and the ELT. This weakness has undermined the implementation of the one-college concept.

Recommendation 5:

Hold the president accountable for the successful implementation of the one-college concept.

The board secretary should monitor the president's compliance with board policy and track the president's progress in implementing the one-college concept. This tracking should entail interviewing members of the ELT, ALT, faculty groups and employee groups to determine if the president's management and communication styles have resulted in more effective implementation of the one-college concept.

If the board secretary determines that the president is not complying with board policy, the board should invoke the provisions of Board Policy B-6 and require the president to modify his management style and communication. Moreover, the board should direct the president to schedule a one-day organizational communications seminar twice a year for members of the ELT and ALT as an effort to improve communication and implement a workable communications plan. Each one-day seminar should include the following objectives:

- identify typical organizational communication problems;
- examine how communication functions within an organization;
- analyze communication patterns within organizations;
- learn how to be a better listener;
- learn how to deal with difficult people; and
- learn team building and group communication skills.

Once the board directs the president to more effectively implement the one-college concept, it should periodically request feedback from college administrators through the board secretary to monitor the president's performance.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The board secretary investigates the president's progress implementing the one-college concept.	December 2002 - February 2003
2.	The board secretary reports the findings to the full board.	March 2003
3.	The board votes on whether or not members think the president is complying with board policy.	March 2003
4.	The board directs the president to comply with board policy and modify his management style and method of communication, if appropriate.	April 2003
5.	The board monitors the president's compliance with board policy.	May 2003 and Quarterly Thereafter
6.	The president directs the associate vice-president for Human Resources to locate a communications consultant and schedule two one-day organizational communication seminars.	September 2003
7.	The associate vice-president for Human Resources locates a consultant and schedules the workshops.	October 2003 and Annually Thereafter

FISCAL IMPACT

An independent communications consultant's professional fees total \$1,500 per day, plus an additional \$200 per day for expenses. The total cost per seminar is estimated to be \$1,700 (\$1,500 + \$200) or \$3,400 (\$1,700 x 2) per year for two seminars. The fiscal impact assumes one seminar will be conducted during 2002-03, with two seminars per year thereafter.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Hold the president accountable for the successful implementation of the one-college concept.	(\$1,700)	(\$3,400)	(\$3,400)	(\$3,400)	(\$3,400)

Chapter 1

B. MANAGEMENT AND ORGANIZATION - PART 2

FINDING

The ACC faculty and president do not work well together.

Exhibit 1-12 summarizes the major points of contention between the faculty and president as well as possible solutions introduced by both the president and the faculty. Members of the review team identified these items through interviews with faculty, staff, the president, board, community members and independent research.

Though members of the faculty senate and administration volunteered that not all faculty members harbor the following points of contention, the review team found them to be the sentiments of a significant vocal segment of the faculty. In addition, members of the faculty senate expressed these issues to the review team in a focus group and interview sessions.

Exhibit 1-12
Summary of Faculty and President Points of Contention and Possible Solutions

Faculty Points of Contention	Possible Solutions	President Points of Contention	Possible Solutions
President does not allow enough time for faculty input in shared governance. Environment is not conducive to shared governance.	Create a consensually developed definition of shared governance and install controls to ensure adherence to the practice.	Faculty should assist in implementing directives more than in generating policy.	Create a consensually developed definition of shared governance and install controls to ensure adherence to the practice.
President is too involved in the academic responsibilities of the college.	Define at what level academic and campus management decisions should be made.	A vocal segment of the faculty wants to dismantle the one-college system and has an unreasonable	Define the types and areas of decision making that should be left primarily to the judgment of the

	Collaboratively review the efficiency of current structure.	desire to make decisions best left to the administration.	administration.
The president's management style is too autocratic and is not inclusive of a shared vision for the college.	Meet with faculty to discuss ways to improve communication. Create dialogue instead of a monologue.	A vocal minority of veteran staff who want the president removed overpowers the faculty voice. These staff stifle the growth of positive relations with new staff.	The faculty must create system for presenting views that may differ from those of other faculty members.
Information is not shared with faculty and staff in timely and efficient manner.	Re-establish trust by sharing information quickly and regularly. Create a system for regular information retrieval.	The president has reorganized and created committees dedicated to getting input from various parties.	The president is in the midst of a reorganization intended to increase the efficiency with which decisions are made.
The faculty questions the integrity of information and explanations they receive from the highest levels of the administration.	Create a system for reviewing important decisions.	The faculty has personalized every dispute with the president as a result of lingering resentment over moving to the one-college system.	Faculty must view issues of management and strategy at their own merit and depersonalize their relationship with the administration.
Stakeholder recommendations are disregarded without consideration.	Stop making decisions before asking for input and discounting any input that does not support the original decision.	Faculty assumes that any decision that does not reflect their recommendation was made without considering their position.	Make sure that recommendations submitted to the president are inclusive and not meant to further the faculty agenda.

Source: Interviews with ACC faculty and administration.

The relationship between the two sides has deteriorated to the point that both are at times unable to focus on current issues without regard to

previous animosities. However, **Exhibit 1-13** shows there are common ideas for solving the problems, including:

- defining shared governance through a collaborative and consensual process;
- defining the types of decision making that should be handled at any given level and what organizational approach will best achieve that end while maintaining the one-college concept;
- devising ways to depersonalize the dialogue between the faculty and administration; and
- establishing a system for reviewing important decisions.

Exhibit 1-13
Elements of Collaborative Negotiation

Element	Purpose
Establish Goals	Establish mutual goals and objectives.
Identify Issues	Determine which issues are the most important for each side to have addressed. Rank those issues. Issues of mutual concern should take priority.
Consider Alternatives	Come to an understanding of what each side will do if no agreement is reached.
Consider Areas of Interest	Determine what the interests are and who the stakeholders are for each group. Establish for whom the sides speak.
Create Best Alternatives	Consider each side's best alternative to a proposed agreement. This will highlight the positive potential of the process.
Envision and Avoid Worst-Case Scenario	Understand each side's vision of a worst-case scenario. This will reinforce the gravity of the situation to both groups.
Options	Determine what creative ideas can develop to meet the interest of each party.
Establish Criteria	Establish a criterion that will help both sides determine what is fair and equitable.
Relationship Enhancement	Give honest and rigorous thought to what can be done to improve trust and make future discussions less difficult.
Reality Testing	Determine if the proposed ideas for solvency are realistic and ask if they will work for both sides.

Satisfaction Criteria	Establish what is needed to make both parties content in both the process and resolution.
Commitment to Resolve Conflict and Implement Solutions	Both sides commit to improving the relationship, ending the conflict and implementing the necessary steps for solvency.

Source: Adapted from "Resolving Conflicts at Work" by Kenneth Cloke and Joan Goldsmith, Copyright 2000 by Jossey-Bass, Inc., Publishers.

Community college, college and university boards have used independent mediators to resolve organizational conflicts such as these and guide participants through activities that create mutually acceptable solutions. Other approaches used to resolve organizational conflicts include having the board act as a mediating body for identifying and resolving issues or the use of an internal committee, including members selected by both sides, dedicated to identifying and resolving the conflicts.

Recommendation 6:

Hire an independent mediator to categorize and help resolve the issues of discontent between the president and faculty.

A professional mediator would give ACC the greatest chance of conducting a successful collaborative negotiation. Not only would a mediator have a greater degree of professional expertise, but also their independence would bring a much higher degree of integrity to the process since the mediator's only goal would be bringing about its positive resolution. A mutually selected mediator will allow both sides to proceed with confidence.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president directs the Purchasing Manager to solicit requests for proposals (RFPs) for mediators in keeping with board policy of acquisition of professional services.	January 2003
2.	The Purchasing Manager issues RFPs and recommends a mediator to the president and internal stakeholders.	March 2003
3.	The president and internal stakeholders agree on the mediator and present the contract to the board for approval.	April 2003
4.	The mediator begins conflict resolution sessions.	May 2003
5.	The mediator, president and faculty present the board with recommendations for improving the relationship.	July 2003

FISCAL IMPACT

An experienced mediator will cost \$4,000 per session. This was determined by contacting the membership of the Association of Attorney-Mediators. ACC should budget for at least four sessions within the first year. Having the selected mediator conduct a one-day feasibility study, which will allow them to determine more precisely the type and format of the session, may mitigate this cost. The total cost should be no greater than \$20,000. (\$4,000 x 4 sessions = \$16,000 + \$4,000 feasibility study.)

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Hire an independent mediator to categorize and help resolve the issues of discontent between the president and faculty.	(\$20,000)	\$0	\$0	\$0	\$0

FINDING

ACC board policies have not been developed through a shared governance or collaborative decision-making process, thereby contributing to the discontent among internal stakeholders. As a result, these stakeholders believe they are prohibited from fulfilling their role in the governance of ACC. This is partly attributable to a lack of understanding of what shared governance means and how it should be applied.

Evidence of a lack of understanding of shared governance is found in several areas throughout the college. First, the administration, board and stakeholders have different viewpoints of what shared governance should entail. **Exhibit 1-14** illustrates the difference in definitions and perceptions of shared governance among various ACC stakeholder groups.

Exhibit 1-14
Stakeholder Definitions/Perceptions of Shared Governance

Stakeholder Group	Operational Definition of Shared Governance
Full-Time Faculty	Administration will solicit and hear input from stakeholders on recommendations for policy, rule and strategy development. This input will receive honest and rigorous consideration and decisions not to enact stakeholder recommendations will be explained.
Adjunct Faculty	Stakeholders will have a greater role in generating

	policies and regular, formal communication channels by which to submit their input. Input will receive rigorous and timely consideration.
Executive Level Administrators including executive and administrative team members	Stakeholders will have an opportunity to contribute ideas on individual program areas limited to their area of concern. Once these ideas have been considered, the administration should be the voice of the whole staff and faculty. Community members are considered bottom-up contributors.
Board of Trustees	Community members represent the constituents from whom the college should be receiving buy-in. College administration represents the single voice of the staff, though the board may seek input from employee groups.
Classified Employees	Establish policy directives and procedures and then work to get bottom-up buy-in and allow staff opportunities to recommend amendments.
Professional Technical Employees	Inform stakeholders of the item under consideration and then allow time and channels for stakeholder input. Include explanations justifying final decisions.

Source: Focus Groups and interviews.

The differences among the various definitions can be divided into three areas. First, there is uncertainty about when stakeholder input should be solicited. The faculty contends that stakeholders should have a say in generating and shaping policy. Non-faculty staff employees generally maintain that the administration can frame the issues, rules and policies under consideration, but should allow staff formal and timely opportunities to modify and amend potential policies based upon their knowledge and expertise. However, one area in which both faculty and staff agree is they are too often told about a decision after it has been made without having a chance to contribute ideas.

Another difference is that faculty and staff members consider themselves stakeholders in the college and would like to have an active role in the policy formulation process. The administration, on the other hand, believes the primary stakeholders are community members. They believe the faculty and staff should implement policy, not shape it.

The third problem is the district does not have a consensually-developed, written definition of shared governance. Shared governance is not defined in either the *Austin Policy Governance Model* or Board Policy Manual.

ACC does have Board Policy C-5, Open Communication and Information, in Policy Group C: College Operation. This policy lays the foundation for potential faculty and staff roles in policy formulation, though it does not define shared governance. Board Policy C-5, Section 2 reads: "College decision-making and consultation processes shall be open except in unusual cases that clearly meet confidentiality criteria established by the president (which shall include any privacy protections required by law). This openness includes access to data being used in deliberations and to the decision options being considered; such information should be made openly available as early in the discussion/decision process as possible."

A traditional shared governance model would support the notion that stakeholders be allowed to participate in the policy formulation process before the decision has been finalized. However, according to the participants interviewed, the administrative leadership team has become a venue for sharing information only after the decision has been made and is not receptive to hearing their recommendations prior to making a decision.

One executive level administrator said "the ALT is a communication mechanism, not a decision-making body." Another said that, "we go to ALT to hear what they have decided, not give ideas on what they should do."

Board Policy C-5, Section 3 reads: "Employees with information that they feel would improve the accuracy of decision-related data should make it available to all decision makers and at all stages and levels of decision making. Information that would aid the board and president in assessing the operational compliance of the operation of the college with board policies and directives should also be made available to them." This is most in keeping with the faculty understanding of the proper function of shared governance, but this policy is not intended to be an official definition of the concept. The problems associated with a poor understanding of shared governance are worsened by the lack of a formal and consensual definition.

Recommendation 7:

Create a board policy reflecting a consensual definition of shared governance and implement a system to ensure its implementation.

A consensual definition of shared governance will allow the college to clearly delineate the roles of each stakeholder group in the policy formulation process. One way that the college may delineate roles is by creating a matrix that shows the responsibilities of each group. The matrix would illustrate the roles of each group in relation to policy formulation,

large scale purchasing decisions, the adjustment of core values and working objectives, and other issues.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president forms a shared governance committee consisting of representatives of the faculty, adjunct faculty, professional technical employees and classified employees to establish a timeline, process and task force for developing a definition of shared governance.	January 2003
2.	The committee develops a draft definition and system for implementation, including a matrix delineating the roles of each stakeholder group.	March 2003
3.	The committee submits draft versions of a definition and an implementation plan to the president and internal stakeholder groups for feedback.	March 2003
4.	The president and internal stakeholder groups submit amendments and recommendations for improving the draft.	April 2003
5.	The committee incorporates the revisions and agrees on a consensual definition of shared governance and submits it to the president for approval.	May 2003
6.	The president and shared governance committee present the definition to the board in its work session.	May 2003
7.	The president implements a system based on the definition of shared governance and monitors its implementation.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC does not always make decisions based on the information available. For example, the president's decision to maintain a downtown classroom location was due largely to the urging of the Downtown Austin Alliance, which caught the interest of a couple of board members who supported the downtown location. Staff, however, presented data to the president and executive vice president indicating that the downtown location would not be in the best interest of the college. The interests of the board prevailed.

The college budget committee voted unanimously not to renew the contract for the downtown service center based upon an analysis of the 2002 budget and a decline in enrollment. The vote was submitted to the

president in addition to data from the staff indicating that the downtown service center was not providing an adequate level of benefit given its costs.

In another case, the staff attempted to demonstrate to the president that a tuition incentive plan designed to increase off-peak enrollment was not feasible. Nonetheless, the president went forward with the decision, which he was later forced to rescind. However, the president maintains that no staff members attempted to dissuade him from implementing the tuition incentive program for the spring 2002 term. Though the budget committee conducted an analysis that concluded that the program should be modified for 2002-03, members of ACC's faculty and staff told the review team that if such an analysis had been considered prior to the program's implementation, the college would have saved the time and effort it took to make the modifications. The president agrees that the timing of the debate on this issue could have been improved.

The faculty also learned that the president had decided to move the Legal Services program from the Rio Grande campus, and presumed the move was done because the downtown legal community wanted it in a central location. Although the president ultimately reversed his initial decision to move the program, the perception that those most affected were not consulted for their opinion was further cemented. The president maintains that the suggestion to move the Legal Services program was only a proposal for discussion and that the ideas raised by the external business community deserved review. The internal stakeholders told the review team that the president is overly responsive to these types of requests from the business community and as such, increases the likelihood that ACC will make policy decisions that are not based on the data available.

Several classified employees and faculty cited the renovation of the Highland Business Center as an example of a project that was initiated without full consideration to potential costs and benefits. While the president maintains that a full cost-benefit analysis was performed for this project, it was so poorly communicated to the staff that most did not know there had been a cost-benefit analysis.

The notion that the college too often makes political decisions rather than decisions based on fact is exacerbated by the fact that the college does not have a policy requiring the district to publicize the rationale behind high-dollar decisions. Board Policy E-3, Section 5 mandates that, "Economic Analyses are required for items submitted for Board approval involving total expenditures of \$500,000 or more, or where otherwise specified in policy." This requirement, however, stops short of requiring that the college make known any data other than the economic impact of the decision. Without this data, many stakeholders are led to believe that

decisions are the result of the singular discretion of the president and that their data is not considered. One faculty member said, "we need dialogue not monologue and sometimes we don't even get monologue about decisions."

Recommendation 8:

Expand board policy to require that the cost-benefit rationale for decisions with an impact of \$500,000 or more be published on the ACC Web site.

Publishing the cost-benefit rationale on the Web for decisions with an economic impact of \$500,000 or more will have several benefits. First, it will help lessen the perception that the college makes major expenditure decisions without fully considering the financial ramifications. Second, it will give administrators an opportunity to explain why they may have implemented a decision contradictory to stakeholder recommendations. Third, knowing that the rationale for the decision will be made public will ensure the administration makes fiscally-sound decisions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president and the board secretary draft an expansion of Board Policy E-3, Section 5 to include the presentation of the full costs and benefits of decisions with a projected fiscal impact of \$500,000 or more.	January 2003
2.	The board reviews the policy during its first reading.	January 2003
3.	The board conducts a second reading of the policy.	February 2003
4.	The board approves the policy revision.	March 2003
5.	The president drafts and implements an administrative rule outlining implementation of the policy.	April 2003
6.	ACC's webmaster places cost-benefit analysis for decisions on the Web site.	April 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 1

C. PLANNING

State law and accrediting bodies such as the SACS require institutions to ensure that college officials use careful planning and evaluation at the campus and college level. A college with a strategic plan that has received broad-based input and has well-defined goals will be better able to attain state and SACS standards for academic programs. Evaluating a college's academic and workforce development programs allows the board and administrators to gauge the success of each program by determining if key objectives and results were obtained and if the benefits merit the costs. Program changes can then be made based on those results.

FINDING

The executive vice president centrally controls the master planning process at ACC. ACC's strategic planning document, the *Comprehensive Master Plan, 2003-2005*, is scheduled to go before the board for approval in December 2002. The draft plan contains the college's mission, core values, vision, and strategic goals and objectives for instructional programs, student services, instructional support services, administrative services, facilities and external partnerships. The document also includes a benchmarking summary comparing ACC with peer colleges with respect to enrollment, facilities, faculty, library and learning resources, revenue and expenditures, staffing and compensation, tax base, tax collections and service. Finally, the *Comprehensive Master Plan* includes a cost summary for initiatives in the plan. **Exhibit 1-15** presents a summary of strategic areas and goals in the plan.

Exhibit 1-15
ACC Comprehensive Master Plan, 2003-2005
Summary of Planning Areas and Recommendations

Area	Recommendation
Mission	<ul style="list-style-type: none">• Continue to offer and maintain a balance of core mission elements as required by state law.• Include mission, core values and vision statements in all official publications, signage and on the Web site.• Work to help the state achieve access and equity standards of the Texas Higher Education Coordinating Board.

Core Values	<ul style="list-style-type: none"> • Increase the utilization and visibility of the mission and values statements in all printed and electronic media.
Vision	<ul style="list-style-type: none"> • Review the vision statement in a collaborative manner and on a regular basis as part of the master planning process.
Budget	<ul style="list-style-type: none"> • The Board of Trustees should seek voter approval to increase the college's tax rate. • The college will meet compensation goals as established by the Board of Trustees. • Increase tuition rates for 2002-03. If the tax referendum is approved, institute a modest reduction in the current tuition.
Instructional Programs	<ul style="list-style-type: none"> • Align activities with faculty development to assist task forces and workforce disciplines in establishing appropriate international learning objectives. • Continue to balance instructional programs by offering an appropriate mix of services to meet critical needs of the local region. • Carefully analyze enrollment patterns to ensure that it maximizes the effective use of scarce instructional resources. • Accelerate instructional program review process to ensure that all programs are carefully and regularly evaluated regarding effectiveness in responding to local needs. Programs that do not merit continuation should be closed to allow instructional resources to be reallocated to higher priority needs. • The college must establish specific full time to adjunct faculty teaching ratios for every discipline. • Expand distance learning technology training among interested faculty. • Impose a moratorium on offering any new instructional programs until tax base and tax rate are expanded and increased.
Service for Students	<ul style="list-style-type: none"> • Close the gap for new and perspective students by creating a seamless system from recruitment to the first day of class. • Close the gap for currently enrolled and returning students by creating a seamless system from the first

	<p>day of class to goal achievement.</p> <ul style="list-style-type: none"> • Close the gap for students leaving ACC by creating a seamless system from goal achievement to transfer and/or entry into labor market. • ACC must continue to support strong outreach efforts of both college-ready students and those requiring foundation skills prior to entering college credit and certificate programs. • Increase the transfer rates of students from underrepresented populations, especially African American and Hispanic students.
Instructional Support Services	<ul style="list-style-type: none"> • Continue to develop and offer technology training for all faculty and staff as a key to instructional effectiveness strategy. • Increase technology training outreach to adjunct faculty. • Implement staff development activities, which promote the Comprehensive Master Plan initiatives. • Expand and support Learning Labs.
Administrative Services	<ul style="list-style-type: none"> • Seek to have equitable staffing levels among support areas by adding support staff pending an increase in the tax base. • Aggressively seek external grant funding opportunities. • The ACC Foundation should expand its fundraising efforts to secure additional student scholarships. • Enhance the hiring process by implementing an automated applicant tracking system for all position vacancies. • Conduct annual assessments of faculty and staff diversity and promote an understanding of the value of diversity. • Continue to offer a comprehensive collegewide voice, video and data network system to support faculty, staff and students. • Continue to develop initiatives to assess institutional effectiveness and planning coordination. • Continue to administer faculty and staff satisfaction surveys.
Facilities	<ul style="list-style-type: none"> • The college should seek to expand its tax rate. • Establish uniform guidelines for instructional space

	<p>and build out elements.</p> <ul style="list-style-type: none"> • Upgrade all security, access control and fire alarm systems at all campuses and buildings. • Establish and fund a comprehensive program for deferred maintenance and capital renewal. • Expand distance learning and Early College Start. • Begin process "right sizing" all campuses to improve the utility of instructional space and increase the efficiency of the buildings. • Acquire real estate that may serve as the site of future campuses and programs. • Explore the possibility of constructing parking garages at some campuses via external corporate funding and operation.
<p>External Partnerships</p>	<ul style="list-style-type: none"> • Encourage future annexation efforts by continuing to develop positive relationships with out of district communities. • Continue Alternative Teacher Certification Program. • Pursue State Board of Education authorization to operate a teacher certification. • Continue to link workforce education initiatives to external workforce organizations to leverage resources.

Source: ACC Comprehensive Master Plan 2003-2005, Draft.

This over-reliance on the efforts of a few high-level decision makers to formulate the master plan has made it less effective. When the plan is created, communication with the faculty and staff is limited. According to one associate vice president, "the first time I knew how my areas were affected by the Master Plan was when it was announced as a directive at the board retreat."

Similar situations were cited by those interviewed by the review team, indicating that the college is not complying with Board Policy E-1, Section 6 that states that, "the planning process shall include recommendations from the instructional task forces, faculty and staff." ACC is not always successful at including these recommendations-the executive vice president and president write and edit the master plan almost exclusively.

The executive vice president asserts that the master planning process is inclusive as evidenced by the calendar of scheduled participation among

various campus stakeholders. However, the review team found that this still does not give stakeholders responsibility or empowerment in their respective areas. The final decision on which input will be included remains the exclusive domain of the ELT.

Another common theme among stakeholders is that the planning process starts too late and does not allow stakeholders enough time to give genuine consideration to the issues. Combined with the inability of the executive administrators to solicit input from staff, there is a major departure from how the planning process is intended to work in theory and how it actually functions. **Exhibit 1-16** depicts the theorized operation of the planning process and elements of the process that have not met stakeholder expectations.

Exhibit 1-16
Planning Process: Expectation versus Reality

Planning Area	Planning Process Stakeholder Expectation	Planning Process Reality
Idea and Recommendation Origination	Recommendations developed by stakeholders most directly involved in that planning area.	Recommendations solicited and subject to amendment without consultation by administration. Executive leadership team has final edit responsibility.
Link Plan to Budget and Resources	Stakeholders will drive the process by recommending adjustments for their budgetary area.	Executive leadership team makes budget amendments and final decisions and informs administrative staff of their decisions.
Master Plan draft recommendations review	Draft recommendations will be returned to stakeholders after executive team review for additional comment or amendment.	Executive leadership team reviews and amends unilaterally.
Create first draft of the Master Plan	Stakeholders will be responsible for writing their sections of the report.	President and executive team create the first draft.
Create second draft of the Master Plan	Stakeholders receive the opportunity to make amendments and improvements to the draft.	The draft is presented without solicitation of comment or review.

Source: ACC Strategic Planning Process and TSPR analysis.

ACC stakeholders have few opportunities to participate in the planning process. However, stakeholders' opinions are viewed only as suggestions and the final decision will be made without their consultation because the executive leadership team has all editorial and draft creation control.

According to Columbia University's Clearing House on Urban Education, exemplary strategic plans:

- assess the external environment;
- assess internal capacity;
- develop a vision or mission for the future;
- develop goals and objectives to reach that future;
- implement the plan;
- measure progress and revise the plan.

These activities should be accomplished by creating a planning process that:

- uses strategic planning as a way of thinking, an ongoing process. The plan is never perfect or complete;
- keeps the planning simple and manageable;
- involves the organization's leaders;
- emphasizes creativity, innovation and imagination rather than blindly following a set of planning steps;
- adopts strategies with careful consideration of how they will be implemented; and
- considers strategic planning not as an end in itself, but as a tool for helping an organization accomplish its mission.

Recommendation 9:

Identify the areas of the planning process that fail to meet stakeholders' expectations and work with stakeholders to address these failings.

This recommendation will give stakeholders a greater role in the planning process. In doing so, the college will benefit from more efficient planning, greater stakeholder buy-in and a plan that is more reflective of the solutions offered by stakeholders.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president and representatives of the faculty, adjunct faculty, classified employees and professional technical employees meet to	January 2003
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	highlight gaps in the planning process.	
2.	The president implements the process agreed to by the committee.	March 2003
3.	The president presents findings and recommendations of the committee's work before a joint session of the faculty, adjunct faculty, and classified and professional technical associations.	April 2003
4.	The president implements changes prescribed as a result of the review process.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC does not fully incorporate key functional areas of the college's operations into its master plan. Budget, facilities, academic instruction and information technology are often dealt with as single independent issues rather than pieces of overall operations.

Until 2002, the college maintained independent plans for technology and facilities that drove those areas of operation outside of the master plan document. This contributed to the college's difficulty in implementing those initiatives since the resources for various recommendations may or may not be available because they were not included in the master plan. The lack of integration is greatly increased by the lack of communication and the over-reliance on top-down planning.

Another factor affecting strategic development and planning is evaluation and assessment. This calls for incorporating performance measures to gauge the effectiveness of previous actions into the master plan as a guide for future planning. While the current draft of the *Comprehensive Master Plan* includes benchmarks, it does not say how the college will establish and evaluate the link between the recommendations of the plan and how it will meet its goals.

This type of assessment and evaluation is called for in Board Policy E-5, which states that, "Institutional research must be an integral part of the College's planning and evaluation processes, and there must be a clear linkage between planning, budgeting, evaluation, and assessment."

Recommendation 10:

Revise board policy to include performance measures in all strategic and master plans.

The board should revise its policy to mandate that all strategic and master plans be fully linked and include performance measures making the policy consistent with the *Austin Policy Governance Model*. This will enable the board to include the *Comprehensive Master Plan* as one of its results-oriented policy directives to the president that it can continuously monitor through its policy governance activities.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president drafts a policy to place in policy group E: Planning and Evaluation to include evaluative indicators of success for each recommendation in the master plan.	January 2003
2.	The board reviews the policy during its first reading.	January 2003
3.	The board conducts a second reading of the policy.	February 2003
4.	The board approves the policy revision.	March 2003
5.	The president drafts and implements an administrative rule outlining the policy's implementation.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 1

D. INSTITUTIONAL POLICIES AND PROCEDURES

Community colleges must have policies and administrative procedures that guide operations. Institutional policies and procedures typically cover all major operations of the college and are formally disseminated to operating and administrative departments throughout the college.

The president or executive vice president may assign administrative units throughout ACC to develop administrative rules and procedures that explain the implementation of board policies. A new administrative rule begins in a specific unit of the college. The rule is first reviewed by the Academic and Campus Affairs Council (ACAC), which consist of administrators, faculty and staff. After the ACAC reviews and comments on the rule, it is forwarded to the relevant employee groups for review and comment. The employee groups include the Adjunct Faculty Association, Faculty Senate, Classified Employees Association and the Professional and Technical Employees Association. If either the employee groups or the ACAC has minor revisions, the college unit originating the administrative rule forwards it to the president for final approval. If the employee groups or ACAC have major revisions, the administrative rule is returned to the originating unit for further review, discussion and revision; and the review process is repeated until all stakeholders come to an agreement on the administrative rule. The president is not required to approve procedures developed to implement administrative rules.

FINDING

ACC maintains its institutional policies and procedures on its Intranet site in the form of administrative rules developed by the administration and faculty to implement board-adopted policies. The administrative rules are organized by Board Policy Group as follows:

- A: Results to be Produced;
- B: Board Operations;
- C: College Operations;
- D: Instruction;
- E: Planning and Evaluation;
- F: Personnel; and
- G: Budgeting.

Specific Web pages link organizational units to approved policies and administrative rules, including the latest drafts of administrative rules. All

employees have access to the Intranet, which gives them access to board policies and administrative rules as issues arise.

ACC continuously updates its administrative rules Intranet site with amendments, revisions and new rules. The president's secretary is primarily responsible for updating the administrative rules Intranet site and immediately sends out e-mail notices to all ACC employees identifying administrative rules that have been amended, revised or developed and approved by shared governance councils.

On July 9, 2002, the administrative rules Intranet site had last been updated on July 2, 2002, with two e-mail notices mailed to all ACC employees by 5:05 p.m. the same day. Through these e-mails, the president's secretary notified campus employees of amendments to 10 separate administrative rules, providing a hyperlink to each rule.

Continuously updating the administrative rules Intranet site and e-mailing the appropriate hyperlink to all ACC employees ensures that ACC's institutional procedures are up-to-date and employees are notified as soon as possible.

COMMENDATION

ACC uses the Intranet to provide online access to its institutional policies, administrative rules and procedures, giving its employees access to timely information.

Chapter 1

E. LEGAL SERVICES

ACC contracted with Bickerstaff, Heath & Smiley, L.L.P. (BHS) in April 1995 to provide the college with legal representation in specific matters related to personnel, students, real estate, construction and facilities, intellectual property, elections and redistricting. The original agreement negotiated by ACC contains the hourly billing rates charged by BHS for partners, associates, briefing clerks and paralegals as follows:

• Paralegals	\$60
• Briefing Clerks	\$50
• Associates, Routine Matters	\$115 - \$140
• Partners, Non-Routine Matters and Litigation	\$160 - \$175
• Partners, Routine Matters	\$150 - \$160

Hourly billing rates have not increased over the life of the agreement and BHS continues to represent the college during 2002-03 and provides legal counsel that attends each regular board meeting and work session.

Since 1998, plaintiffs filed only three major lawsuits against the board, president or key administrators. **Exhibit 1-17** presents the major lawsuits filed from 1998-99 to 2001-02 and the associated costs and status of each.

Exhibit 1-17
Major Lawsuits Filed Against the Board,
President or Key Administrators
1998-99 through 2001-02

Year	Lawsuit	Complaint	Costs	Status
1998-99	Larry V. Franklin v. Austin Community College, Janis Anderson, Royger Harris. Tonv Vela.	Retaliation for filing racial and sexual discrimination charges	Legal Fees and expenses: \$11,155	Suit dismissed

	Albert Olguine, Earl Dunagan, Larry Sullivan, Geraldine Tucker and Sandy Wolfwinkle			
1998-99	Sally Faye McCarty v. Austin Community College, Barbara Bolen and Deborah Iversen	Copyright infringement and defamation	Legal fees and expenses: \$20,626; Settlement paid: \$20,000	Settled out of court
1998-99	Riad Hamad v. Austin Community College	Breach of contract	Legal fees and expenses: \$33,714	Summary judgment granted for ACC, affirmed on appeal
1999-2000	One suit in filed in Small Claims Court	N/A	None	Suit dismissed
2000-01	No suits filed	N/A	None	N/A
2001-02	No suits filed	N/A	None	N/A
	Total Cost of Major Lawsuits		\$85,495	

Source: Bickerstaff, Heath & Smiley, L.L.P.

Exhibit 1-17 shows that, since 1998-99, ACC incurred \$65,495 in legal fees and paid a \$20,000 settlement in connection with lawsuits filed against the college and administrators for \$85,495. ACC also paid BHS \$462,160 in legal fees from 1998-99 through 2000-01, for an average of \$175,885 in legal fees per year.

ACC also has educators' legal liability insurance with the Texas Association of Public Schools Property and Liability Fund, which covers errors and omissions, non-monetary claims expense and breach of contract claims expense. Errors and omissions coverage is \$1 million per claim, with an annual aggregate of \$1 million. Non-pecuniary claims expense coverage is \$10,000 per claim, with an annual total of \$50,000. Breach of contract claim expense coverage is \$25,000 per claim, with an annual total of \$100,000. Each type of coverage has a basic \$2,500 deductible and ACC pays an annual premium of \$9,990 for the coverage. The current policy expires September 1, 2003.

FINDING

ACC controls its legal costs by requiring requests for institutional legal counsel to be routed through designated college administrators. For example, the communication protocol established in "ACC Internal Communication Structure, 2001-02," requires administrative staff or faculty throughout ACC to route all requests for legal counsel regarding college activities as follows:

- personnel-related matters - associate vice president, Human Resources;
- finance-related matters - vice president, Business Services;
- facilities-related matters - associate vice president, Facilities and Operations; and
- all other matters - executive vice president.

The president also has directed BHS not to provide any legal advice to district employees unless the firm is specifically contacted by one of the four administrators designated as the legal contact.

COMMENDATION

ACC controls its legal costs by establishing designated administrators who determine which matters are brought to the district's law firm.

FINDING

The ACC personnel responsible for requesting legal services do not review monthly invoices from BHS to monitor the nature of the work performed, the billing rates or the lawyer working on the matter in question. Members of the review team reviewed the current rates billed by BHS and noted instances in which partners and associates billed ACC more than the hourly rates in effect for 2001-02 for non-routine legal services and litigation. For example, the 2000-01 billing rates for partners performing non-routine matters and litigation for non-routine legal matters ranges from \$160-\$175 per hour. Non-routine matters include negotiating settlements related to real estate matters, advice regarding condemnation proceedings and mediations. Three separate invoices paid by ACC during 2000-01 contained hourly billing rates of \$210 and \$250 for non-routine legal services. Although the hours billed to ACC totaled less than 12 hours, the hourly billing rates exceeded those in effect for 2000-01.

The vice president of Business Services reviews all legal invoices based on the billing descriptions, classification of the attorney performing the work and the hourly rates. The vice president of Business Services approves the invoices even though ACC is routinely billed for general

representation and representation related to personnel, real estate, facilities and construction and students-all of which are not within his area of responsibility. Without the appropriate administrative review of legal invoices for the work requested, ACC could be overcharged.

Recommendation 11:

Implement an administrative rule requiring the administrator requesting legal services to review and sign off on all legal invoices before they are approved for payment.

Requiring the initiator of legal services to review and sign-off on all legal services related to each request will ensure that ACC is paying for the appropriate legal services at the appropriate rate and limit the risk of inaccurate invoices. The vice president of Business Services will approve the invoices for payment only after the initiator of the request for legal services has approved the legal services rendered by outside counsel.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president directs the vice president, Business Services to develop an administrative rule requiring administrators requesting legal services to review and sign-off on all legal invoices before they are approved for payment.	January 2003
2.	The vice president, Business Services develops the administrative rule and posts it on the Intranet for comment.	February 2003
3.	The vice president, Business Services receives comments and approval from the shared governance groups and submits the administrative rule to the president for approval.	March 2003
4.	The president approves the administrative rule and administrators begin reviewing and signing off on legal invoices.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 2

INSTRUCTION AND ACADEMIC SUPPORT

This chapter reviews Austin Community College's (ACC) instruction and academic support functions in the following sections:

- A. Organizational Structure
- B. Programs
- C. Institutional Effectiveness
- D. Course Scheduling
- E. Academic Support
- F. K-12 Initiatives

For a community college to satisfy the needs of its students, its functions must be organized to ensure that teaching and learning are maximized. Faculty must be provided with the resources they need to do their job, and everyone must work to create an environment that not only attracts students, but also supports them in their studies. Instruction must be organized to benefit students first; and, in the case of community college students, this means that it must be accessible, affordable, convenient, relevant and customer-oriented. Community colleges have a legislative mandate to keep their curricula current and their offerings meaningful to a student body that is diverse in age, need, interest, ability and level of commitment.

BACKGROUND

Austin Community College is guided by board policy that emphasizes the "one-college concept," meaning that it is organized as one college with multiple campuses, reflecting its accreditation by the Southern Association of Colleges and Schools (SACS) as a single institution. This means that instructional responsibilities are generally assigned collegewide. For example, curriculum development, program review, staffing and institutional effectiveness are activities with broad-based implications across all campuses. Similarly, faculty development and evaluation guidelines affect instructors collegewide. Furthermore, measures to improve the efficiency of course scheduling and academic support programs have an impact on small campuses as well as large. Finally, special programs, such as those for students at-risk or high school students, affect facilities and resources across campuses. In all cases, decisions affect the college's ability to deliver on its statutory mission within resource limitations.

Texas Education Code (TEC) § 130.0011 specifies that "Texas public junior colleges shall be two-year institutions primarily serving their local

taxing districts and service areas in Texas and offering vocational, technical and academic courses for certification or associate degrees. Continuing education, remedial and compensatory education consistent with open-admission policies, and programs of counseling and guidance shall be provided." The TEC further specifies that the purpose of each public community college shall be to provide:

- technical programs up to two years in length leading to associate degrees or certificates;
- vocational programs leading directly to employment in semi-skilled and skilled occupations;
- freshman and sophomore courses in arts and sciences;
- continuing adult education programs for occupational or cultural upgrading;
- compensatory education programs designed to fulfill the commitment of an admissions policy allowing the enrollment of disadvantaged students;
- a continuing program of counseling and guidance designed to assist students in achieving their individual educational goals;
- workforce development programs designed to meet local and statewide needs;
- adult literacy and other basic skills programs for adults; and
- such other purposes the Texas Higher Education Coordinating Board or local governing boards may prescribe in the best interest of post-secondary education in Texas.

The Texas Higher Education Coordinating Board (THECB) and SACS are the primary regulating and accrediting agencies that oversee community college education in the state of Texas. These agencies are concerned with the improvement of educational quality and with assuring the public that institutions meet expected standards and are accountable for how well they carry out their mission. Both perform scheduled visits and/or desk audits to review institutional strengths and weaknesses and make recommendations for corrective action that will lead to continuous improvement. SACS reviews are conducted every 10 years, and ACC was undergoing its self-study at the time of this review in preparation for the SACS site visit in March 2003. The THECB conducts its formal reviews every four years, and the next ACC visit will also occur in 2003.

ACC has selected three community colleges to serve as "peers" for comparative purposes: Collin County, North Harris Montgomery and San Jacinto. These colleges are all multi-campus institutions, which have generally allocated certain programs to specific campuses, while offering transfer programs across the entire district. In this way, these institutions attempt to broaden access while maintaining instructional uniformity.

Chapter 2

A. ORGANIZATIONAL STRUCTURE

The management of ACC's instructional and academic support functions is highly centralized compared to most multi-campus community colleges. Most colleges with more than one campus have a central administration headed by a chancellor or president with individual colleges or campuses headed by presidents, provosts or vice-presidents. Peer colleges, for example, consider themselves college districts, and each campus is a self-contained entity headed by a president or provost with an operational structure specific to a single campus. ACC had a similar structure prior to 1997 when the current president was hired. Since then, Austin Community College has been committed to the "one-college concept," which implies that the college is a single college with multiple campuses and teaching sites, not a multi-college system. The structure is based on collegewide groupings by discipline or related disciplines or by specific workforce programs. This differs significantly from the former organization, in which a provost headed each institution, and instructional functions were more campus-specific.

Since summer 2001, the executive vice president of Academic, Student and Campus Affairs, who reports directly to the president, has had oversight responsibility for instruction, among other responsibilities. Two associate vice presidents, one for Academic Programs, also known as transfer programs, and the other for Workforce Education, or applied work-related programs, have primary responsibility for ensuring that the instructional mission is carried out in their respective educational areas. Since developmental education has been integrated into the general college curriculum, it is subsumed under Academic Programs. The associate vice president of Instructional Support Services has responsibility for adult education and the Early College Start program for high school students. The instructional function is further organized as follows:

- nine full-time deans, including four in Academic Programs, four in Workforce Education, and one in Continuing Education;
- one to three associate deans per campus, who serve as the first point of contact for student concerns;
- departmental task force chairs and program coordinators, who report to the program deans and whose roles resemble those of department heads in most other community colleges;
- assistant task force chairs and program coordinators; and
- full-time and adjunct faculty who report to the task force chairs and program coordinators.

Like their deans, taskforce chairs and program coordinators have collegewide authority, responsibility and accountability for their programs, including faculty hiring, class schedule development, faculty evaluation, curriculum development, program review and textbook selection, among other duties. Except for the Arts and Humanities area, which has program coordinators, task force chairs oversee academic disciplines, like English or History; and program coordinators supervise discipline-specific workforce programs, such as Accounting or Nursing. Assistant task force chairs and program coordinators help interview prospective adjunct instructors and handle curriculum and assessment matters. They may or may not be located on the same campus as their deans.

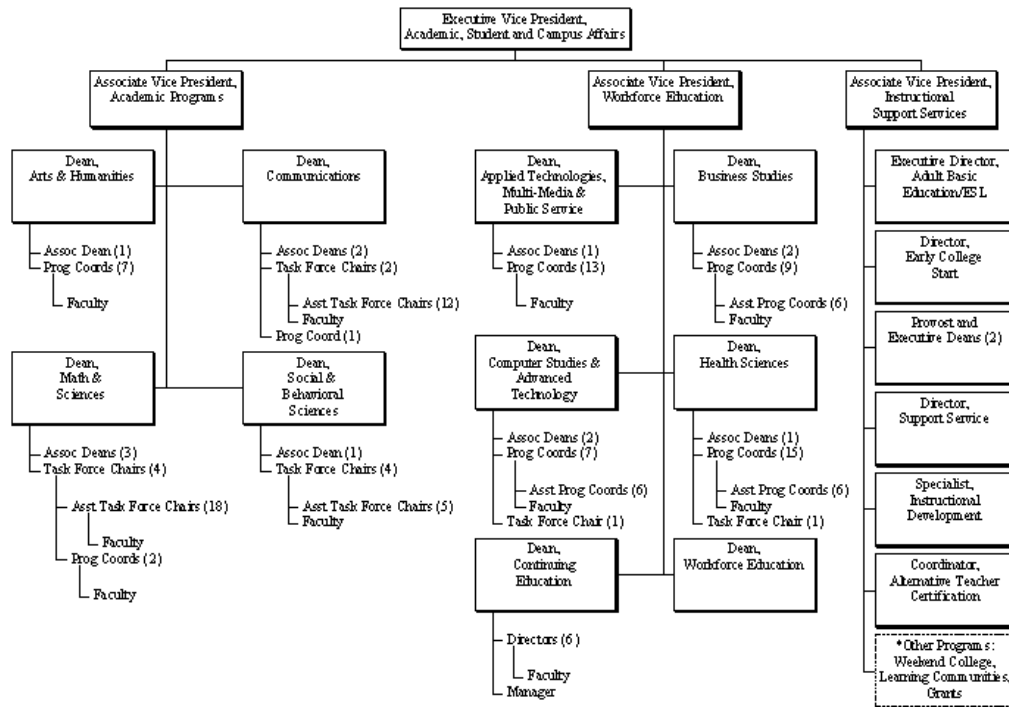
Faculty and staff are most involved in planning and decision-making in their work with respective task forces and program colleagues. In addition, the organizational structure provides that they have input into program development and curricular matters through service on the following committees, among others:

- Curriculum and Programs, which reviews and monitors all courses and programs to ensure compliance with rules and regulations; recommends new courses or programs or a change in status; and serves as a resource for course or program development, implementation and review;
- Distance Learning, which helps set standards of good practice, assists with program evaluation, suggests faculty and support services, recommends programs and courses and advises on the need for professional development; and
- General Education/Core Curriculum, which assesses effectiveness of the general education core curriculum to achieve student outcomes.

This highly-centralized organization is designed to ensure continuity across programs and reduce competition for limited resources, while creating a collegial environment of cooperation and a sense of unity collegewide. The organizational structure is displayed in **Exhibit 2-1**.

Exhibit 2-1
ACC Instruction and Academic Support

2001-02



Source: Austin Community College (ACC), executive vice president, Academic, Student and Campus Affairs, August 2002 and ACC Organizational Reference, 2001-02.
 *Note: May not have a single administrator.

FINDING

The 1997 re-organization of ACC reduced competition among campuses for budget resources and improved curriculum consistency within disciplines across campuses. The board's decision to reorganize ACC to emphasize the "one-college concept" centralized authority for instructional programs as well as operations. Although the transition took several years, the current structure of an executive vice president for Academic, Student and Campus Affairs; two associate vice presidents for instructional programs; four academic deans and four workforce education deans; and taskforce chairs and program coordinators who report to the deans, has been fully in effect since fall 2001.

The emphasis on the one-college concept was designed to reduce competition for resources among the campuses, improve equity of allocations and strengthen program consistency. TSPR interviews revealed that, prior to the one-college concept, individual campuses had competed with one another for limited resources and wanted to be able to offer the same revenue-building programs as neighboring campuses, when this was often not a practical choice. It is not uncommon to find multi-campus colleges with discipline-specific campuses, but it is unusual to centralize

instructional administration as fully as ACC has done to improve consistency. ACC's peers, for example, are all multi-campus colleges with more traditional organizations, each with its own president or provost and campus-based administrators specifically in charge of instruction on a given campus. Centralizing instruction is a creative way to ensure curricular uniformity on all campuses when resources are limited.

COMMENDATION

ACC centralized authority for instructional programs, strengthening discipline consistency across the college and improving the resource allocation process.

FINDING

The majority of ACC's instructional administrators are not empowered to make decisions that are typically made at their level of authority. At ACC, formalized administrative rules and guidelines, as well as memos, written in most cases by the president or executive vice president, govern who makes different types of decisions or who has signature authority on various types of recommendations. Both faculty and administrators, in interviews, indicated that this not only delays action but also frustrates those who need timely responses. Decisions on hiring, staffing, course scheduling, faculty overloads and budgets must be passed up the line, sometimes through several administrative layers. Faculty, deans and other instructional administrators repeatedly said that this system of checks and balances is cumbersome and unresponsive. Several program administrators reported waiting days, weeks, even months for decisions to be made. In hiring situations, this may cause the college to lose a faculty member; in curricular matters, it may delay the introduction of a new program or action on a floundering one.

Most decisions about teaching overloads, for example, may not need the approval of the executive vice president; and associate vice presidents may not need to be as involved in course scheduling now that deans have campuswide authority for their program areas. Colleges that are more decentralized than ACC generally assign such decisions to campus instructional leaders who have the most information about a subject in order to speed up response time and empower mid-management with the authority and accountability to carry out the decisions.

Prevailing leadership theory advocates delegating decision-making to the lowest possible level, that is, assigning responsibility to those persons who are in a position to know the most about an issue and to those who have responsibility for implementing the decision and ensuring quality outcomes.

Recommendation 12:

Delegate instructional decision-making to those with the most information about the issues and hold them accountable.

Reviewing and charting the current decision-making hierarchy and the types of key instructional decisions is a good place to start. The chart should include how often such decisions are made, how long it takes under the current structure for a decision or approval to occur, and what would be more desirable. The chart should also include a list of persons who best understand the issues, those who will be most affected by the outcome and those who should be held accountable. Reducing the layers of decision-making should not only improve the quality of decisions but should also reduce the amount of time required to implement them.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president and the associate vice president of Academic, Student and Campus Affairs, along with the associate vice presidents of Academic Transfer Programs and Workforce Education, three deans and two program administrators, form a team to meet, review and chart the types of decisions which would be more effectively and efficiently made at each level within the institution.	January 2003
2.	The administrative team agrees to shift certain types of decisions to different levels within the institution.	February 2003
3.	The president and executive vice president write an administrative rule and corresponding guidelines describing the new approval levels and disseminate to all deans and program administrators.	March 2003
4.	All deans and program administrators communicate this information to their faculty and staff and ensure that the guidelines are enforced.	April - August 2003
5.	The deans and program administrators review the effectiveness of the new decision-making model by sampling constituents including task force chairs and faculty, and recommend adjustments to the president as necessary.	August 2003 and January 2004

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The structure and functions of campus instructional management, particularly for large academic programs, are inadequate to support faculty and students. In interviews, faculty and "task force chairs," who are similar to department heads at other colleges, said the ACC organization is not conducive to interaction and problem solving within disciplines. In addition, students, in both interviews and surveys, indicated they do not know where to go to get answers to questions about tests or grades or who to go to when they have a problem with an instructor.

Some task force chairs supervise more than 100 full-time and adjunct instructors, and they claim that this is nearly impossible, given all the sites. Because of the one-college concept, a departmental task force chair is located on one campus, leaving insufficient support for that department area on other campuses, particularly if it is a large task force. Some faculty have been given "release time" from teaching to serve as associate deans on the campuses assigned to cover both day and evening hours and to serve as the first point of contact for students with problems. Faculty leaders claim that these associate deans are often unavailable or uninformed about curricular issues. In addition, the associate deans are generally located on the same campuses as the instructional dean from the same discipline, further limiting the amount of coverage.

Adding to confusion about who does what is the fact that the term "task force" does not adequately describe the purpose of academic program areas at ACC. As defined at ACC, task forces resemble college "departments" rather than a group of people brought together to solve a specific problem, which is the more common definition of a task force. In interviews, faculty indicated the term "task force chair" misrepresents what these chairs do. None of ACC's peer colleges use the term "task force" to describe departments, nor do other community colleges. Furthermore, the college catalog and Web page refer to departments in order to clarify their purpose to students.

Administrative Rule 3.02.002, approved in 2000 and amended twice in 2001, addresses the collegewide responsibilities of all "subordinate organizational structures reporting to the Chief Instructional Officer and related individuals that have responsibility for instructional programs." Task force chairs and program coordinators have collegewide authority and responsibility for their program areas, including hiring, supervising and evaluating instructors; developing the class schedule; overseeing program review and managing textbook selection. Assistant task force chairs and assistant program coordinators help with "e-staffing," the college's electronic eligibility and placement system for adjunct faculty. As originally written, the rule stated that "no responsibilities shall be divided on a campus basis by any subordinate instructional unit such as a task force, except for responsibilities that facilitate decisions for individual

student instructional issues that are specific to that discipline. The list of any such responsibilities that may be handled on a campus basis shall be approved by the Chief Instructional Officer."

ACC officials have partially modified certain one-college concept rules to accommodate the need for campus-based representation for large task forces. During summer 2001, a committee revised the guidelines in response to complaints from deans, task force chairs and faculty that campus management was inadequate to handle many curricular issues and student-related problems. As amended in August 2001, the new rules and guidelines support the delegation to a "campus representative" on a rotating basis the responsibility for some non-collegewide tasks to improve communication among faculty and adjunct faculty in especially large task forces provided there is a written plan approved by the chief instructional officer. Campus-based representation for Developmental Communications, Communications, Math, History, Government and Computer Studies was to become effective in spring 2002, but as of May, the administration had not implemented the new guidelines. In a June 2002 memo to faculty senate representatives, the executive vice president explained that he wanted to review the "larger picture of academic supervisory and support positions" before adding additional ones, since expenses for such instructional support had exceeded the amount budgeted. In July 2002, he appointed a committee to review stipends and release time collegewide with recommendations due September 1, 2002, for implementation in spring 2003.

While the one-college concept ensures curricular consistency and reduces competition for resources, there are consequences for failing to provide adequate campus-level instructional support. Faculty have less opportunity to interact with their task force chair and their colleagues; students who want to discuss a curricular issue with their professor's supervisor may have to drive to another campus; task force chairs complain that they are overworked; and low morale prevails.

Recommendation 13:

Improve the structure and functions of campus-based instructional management to be more responsive to both faculty and students.

As a part of the review of supervisory assistance, release time and stipends, ACC officials should ensure that campus-based representation is adequate, particularly for large task forces. Since several task force chairs have direct supervisory responsibility for more than 100 faculty members, they need help with discipline-related issues as well as collegewide needs. Some associate deans, since they are also faculty on release time, may have the qualifications to assume some of these duties.

In addition, "task forces" should be re-named "departments" in order to clarify their functions to both prospective and current students, and "task force chairs" should be called "department chairs" for the same reason.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive vice president of Academic, Student and Campus Affairs and the committee appointed in July 2002 review the supervisory structure, release time and stipends ensuring that the need for campus-based representation has been addressed in any revisions scheduled for implementation in January 2003.	January 2003
2.	The president designates that the terms "task force" and "task force chair" be replaced with the terms "department" and "department chair" in all rules, guidelines and other college documents.	January 2003
3.	The executive vice president of Academic, Student and Campus Affairs ensures all deans understand any campus-based representation and management structure revisions and changes.	February - April 2003
4.	The deans implement the new campus-based management structure.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 2

B. PROGRAMS - PART 1

The college provides a wide variety of academic transfer, workforce education and continuing education programs, as well as adult basic education, developmental education and several programs for high school students. According to ACC's master plan, the Austin community relies on the college to provide high-level educational programs that will contribute to workplace excellence and quality of life. Surveys indicate that the community values the college for the range and quality of programs and its responsiveness to community needs.

Degree and Certificate Programs

Many ACC programs lead to one of three degrees: the Associate of Arts (AA) for students completing a two-year program prior to seeking a Bachelor of Arts degree at a four-year institution; the Associate of Science (AS) for students completing a two-year program prior to seeking a Bachelor of Science degree at a four-year institution; or the Associate of Applied Science (AAS) for students completing a two-year program of technical-vocational work. Other programs award certificates to students who complete an approved certificate program. Programs awarding degrees and approved certificates are listed in **Exhibit 2-2**. Numbers in parentheses indicate the number of specialties available in a program area.

Exhibit 2-2
Degree and Certificate Programs
2001-02

Associate of Applied Science (AAS) Degree		
Accounting (3)	Emergency Medical Services	Nursing, Professional (2)
Automotive Technology	Engineering Design Graphics (4)	Occupational Therapy Assistant
Biotechnology	Financial Management and Mortgage Banking	Office Administration (3)
Building Construction Tech	Fire Protection	Photo Technology (2)
Child Development	Heating, Air Conditioning and Refrigeration Technology	Physical Fitness Technology
Commercial Music Management	Geomatics	Physical Science
Computer Information Tech (3)	Hospitality Management (5)	Physical Therapist Assistant
Corrections	Human Services (4)	Quality Assurance
Criminal Justice (2)	Legal Assistant Management	

Culinary Arts Diagnostic Medical Imaging - Radiology Digital Publishing and Graphics Technology (3) Electronics (5)	Marketing (2) Medical Lab Technology	Real Estate Sonography (2) Surgical Technology Technical Communications Visual Communication Design Welding Technology (2)
Associate of Arts (AA) Degree		
Anthropology Art Dance Drama Economics Foreign Language General Studies	Geography Government History Music Psychology Radio/Television/Film Sociology	Social Work Creative Writing Communications <ul style="list-style-type: none"> • English • Speech • Journalism
Associate of Science (AS) Degree		
Biology Business Administration Chemistry Computer Science	General Studies Engineering Geology Health and Kinesiology (2)	Mathematics Physical Science Physics PreMed
Certificates		
Basic Certificate Culinary Arts Electronics Certificate Accounting Automotive Technology (8) Biotechnology Building Construction Tech (4) Cardiovascular Intervention Radiology Child Development (2) Computer Information Tech (3) Criminal Justice Culinary Arts Diagnostic Medical Imaging - Radiology	Emergency Medical Services (2) Engineering Design Graphics (2) Financial Management and Mortgage Banking Fire Protection General Studies Geomatics Heating, Air Conditioning and Refrigeration Technology Hospitality Management (2) Human Services (4) International Business Legal Assistant Management Marketing (3) Medical Coding Nursing (LVN)	Physical Fitness Technology Physical Science Quality Assurance Radio/Television/Film (2) Radiological Technology Real Estate Sonography (2) Surgical Technology Technical Communications Travel and Tourism Visual Communication Design Welding Technology (7) Enhanced Skills Certificate

(2) Digital Publishing and Graphics Technology (4) Electronics (7)	Office Administration (6) Pharmacy Technician Photographic Technology (2)	Automotive Technology Visual Communication Design Institutional Certificate Child Development (3)
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Source: ACC College Catalog, 2001-02.

FINDING

ACC has optimized the "one-college concept" by balancing its instructional offerings across campuses. General education courses, such as English, history, math, biology, chemistry, sociology and other high-demand courses, are offered on every campus and several area and regional extension centers, making it convenient for students to take basic courses close to home. Although some workforce education programs are offered at more than one campus, many are campus-specific in order to make best use of equipment and facilities. In spite of the fact that this may mean that a student could be required to drive across town for a particular workforce program, it more likely ensures a richer learning experience. **Exhibit 2-3** presents a location matrix of degree and certificate programs.

Exhibit 2-3
Sample of Program Locations and Awards
2001-02
C=certificate D=degree

Program	Cypress Creek	Eastview	Northridge	Pinnacle	Rio Grande	Riverside
Accounting	D	CD	D	D	D	D
Air Conditioning, Heating, Refrigeration						CD
Anthropology			D	D	D	D
Art	D		D	D	D	D
Biology	D	D	D	D	D	D
Automotive						CD
Biotechnology		CD			CD	
Building Construction Technology						CD

Business Administration	D	D	D	D	D	D
Chemistry	D	D	D	D	D	D
Child Development		CD				
Commercial Music Management			D			
Communications	D	D	D	D	D	D
Computer Studies	D	D	D	D	D	D
Criminal Justice	CD	CD				
Culinary Arts		CD				
Dance					D	
Diagnostic Cardiac Sonography						C
Diagnostic Medical Imaging						CD
Drama			D		D	
Economics	D	D	D	D	D	D
Electronics			CD			
Emergency Medical Services						CD
Engineering			D		D	
Engineering Design Graphics			CD			
Fashion Merchandising		CD				
Financial Management			CD		CD	
Fire Protection		D				
Firefighter		C				
Foreign Language	D	D	D	D	D	D
General Studies	D	D	D	D	D	D
Geography			D	D	D	D

Geology			D		D	D
Geomatics/Land Surveying Technology			CD			
Government	D	D	D	D	D	D
Health and Kinesiology			D		D	CD
History	D	D	D	D	D	D
Hospitality Management		CD				
Human Services					CD	
Information Records Management					CD	
Legal Assistant					D	
Management	CD	CD	CD	CD	CD	CD
Marine Engine Repair						C
Marketing	D	D	CD	D	CD	D
Mathematics	D	D	D	D	D	D
Medical Lab Technology						D
Mortgage Banking			CD		CD	
Motorcycle Repair						C
Music			D			
Nursing - Professional						D
Nursing - Vocational (also at Fredericksburg)						C
Occupational Therapy Assistant						D
Office Administration		CD				

Pharmacy Technician (only at Highland Business Center)						
Phlebotomy	C					C
Photography			CD			
Physical Fitness Technology						CD
Physical Therapist Assistant						D
Physical Science			D		D	D
Physics/Astronomy			D		D	
Pre-Dental/Pre-Medical/Pre-Pharmacy/Pre-Veterinary	D	D	D	D	D	D
Printing			CD			
Psychology	D	D	D	D	D	D
Quality Management			D			
Radio-Television-Film			D		D	
Real Estate Broker License		CD			CD	CD
Semiconductor Manufacturing Technology						CD
Small Engine Repair						C
Social Work					D	
Sociology	D	D	D	D	D	D
Surgical First Assistant		C				
Surgical Technology						CD

Technical Communications	CD	CD	CD	CD	CD	CD
Travel and Tourism		C				
Visual Communication Design			CD			
Welding						CD

Source: ACC College Catalog, 2001-02.

COMMENDATION

In keeping with the one-college concept, ACC offers a broad array of academic programs on all campuses and workforce education programs on specific campuses to optimize resources.

Continuing Education

As part of their statutory mission to provide outreach and public service, community colleges provide lifelong learning opportunities for both personal and professional development. SACS requires that such programs be related to institutional purpose, that they be provided with the resources required to operate effectively and that they be regularly evaluated.

FINDING

ACC offers a broad range of non-credit, cost-neutral courses to the public and to business and industry through its Continuing Education Department. Located at the Highland Business Center, the department's mission is to provide quality educational services which:

- respond to business and workforce development efforts;
- support employer training needs;
- provide a variety of meeting, classroom and training facilities;
- deliver contract courses to business and industry; and
- contribute to the job, career and personal aspirations of individuals.

ACC's Continuing Education Department offers a wide variety of programs, including community interest courses, workforce education and customized training for business and industry. Community programs include human-interest, lifelong learning courses that reach individuals of all ages from children through senior citizens. Workforce education includes job-entry training, professional continuing education in a wide

variety of fields and the High Technology Institute for certification in state-of-the-art technical programs. Training representatives work with area businesses and industry to provide tailor-made contract training, job profiling and assessment services to improve employee skills and productivity. Continuing Education also operates the Health Professions Institute, the area's major health care training provider, with courses for the practicing professional as well as those just entering the profession. Programs are self-supporting, but workforce-related courses earn contact hour funding from the state. ACC also has several agreements in place to offer certain courses to major Austin hospitals and to price them at an agreed-upon rate; in return, the hospitals refer all personnel who need clinical technician training to ACC for training.

During 2001-02, ACC's Continuing Education Department offered courses in the following areas, among others: quality programs, business development, professional continuing education, computer training, technical certification, management and supervision, job-entry preparation, health professions, independent study and community development, apprenticeship and truck driving. Many of these programs award certificates of completion recognized by industry. ACC also operates the Senior Academy, named and organized by a group of senior citizens to provide lifelong learning opportunities. Classes and trips pay for themselves, and advisory committee volunteers provide program assistance.

Continuing Education enrollment exceeded 26,000 students in 2000-01, with nearly 60 percent taking courses at the Highland Business Center. By comparison, 9 percent enrolled for classes at the Downtown Education Center, 12 percent enrolled off-site at work locations and 7 percent attended the Riverside campus. Of the other 27 locations where classes were offered, none enrolled more than 3 percent of the total.

Continuing Education is a revenue-producing entity with a college mandate to cover its costs while generating additional college revenue through tuition, fees and state-reimbursed contact hours. Non-credit workforce education courses offered through Continuing Education generate state reimbursement at the same rate as credit workforce education courses.

COMMENDATION

ACC responds to the needs and interests of both the community and area business and industry by providing lifelong learning and workforce training through Continuing Education.

FINDING

The ACC Continuing Education Department makes program decisions on the basis of cost recovery data and student enrollment trends. Each class section is priced to recover the cost of instruction as well as any indirect costs, such as facility rental and utilities. When enrollments fall shy of recovering projected costs, including faculty salary, supplies and indirect costs, the class is cancelled.

How Continuing Education staff use cost recovery data and enrollment trends to determine future programming is evident in their response to the decline in Downtown Education Center enrollments during 2001-02, which had been precipitated by the downturn in the technology industry. Due to declining enrollments, courses offered at the heavily equipped center did not generate enough revenue to support themselves, and the center lost money. More than half of the technology courses offered at the center had to be cancelled due to low enrollment, making it impossible to recover the full cost of the \$150,000-per-year lease. **Exhibit 2-4** shows the change in enrollments by program from 2000-01 through 2001-02.

Exhibit 2-4
Continuing Education Enrollment at the
Downtown Education Center
By Program Area

Program Area	2000-01	2001-02
Quality Programs	0	14
Business Development	70	43
Career Advancement	7	0
Community Programs	0	38
Computer Applications	983	71
Contract Training	51	31
High Tech	258	119
Management	34	58
Total	1,403	374

Source: ACC Continuing Education Department, June 27, 2002.

Because ACC officials and a group of downtown civic leaders, the Downtown Alliance, had identified a need to serve the downtown business community and the college had a three-year lease on the building that would not expire until March 2003, instructional staff came together and developed a business plan designed to turn enrollments around. In addition

to providing "quality business and technical training with the latest technologies and the most affordable prices," this business plan calls for offering a mix of credit and non-credit classes to the downtown community. By adding certain high-demand academic courses, such as English, Algebra, and History, during the lunch hour, the college broadens its appeal to the downtown market. The business plan also includes a marketing strategy to promote the new offerings to targeted industry groups and improve the Center's visibility and appeal. ACC will evaluate the program in December 2002 and make any appropriate adjustments.

These "Lunchtime Transfer" courses add value to the Downtown Education Center's offerings, because they provide a convenient, educational option for the downtown worker and also generate substantial state-reimbursement funds in addition to tuition.

COMMENDATION

ACC Continuing Education reviews cost-recovery data and enrollment trends and makes appropriate modifications when making strategic program decisions.

Adult Education

ACC has been the primary sponsor of adult education in Travis County since the early 1970s. The Texas Education Agency (TEA), the primary funding agent, supports the program with both federal and state funds. The purpose of the Adult Education program at ACC is "to improve educational opportunities for adults who lack the level of literacy skills requisite to effective citizenship and productive employment."

ACC's Adult Education program is open to adult learners 17 and older who want to improve their basic skills in reading, writing and math; learn English as a second language (ESL); prepare for the General Education Development (GED) exam; improve their basic job readiness skills; or develop the skills necessary to continue their education. Adult Basic Education (ABE) programs are designed for adults whose reading, writing and arithmetic skills are below the ninth-grade level. GED courses in writing, social studies, science, reading and math, are for those who have not completed high school. ESL classes are for adults whose native language is other than English.

ACC also offers adult education courses to special populations, including the following programs:

- ABE and GED courses for inmates confined to city and county correctional facilities;

- Even-Start family literacy for low income families, which integrates early childhood education, adult literacy, basic education and parenting skills;
- Refugee ESL, which provides English literacy classes to refugee immigrants; and
- English Literacy and Citizenship Naturalization, which provide civics classes to prepare immigrants for U.S. citizenship and essential life skills.

In the four-year period between 1997-98 and 2000-01, the percentage of males who completed one or more of ACC's adult education programs increased from 41.1 percent to 46.9 percent of the more than 4,000 program participants. The number of Hispanic completers also increased during the same period as shown in **Exhibit 2-5**.

Exhibit 2-5
Adult Education Program Completion Results by Ethnicity
Number and Percent
1997-98 through 2000-01

Ethnicity	1997-98		1998-99		1999-2000		2000-01	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Anglo	709	16.5%	328	10.8%	390	9.1%	310	7.4%
Hispanic	2,686	62.6%	2,099	68.8%	3,004	70.4%	3,115	73.9%
Black	488	11.4%	336	11.0%	492	11.5%	478	11.3%
Asian/ Pacific Islander	380	8.9%	272	8.9%	324	7.6%	309	7.3%
Native American	27	0.6%	16	0.5%	58	1.4%	5	0.1%
Totals	4,290	100%	3,051	100%	4,268	100%	4,217	100%

Source: ACC Fact Book, 2001-02.

FINDING

ACC is restructuring its Adult Education program to make it more responsive to student and instructor needs and more accountable for student performance. The director of Adult Education, who reports to the associate vice president of Instructional Support Services, initiated the following changes during 2001-02, among others, to strengthen the program for greater efficiency and effectiveness:

- aligned the instructional calendar with the college calendar, so that instructors follow the same 10.5-month teaching schedule as other college instructors, observe the same holidays and accumulate the same sick leave;
- remodeled subcontractor agreements to better reflect expectations;
- developed a collaborative team with the grant-writing department;
- created several curriculum sub-committees to oversee content, syllabi and text selections; recommend testing procedures; screen teaching applicants; recommend technology use in the classroom; recruit potential scholarship students; and ensure that appropriate student services, such as orientation, registration and assessment are managed appropriately;
- enhanced professional development for teachers with two intensive training workshops per year;
- centralized data reporting and records management; and
- developed partnerships with community agencies.

Since many of these initiatives were not implemented until 2001-02, evidence that the changes have made a difference is not always readily apparent. However, the director has indicated that aligning the instructional calendar with the college calendar has done a lot to improve morale. In addition, working with the grant department has improved consistency, information flow and application processing, while partnering with community agencies has broadened educational outreach.

COMMENDATION

Reorganizing the Adult Education program to conform more to college structure and practices has made it more responsive and accountable for performance.

FINDING

Adult Education programs are not meeting all intended Department of Education outcomes as reported to TEA. Furthermore, staff are often not able to link this lack of achievement to specific techniques in use.

Adult Education effectiveness measures and criteria are as follows:

- Adults who need basic education skills necessary for literacy functioning will complete the literacy program:
 - 15 percent of beginning literacy ABE students will advance to the intermediate level;
 - 17 percent of beginning literacy ESL students will advance to the intermediate level;

- 20 percent of beginning ABE students will advance to the intermediate level; and
- 22 percent of beginning ESL students will advance to the intermediate level.
- Adults who complete intermediate basic education will have sufficient basic education to enable them to benefit from job training and retraining programs and obtain productive employment:
 - 23 percent of intermediate ABE students will advance to next-level ABE; and
 - 23 percent of intermediate ESL students will advance to next-level ABE.
- Adults who desire to continue their education will advance to at least the level of completion of secondary school:
 - 30 percent of advanced ABE students will obtain a GED.
- Students who take ABE classes will complete at least the first 12 hours of class, which are required for TEA funding.

Data from the Office of Institutional Effectiveness indicate that results have been mixed on these measures. **Exhibit 2-6** shows that for 2001-02, Adult Education exceeded completion percentages anticipated for the literacy program. Intermediate ESL students satisfied the second criterion for advancement to the next level of ABE courses, but the intermediate ABE students did not. Of the 779 students who wanted to continue their education and earn their GED, only 23 percent did so, which is 7 percent short of the established 30 percent goal.

Exhibit 2-6
Adult Education Effectiveness Measures and Success Rates
2001-02

Intended Outcome	Criteria	Number Enrolled	Number Advancing	Percent Advancing
Adults needing basic skills who complete the literacy program and advance to the next level.				
Beginning literacy (ABE)	15%	147	35	24%
Beginning literacy (ESL)	17%	778	368	47%
Beginning ABE	20%	356	79	22%
Beginning ESL	22%	897	440	49%
Adults who complete intermediate ABE and can benefit from job training programs by advancing to the next level.				

Intermediate ABE	23%	1,003	167	17%
Intermediate ESL	23%	578	270	47%
Adults who want to continue their education and advance at least to the level of completion of secondary school.				
Advanced ABE students earning a GED	30%	779	180	23%
Students who take ABE classes who complete initial 12 hours of class.				
Completion Results	80%	5,412	1,482	27%

Source: ACC Office of Institutional Effectiveness, ACC Effectiveness Updates, Adult Education Effectiveness Measures Report for 2001-02.

Adult Education staff also report enrollment data to the TEA Adult and Community Education System (ACES). **Exhibit 2-7** shows that participant rates in the prison program have increased steadily from 1997-98 through 1999-2000, which can be attributed to the fact that educational plans are required as part of prison reform. ACC officials say that enrollment fluctuations in other programs reflect national trends, which indicate that:

- programs serve only about 4 percent of the target population;
- only 15-20 percent of those who go through the eligibility process, ever enroll;
- 19 percent of those who enroll leave before completing 12 clock hours of instruction; and
- more than half of those who enroll never complete a 16-week semester.

In addition, several government assistance programs, such as the Temporary Assistance to Needy Families (TANF) program, have shifted their focus to a "work first" philosophy, which has had a negative impact on ACC adult education enrollments.

**Exhibit 2-7
Adult Education Enrollments by Funding Stream
1997-98 through 1999-2000**

Program Type	1997-98	1998-99	1999-2000
Regular Adult Education			
Adult Basic Education	884	660	759

English as a Second Language	2,257	1,778	2,176
Adult Secondary Education	857	288	234
Total	3,998	2,726	3,169
Corrections and Institutionalized TEA			
Adult Basic Education	124	130	480
English as a Second Language	25	61	60
Adult Secondary Education	33	108	82
Total	182	299	622
Temporary Assistance to Needy Families (TANF)			
Adult Basic Education	81	14	181
English as a Second Language	0	2	169
Adult Secondary Education	29	10	45
Total	110	26	395
Grand Total	4,290	3,051	4,186

Source: Texas Education Agency (TEA), Adult and Community Education System (ACES), 1997-98 through 1999-2000.

Chapter 2

B. PROGRAMS - PART 2

Although Adult Education staff have limited outcome information, they use data to improve their program where appropriate. For example, they assess students initially and measure them again eight weeks into their study program to determine progress levels. In the case of the GED program, they have reviewed class offerings, schedule times, course locations and individual student education plans to try to improve student success rates. They have also provided teacher training and have held student orientations to try to encourage students to complete their educational plans. However, there is no clear-cut evidence that indicators of student improvement can be attributed to the use of certain techniques. Without a formalized plan that ties specific actions to desired outcomes and activities, it is difficult to know what works and what does not. This can be costly for an institution.

Recommendation 14:

Develop a formal plan for continuous improvement of Adult Education that links outcomes, operations, instructional methodologies, data collection and evaluation.

As long as TEA links outcome data to funding levels, it is critical to have a formal plan in place that clarifies not only what is required but how these goals will be attained, what evidence will be used to demonstrate achievement and why certain techniques are working and others are not. The Adult Education Department should go beyond recording statistical counts for reporting purposes and trying different techniques to improve student outcomes. Staff should develop a comprehensive plan that establishes meaningful program goals and outcomes, determines methodologies and timelines, collects data relevant to specific goals and outcomes, analyzes the results and uses the information to improve the program.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Adult Education meets with the associate vice presidents of Instructional Support Services and Institutional Effectiveness and several Adult Education faculty to review enrollment statistics and performance data in light of current effectiveness measures and TEA expectations, as well as those of other funding agencies.	January - February 2003
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2.	The director of Adult Education, associate vice presidents of Instructional Support Services and Institutional Effectiveness and Adult Education faculty determine whether program goals and effectiveness measures are appropriate for each stakeholder and makes revisions as necessary.	March 2003
3.	The director of Adult Education, associate vice presidents of Instructional Support Services and Institutional Effectiveness and Adult Education faculty review, revise and develop new effectiveness criteria that match program goals and then determine the kinds of data that should be collected to measure specific achievements.	April 2003
4.	The director of Adult Education and designated staff lay out an action plan for collecting the data, complete with required time lines and responsible parties.	May 2003
5.	The director of Adult Education and two or three faculty members describe the new procedure to staff at fall in-service, explaining who will collect required data and how information will be reported and stored for quick reference, such as in grant applications.	August 2003
6.	The director of Adult Education and associate vice presidents of Instructional Support Services and Institutional Effectiveness review and analyze data to determine the success of particular implementation strategies and use the information informal program reviews.	January 2004 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Developmental Education

Developmental education, which is also called "remediation," is an important part of the community college mission. Community colleges offer developmental education courses to help students strengthen their reading, writing, math and study skills to better ensure that their college experience is a positive one.

Section 51.306 of the TEC requires public higher education institutions to provide developmental education to students who are incapable of performing college-level work, as measured by a skills assessment test. Texas law, enacted in 1987, requires students to take the Texas Academic Skills Program (TASP) exam or an alternative, such as the T-Compass, before attending college classes, or demonstrate that they are exempt or TASP-waived, because they meet certain criteria. Students who are

deficient in college-readiness skills and are not prepared to take college-level courses are required to satisfactorily complete developmental courses in their area(s) of weakness, prior to registering for college-level courses.

Students whose skills are below college-level, including those who fail one or more sections of the TASP or do not perform acceptably on an alternative test, will be placed in appropriate developmental courses. Since 1988-89, when students were first required by law to take and pass the TASP, developmental education has grown from 6.1 percent to 10.9 percent of all community college instruction.

In 1998, THECB conducted two studies on the effectiveness of developmental education in Texas. In the first study, reviewers found that students who took developmental courses were able to pass the TASP the second time at only slightly above the minimum score. They also found that there are limits to what developmental education can do for the least-prepared students, which was further confirmed in the second study. This second study, which examined college persistence of 1991 Texas college freshmen, revealed that 48 percent of the 69 percent who passed the TASP on the first attempt completed a certificate or degree within six years compared with 21 percent of the students who took developmental education courses.

Austin Community College offers three types of developmental courses:

- One- to three-credit hour courses to help students prepare for college-level courses in areas like reading, writing, vocabulary, spelling, speech and math;
- One-hour, small-group tutorial classes, which provide additional help in language, study skills, math and writing; and
- College-level courses in study skills, advanced vocabulary and speed-reading.

Developmental courses are not transferable to other institutions.

Community colleges play a major role in helping students who are under-prepared for college-level courses to ultimately satisfy their college goals. Statewide, in 1998, 51 percent of all first-time-in-college (FTIC) students received some form of remediation, with the numbers about equally divided among academic-transfer and workforce education students. The number of FTIC students at ACC who received remediation was 15 percent lower than the statewide average and that of peer colleges, and percentages were about equally divided between academic-transfer and workforce education students, as shown in **Exhibit 2-8**.

Exhibit 2-8
Percent of First-Time-In-College Students Receiving Remediation
Compared with Peer Colleges
Fall 1998

College	Academic Transfer Students	Workforce Education Students	All Students
ACC	34%	35%	34%
Collin County	77%	68%	73%
North Harris Montgomery	46%	56%	46%
San Jacinto	52%	52%	53%
State	50%	51%	51%

Source: Texas Higher Education Coordination Board (THECB), Texas Public Community and Technical Colleges Statewide Factbook, 2000.

FINDING

ACC offers an appropriate mix of learning opportunities and services to help under-prepared students meet their educational goals. Developmental staff and faculty have created a variety of choices for students who must take required remediation or developmental courses.

One such learning option is the Academic Triangle, a unique program designed to help developmental education students make connections with classmates, various disciplines, the learning lab and college success strategies. Students in the program register for a block of three basic developmental courses in reading, writing and study skills. The goal is to give students more opportunities to get to know one another, their instructors and counselors; to support one another through group work; and to give them more time to make course content connections across subjects. Furthermore, since course content is combined, instructors work together on cross-disciplinary themes.

Another effort to modify the learning format occurs in Developmental Reading. Students may take the course in any one of seven forms, and counselors work with students and developmental education staff to determine the learning format that would most likely work best for a given individual. For example, students can enroll in "paired" courses, that is, a developmental reading course that has been clustered with specific sections of government, psychology or history, or they can choose a fast-

track program like Web-based vocabulary instruction, a weekend program or any of several other alternative learning formats.

ACC measures student outcomes for developmental students as part of its institutional effectiveness effort. Each fall, the Office of Institutional Effectiveness prepares and distributes a report to the associate vice president for Academic Programs, the appropriate deans and the task force chairs responsible for developmental education courses. The report describes how well developmental education students do on several measures, including fall-to-spring retention rates, course completion and "migration" rates from developmental to next-level college courses. Faculty use this report and other enrollment and grade distribution information to improve program weaknesses.

Effectiveness data on retention demonstrate that ACC is successfully retaining first-time-in-college-students (FTIC) who take developmental education at a higher rate than FTIC students who do not take such courses. Furthermore, these rates escalated almost 10 percent in the three-year period beginning in 1998-99, as shown in **Exhibit 2-9**.

Exhibit 2-9
Comparison of First-Time-In-College and
Developmental Education Students
Returning Fall to Spring
1998-99 through 2000-01

Student Type	Fall 1998 - Spring 1999		Fall 1999 - Spring 2000		Fall 2000 - Spring 2001	
	Number	Percent	Number	Percent	Number	Percent
First-time-in-college	2,257	54.7%	2,647	62.8%	2,882	64.2%
Developmental education	2,855	59.4%	3,571	63.4%	3,661	64.8%

Source: ACC student database, July 24, 2001.

Data also indicate that more developmental students who must remediate are completing state-mandated requirements at an increasing rate and that they have surpassed the statewide average, which is declining, as shown in **Exhibit 2-10**.

Exhibit 2-10
Developmental Education Students
Percent Completing State-Mandated Requirements
1998-99 through 2000-01

Students	1998-99	1999-2000	2000-01
ACC	10.8%	12.6%	13%
State	13.7%	12.4%	9%

Source: ACC Office of Institutional Effectiveness, ACC Effectiveness Updates, 1999-2000 through 2000-01.

The retention rates for full-time and part-time ACC students who received remediation services are lower than the state average but about the same as their peer institutions. Full-time and part-time students who did not receive remediation are below the state average and below peer college rates. **Exhibit 2-11** compares the three-year retention and completion rates for ACC and peer college students who first enrolled in college in fall 1997. Collectively, these students are referred to as a "cohort."

Exhibit 2-11
Retention and Completion Status
Three-Year Follow-up of
First-Time-in-College Fall 1997 Student Cohort

College	Number of Students In 1997 Cohort	Percent Still Enrolled in 2001	Percent Graduated or Transferred to a Public Texas College
Full-Time Students Receiving Remediation			
ACC	548	15%	31%
Collin County	250	14%	49%
North Harris Montgomery	1,075	12%	56%
San Jacinto	1,231	18%	50%
Full-Time Students NOT Receiving Remediation			
ACC	931	15%	50%
Collin County	691	14%	48%
North Harris Montgomery	599	15%	63%
San Jacinto	773	16%	56%

Part-Time Students Receiving Remediation			
ACC	1,730	6%	22%
Collin County	463	5%	35%
North Harris Montgomery	0	N/A	N/A
San Jacinto	462	8%	53%
Part-Time Students NOT Receiving Remediation			
ACC	1,211	8%	43%
Collin County	400	3%	33%
North Harris Montgomery	0	N/A	N/A
San Jacinto	934	6%	39%

Source: THECB, Data Resources for Institutional Effectiveness Measures and Standards, Tables IE 3-1, IE 4-1, IE 5-1, IE 6-1, 2001-02.

Exhibit 2-12 compares the fall 1999 to spring 2000 retention status of ACC and peer college students who received and did not receive remediation. The percent of ACC students, both full-time and part-time, who received remediation and returned in the spring, is comparable to peers and the state, but it is lower than both peers and the state for those who did not receive remediation.

Exhibit 2-12
Retention Status Compared to Peer Colleges
Fall 1999 to Spring 2000

College	Number of First-Time-in-College Students Fall 1999	Percent Who Returned Spring 2000
Full-Time Students Receiving Remediation		
ACC	585	76%
Collin County	510	73%
North Harris Montgomery	1,379	77%
San Jacinto	894	82%
State	N/A	78%

Full-Time Students NOT Receiving Remediation		
ACC	1,760	74%
Collin County	834	82%
North Harris Montgomery	1,311	80%
San Jacinto	1,404	80%
State	N/A	79%
Part-Time Students Receiving Remediation		
ACC	1,120	62%
Collin County	297	57%
North Harris Montgomery	1,061	59%
San Jacinto	469	61%
State	N/A	61%
Part-Time Students NOT Receiving Remediation		
ACC	1,973	59%
Collin County	299	64%
North Harris Montgomery	1,258	56%
San Jacinto	919	64%
State	N/A	66%

Source: THECB, *Data Resources for Institutional Effectiveness Measures and Standards*, Tables IE 7-1 and IE 8-1, 2001-02.

Finally, according to the 2001-02 *ACC Effectiveness Update*, the 1999 cohort of developmental students either satisfied or exceeded performance goals on their next-level credit courses in both English and math. This was true for both course completion rates and average course grades.

Effectiveness data indicate that the various techniques ACC's developmental faculty use to engage students are having a positive effect on their learning.

COMMENDATION

ACC developmental education programs successfully integrate a variety of innovative learning opportunities and teaching formats to reach students with different learning styles.

FINDING

ACC has not formally evaluated the specific decision to mainstream, or decentralize, developmental education courses into the Communications and Math program areas in order to determine the impact of the change on learning and satisfaction. The college's developmental education plan requires that task force chairs and deans meet with the associate vice presidents for Institutional Effectiveness, Student Services and Academic Programs to review progress toward achievement of the developmental plan twice during the fall and spring and once each summer. In addition, ACC has performed trend analyses on retention rates, which indicate performance changes over the three-year period from 1996 through 1998. However, officials have not specifically reviewed what these collected data or other variables say about the decision to decentralize the entire program.

Since the mid-1990s, when the programs were decentralized, developmental education courses no longer operate as a separate unit, Parallel Studies, as they did in the past. Traditionally, developmental education was considered a separate division in most colleges because research indicated that at-risk students benefited from this "centralized" structure with dedicated resources. However, in the past decade, the debate has heated between those who advocate for centralization and those who insist that mainstreaming is more beneficial. At ACC, mainstreaming occurred largely because it was easier to manage as the campus grew.

Mainstreaming developmental courses into their respective program areas is a philosophical decision, and there are arguments for organizing either way, although most research still supports centralizing such courses. Boylan, for example, found in his 1997 study of 6,000 students, that those who attended institutions with centralized programs had significantly higher first-term and cumulative grade point averages, retention rates and subsequent math and English grades. Other research indicates that exemplary programs integrate coursework into the developmental program in various ways including pairing courses. The most recent research indicates that lower-level remedial students are best served in centralized programs, while higher-functioning students benefit more from mainstreamed courses. This is supported by such studies as conducted in 1998 by McCabe and Day and Adelman and 1999 studies by both Hebel and Roueche and another by Roueche.

Nevertheless, some colleges continue to opt for integrating developmental courses into the discipline in order to ensure greater continuity within program areas and to better monitor student migration from remedial courses to college-level work. Other colleges argue that developmental education students have unique needs that should be addressed by teachers

with specific skills and that developmental education programs that function as their own "division" have more opportunity to compete for internal and external funding.

Peer groups differ with North Harris Montgomery and San Jacinto mainstreaming their programs, and Collin County maintaining a separate, centralized division. ACC officials say their decision to integrate remedial education into disciplines is based on a model of joint planning across disciplines and among faculty teaching both developmental education and college credit courses. Some colleges further their efforts by using student surveys as a measure of satisfaction of students mainstreamed in developmental education programs. Many additionally produce program effectiveness reports and regularly review the results with appropriate college leaders.

Regardless of how a college is organized, research indicates that programs can be successful in either form provided they subscribe to the following best practices:

- an institutional commitment to developmental education;
- a strong commitment to appropriate professional development for those who work with developmental students;
- high coordination between developmental and college-level courses;
- systematic, regular evaluation of program outcomes that lead to improvement;
- consistency between course content and assessment instruments like the TASP and entry-level requirements for college-level courses;
- frequent testing;
- integration of classroom and lab activities;
- clearly stated program goals and objectives; and
- use of full-time faculty as instructors.

Recommendation 15:

Formally review mainstreaming as the best organizational model for delivering developmental education at ACC using student performance, satisfaction and best practices as measures.

ACC should include current task force chairs and developmental education faculty members in focus groups and in developing a student survey as a means of reviewing the developmental education program.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The task force chairs for developmental reading, writing and math meet with their deans and the associate vice presidents of Institutional Effectiveness and Academic Programs to determine indicators of success or failure of mainstreaming developmental education programs into the college curriculum.	February 2003
2.	The associate vice president of Institutional Effectiveness works with task force chairs to create a student survey specifically for developmental education students that will measure their satisfaction with mainstreaming.	March 2003
3.	Developmental education task force chairs and several faculty members meet with English and math task force chairs and several faculty members as a "focus group" to review qualitative impressions of the success of mainstreaming and to evaluate ACC against best practices.	April 2003 and Annually for three years
4.	Developmental education students complete the survey assessing their satisfaction with developmental education as a mainstreamed program.	May 2003 and Annually for three years
5.	The associate vice president of Institutional Effectiveness reviews all findings from the focus groups, surveys and program effectiveness reports and makes a recommendation to the associate vice president for Academic Programs and the president to continue mainstreaming developmental education or to re-create a separate division, based upon a review of all data.	May 2006

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Program Development and Evaluation

Program development and evaluation are an integral part of a college's overall planning and evaluation process and are critical to assessing whether the quality of college programs meets expected or required standards.

SACS requires that colleges demonstrate need, appropriateness and quality and be able to present a case for adding a course or program to the college curriculum, particularly when resources are scarce. Typically, college programs evolve out of a strategic assessment of area or industry need relative to the college's mission. Well-conceived programs focus on student outcomes, including participation and completion rates, measures

of program quality, the ability to adequately acquire necessary resources and value to the college.

THECB must approve all new community college workforce education programs in accordance with the *Guidelines for Instructional Programs in Workforce Education*. The application process is comprehensive and requires documentation of local or regional need, inclusion of basic and workforce skills, an enrollment management plan, articulation agreements and compliance with all appropriate accrediting standards. In addition, proposed workforce education programs must document the involvement of business and industry on an advisory committee. Furthermore, adequate funding must be available to commit for five years, and institutions must have improvement plans in place for all workforce programs that do not currently meet THECB standards. Community colleges may offer any workforce education continuing education course listed in the *Workforce Education Course Manual* without prior THECB approval, but all courses must comply with established guidelines. In the case of academic transfer programs, courses may be offered at any college if they are listed in the *Academic Course Guide Manual*, and colleges may also request special permission to offer a "unique-need" course on a temporary basis. A standing advisory committee meets annually to recommend to the THECB staff courses to be added to, revised, or deleted from the *Academic Course Guide Manual*.

Both the SACS and the THECB mandate that a college have in place a comprehensive system of measurement based upon criteria to review the effectiveness and efficiency of instructional programs in light of the college's mission. The purpose of program review is to provide a means of collecting and analyzing qualitative and quantitative data for continuous improvement.

FINDING

ACC works closely with area business and industry to increase the area's workforce and partners with several key community groups, including the Austin Chamber of Commerce, the Capital Area Training Foundation (CATF) and Austin - Capital Area Workforce Development Board, among others. This collaboration has been in effect since the early 1990s but has become increasingly active since 1997 when the current ACC president was hired. Business and industry approached the college, as they continue to do, with education and training needs, and have served on advisory committees since the college began.

In this college and industry model, employers in industry "clusters," such as health care, information technology or tourism, work as a team with area educators to introduce students to career opportunities, integrate

classroom and work-based learning and strengthen educational programs to prepare students for successful careers. They do this through an annual college and career fair, speaking to classes about their professions, business and industry tours, job shadowing in which students learn directly from workers on the job site and internships. The CATF believes that by connecting employers and educators, students receive high-quality, work-based learning experiences, and employers connect with the "next" workforce, contribute to their understanding of the world of work and produce a return on their investment.

These groups have developed partnerships, one of the most recent of which has resulted in two area hospitals providing two nursing instructors and equipment, to support the nursing program. Another highly successful collaborative program has been the Construction Gateway program, funded by the Community Action Network. Construction Gateway is a tuition-free five-week training program that provides an overview of the construction industry. Typically, the goal is to offer eight sections and graduate 85 clients per year. Participants must meet certain age, employment and income criteria to qualify, and 20 to 50 percent are incarcerated at the Travis County Correctional Complex in Del Valle. Students earn college credit and Occupational Safety and Health Administration (OSHA) certification and have an opportunity to participate in job interviews with local contractors during the program. Since the program's inception in 1994, over 500 students have graduated, and more than 85 percent have accepted jobs in construction or a related industry.

One of the more unique features of this college and industry partnership is the co-location of several workforce-related agencies on the same floor of the Highland Business Center as ACC's Workforce Education associate vice president. This provides an ongoing opportunity for daily interaction between the college and the business and industry it serves. CATF pays rent, which covers utilities, maintenance and janitorial service.

COMMENDATION

ACC developed a business and industry collaboration model creating educational programs to enhance the development of a quality workforce.

FINDING

Since 2001, ACC has formalized its process of instructional program review, which is managed by the Instructional Program Review (IPR) Committee, chaired by a faculty member who is also a program

coordinator. Membership consists of one faculty member from each dean area, and members serve for two years.

According to the guidelines, *Assessing the Effectiveness of Instructional Units*, the purpose of the review is to provide a method for:

- continuous program improvement;
- assessment of program strengths, weaknesses, opportunities and threats;
- determination of program capabilities;
- identification and removal of barriers across the institution;
- effective use of resources, including financial, human, physical, equipment and technology;
- articulation of program mission and vision;
- provision for application to the Greater Austin Quality Council, which applies Baldrige criteria; and
- compliance with board policy.

Each program is reviewed every four years. Timing is such that every program will have undergone a review by the time the THECB performs its institutional effectiveness desk audit every four years. Each review has a yearly timeline, and "self-study" chairs are selected early in the process. The Office of Institutional Effectiveness collects data and prepares the documentation notebooks of program-specific data as well as key college and THECB reports. A self-study team conducts the actual program review, which takes about four months from start to report submission. Each team is made up of the chair, several faculty members including adjuncts, a couple of students and one or two community members. The program dean is ex-officio. The self-study team maintains all documentation including minutes of any meetings. Each report follows a prescribed format and summarizes findings and recommendations for future improvement. The Instructional Program Review Committee oversees the entire process and reviews each report before sending it forward to the executive vice president for Academic, Student and Campus Affairs. In the spring of each year, the IPR chair submits a summary of the self-study to the executive vice president for Academic, Student and Campus Affairs for presentation to the president and board. Finally, the task force chair or program coordinator submits an annual action plan follow-up report to the IPR Committee each year thereafter until the review begins again.

Each self-study report covers the following:

- statement of purpose;
- summary of vision;
- identification of strengths, weaknesses, opportunities and threats;

- summary analysis of core indicators in the key categories of need, cost and effectiveness;
- discussion of specific institutional effectiveness measures; and
- recommendations and action plans.

COMMENDATION

ACC's comprehensive process of instructional program review is designed to thoroughly evaluate each program every four years.

FINDING

The Office of Institutional Effectiveness (OIE) monitors a centralized Web database for entering and assessing effectiveness at the unit, or program, level. Assessment data become part of the formal program review process. Units enter purpose, outcomes, methods and criteria for achievement, improvement plans and the impact of improvements on quality. OIE staff help unit staff write the measures and do much of the data gathering. They also help design surveys and methodologies for some of the more complex program reviews. Although some units do their own analysis, OIE staff say that there has not been a problem with reliability. OIE staff also provide training workshops for faculty and staff to help them understand the importance of developing calculable measures and means to collect and use data for program improvement.

The process requires each unit to begin with a statement of purpose, that is, its function within the larger-college context. Secondly, the unit identifies the outcomes it wants to achieve and criteria it will use to determine whether outcomes have been satisfied. Next, outcomes are assessed against these criteria. Based on these results, the unit creates an improvement plan and describes the impact of these improvements down the line. In addition to developing the process, Institutional Effectiveness staff conduct training on the purpose of assessment at the unit level and provide users with a step-by-step data-entry manual to further ensure uniformity and consistency.

COMMENDATION

ACC's Web database makes it possible to enter, analyze, download and access performance data for continuous improvement.

Chapter 2

C. INSTITUTIONAL EFFECTIVENESS

Institutional effectiveness is both the prime motivator and the ultimate measure of college planning and evaluation. It is central to determining how well a college is accomplishing its mission, carrying out its policies and following its strategic master plan. Colleges and universities can no longer meet SACS or THECB criteria by simply offering programs and services; rather they must now qualitatively and quantitatively demonstrate that they are accomplishing their local and statutory purpose. SACS requires that they be able to "document quality and effectiveness by employing a comprehensive system of planning and evaluation in all major aspects of the institution." Most significantly, a good institutional effectiveness program systematically uses evaluation results to continuously improve performance, programs and operations.

Because ensuring data accuracy is of utmost importance, the associate vice president of Institutional Effectiveness developed a committee of prime users, including representatives from instructional technology, student services, human resources, scheduling and faculty development, among others, to determine the specific types of reports necessary to measure institutional effectiveness.

ACC has developed effectiveness measures for each instructional program area in order to assess student success in both college and the workplace. These measures describe program purpose, intended outcome, assessment criteria and methodology for determining whether the program meets

its goals. The Office of Institutional Effectiveness publishes results annually in its *ACC Effectiveness Updates*. For example, results of studies are reported on the following intended outcomes, such that they can be compared from year to year:

- First-Time-in-College (FTIC) students who have earned at least 15 semester credit hours (SCH) in transfer courses will transfer to a four-year institution within four years of enrollment at ACC.
- Minority FTIC students who have earned at least 15 SCH in transfer courses will transfer to a four-year institution within four years of enrollment at ACC.
- ACC students who transfer will be in good academic standing at the transfer institution.
- ACC students who transfer will earn grade point averages (GPA) comparable to transfer students from other institutions.

Exhibit 2-13 is an example of a transfer-rate study of four ACC First-Time-In-College student cohorts who had completed 15 semester credit hours in at least two semesters compared with the state average. ACC students met the performance goal of scoring higher than the state average every year except 2001-02.

Exhibit 2-13
Academic Programs Effectiveness Results
Transfer Rates of First-Time-In-College Cohorts
ACC Compared to the State
1999-2000 through 2001-02

	1999-2000 (1993 Cohort)	1999-2000 (1994 Cohort)	2000-01 (1995 Cohort)	2001-02 (1996 Cohort)
ACC	34.9%	34.2%	36.8%	33.9%
State Average	33.9%	34.0%	35.0%	34.6%
Difference	1.0%	0.2%	1.8%	(0.7%)

Source: ACC Office of Institutional Effectiveness, ACC Effectiveness Updates, 1999-2000 through 2001-02.

Exhibit 2-14 compares the GPAs of ACC transfer students to those of other transfer students at several institutions that ACC students commonly attend. Data suggest that ACC adequately prepares students to transfer to upper level institutions since differences between ACC transfer students and other transfer students are negligible. Furthermore, 63 percent of the ACC students who transfer to the University of Texas at Austin (UT - Austin) achieve GPAs that are not measurably different from the GPAs of other transfer students.

Exhibit 2-14
Grade point averages (GPA) of ACC Transfer Students
Compared to Other Transfer Students
1998-99 through 2000-01

Four-year Institutions	1998-99			1999-2000			2000-01		
	ACC	Other	Difference	ACC	Other	Difference	ACC	Other	Difference
Southwest Texas State	2.5	2.5	0.0	2.5	2.5	0.1	2.5	2.5	0.0
University of North Texas	2.7	2.8	(0.1)	2.7	2.8	(0.1)	2.7	2.8	(0.1)

University of Texas at Austin	N/A	N/A	N/A	2.8	2.8	0.0	2.9	2.9	0.0
University of Texas at Tyler	2.7	2.9	(0.2)	N/A	N/A	N/A	2.2	2.9	0.7

Source: ACC Office of Institutional Effectiveness, ACC Effectiveness Updates, 1998-99 through 2001-02.

Results of other studies indicate that academic transfer students meet most of the performance standards set for them or are within a small percentage point of doing so. For example, fall 2001 articulation reports from UT - Austin indicate that ACC students averaged a higher GPA for courses taken in English, math, science, foreign language, social science and "other" areas when compared with the average of transfers from other Texas institutions.

Performance data on workforce education programs are more difficult to analyze because student goals tend to be more varied than those of transfer students. Former workforce education students have also been more difficult to track over time. **Exhibit 2-15** shows the latest employment data available for graduates of ACC workforce education programs, whose goal was either to find employment in jobs related to their field of study or to continue their education. Through 2002, THECB required that colleges meet an 85 percent performance criterion on this measure, that is, within one year of graduation, 85 percent of degree or certificate students would be employed in a job related to their field of study and/or would be continuing their education. ACC is exceeding the THECB criterion on this measure. Beginning in 2002-03, this criterion will increase to 90 percent.

Exhibit 2-15
Percent of ACC Workforce Education Graduates
Meeting Employment Requirements and/or Continuing Their
Education
1996-97 through 1999-2000

Workforce Program Graduates	1996-97	1997-98	1998-99	1999-2000
Students employed and/or continuing their education	91.8%	92.5%	89.7%	89.6%
Students who could not be located	8.2%	7.5%	10.3%	10.4%

Source: THECB, Automated Student and Adult Learner Follow-Up System, 1996-97 through 1999-2000.

ACC also collects and analyzes data on graduation rates, which are submitted to THECB for statewide analysis. Five years of ACC graduation data indicate the number of associate degrees awarded has declined from 315 academic degrees in 1996 to 267 in 2000 and from 415 technical degrees in 1996 to 326 in 2000, although enrollments actually increased by more than 500 students during this same period. **Exhibit 2-16** indicates that although the number of technical degrees declined among all peers, ACC's rate of decline was far less dramatic. In fact, ACC awarded 54.5 percent of peer college technical degrees during 2000. However, ACC went from awarding 23.6 percent of the academic degrees in 1996 to 15.9 percent in 2000. ACC officials suggest this may be due to the fact that more and more students who intend to transfer are enrolling in ACC for their first year for financial reasons, or simply to complete some of their basic courses before transferring to UT - Austin or Southwest Texas State University to complete a four-year degree. This is consistent with the findings of the THECB Transfer Issues Advisory Committee report, *Identifying and Closing the Gaps*, which notes that transfer patterns have changed, and many students now seek entry to upper-level institutions before earning a two-year degree.

Exhibit 2-16
Academic and Technical Degrees Awarded
ACC Compared with Peer Colleges
1996-97 through 2000-01

College and Degree Type	1996-97		1997-98		1998-99		1999-2000		2000-01	
	Acad	Tech	Acad	Tech	Acad	Tech	Acad	Tech	Acad	Tech
ACC	315	415	326	342	326	342	296	316	267	326
Collin County	228	147	222	99	333	96	368	119	418	91
North Harris Montgomery	293	315	389	338	524	191	377	148	440	94
San Jacinto	496	193	532	180	498	199	646	302	545	87
Total Degrees (ACC and Peer Group)	1,332	1,070	1,469	959	1,681	828	1,687	885	1,670	598
Total	2,402		2,428		2,509		2,572		2,268	

Degrees (Academic and Technical)					
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Source: THECB, Statistical Reports, 1996-97 through 2000-01.

ACC also reviews licensure data to determine how prepared its students are in fields that require certification. Since 1997, public community colleges have been required to report this data to the state. **Exhibit 2-17** shows how well ACC students performed on several state licensure exams compared to the statewide average during a four-year period. Missing data means that no one tested during that year or results were unavailable. Overall, ACC students performed better than their peers statewide on exams in health science fields and better than the statewide average for all exams during each of the four years.

**Exhibit 2-17
ACC Student Passing Rates on State Licensure Exams
1997-98 through 2000-01**

Program Area	1997-98		1998-99		1999-2000		2000-01	
	ACC	State	ACC	State	ACC	State	ACC	State
Massage Therapy		67%		89%		72%	100%	74%
Law Enforcement (Crim Justice)		74%		76%	60%	42%		
Law Enforcement (Peace Officer)							50%	53%
Fire Protection (Structure)	83%	88%	98%	95%		76%		85%
Deaf Interpreter	20%	55%		44%		60%		50%
Occupational Therapy Assistant	100%	95%	100%	95%	95%	72%	100%	99%
Physical Therapy Assistant	89%	82%	90%	73%	95%	72%		
Emergency Medical Paramedic	93%	87%	91%	80%	93%	86%	94%	84%
Medical Radiologic Technologist					100%	92%	96%	88%

Nurse, Registered	96%	89%	98%	90%	98%	89%	99%	86%
Nurse, LVN	100%	91%	89%	90%	94%	89%	96%	86%
Nurse Aide	95%	92%	96%	94%	84%	84%		86%
Average Passing Rate	85%	82%	95%	83%	90%	76%	91%	79%

Source: THECB, 2001 Statewide Annual Licensure Report, August 2001.

FINDING

ACC demonstrates a commitment to continuous instructional, operational and performance improvement in both structure and process. Planning and evaluation are cyclical, and action in one triggers action in another. From its program development and review process, through its ongoing survey research and evaluation of institutional data, the college relies on information analysis to improve practice. In its 1999 institutional effectiveness visit, THECB noted that ACC had exceeded all standards required in this area and had continuous improvement practices in place for faculty development, teaching portfolios, faculty involvement with students and the integration of technology into the curriculum.

In the late 1990s, one way the president indicated his commitment to measuring effectiveness was to change the reporting structure of the associate vice president for Institutional Effectiveness, moving it from the executive vice president of Instruction and Student Services so that it reported directly to the president. This move demonstrates a high value for data-driven policy, planning and decision-making.

ACC also uses surveys of key constituents to provide decision-making and continuous improvement information. Students participate in a variety of evaluative experiences, including satisfaction surveys, faculty evaluations and graduate follow-up surveys on the effectiveness of academic transfer and workforce education programs. They also participate in pilot surveys such as the national Community College Survey of Student Engagement (CCSSE), which is designed to measure the extent to which community college students "engage in educational practices associated with high levels of learning and development." Results of the fall 2001 pilot revealed that less than 10 percent never asked questions, or contributed to class discussions or came to class unprepared. Nearly half never discussed career plans with an instructor or worked on an assignment outside of class with classmates; more than half never discussed readings or classes with instructors outside of class; and 90 percent had never participated in a community-based project as part of a course. Results of the survey were published in the *ACC Effectiveness Review* along with suggestions for how faculty might better engage students in their learning.

Faculty and staff participate in evaluating institutional practice as well. For example, each spring they complete an internal customer-satisfaction survey, the results of which are published and distributed in booklet form. The spring 2002 survey was mailed to the homes of 2,348 employees, including adjunct faculty. Although return rates declined 4 percent from a high of 22 percent in 2000 to 18 percent in 2001, overall satisfaction varied little from 1999 (60 percent) to 2001 (61 percent). Administrators plan to work with classified staff, the group with the lowest return rate, to identify strategies that will increase future participation. The publication also includes a report on the status of changes implemented since the previous year, thereby demonstrating efforts toward continuous improvement.

The college has also created a Quality Initiatives Committee focused on helping staff develop, evaluate and implement quality practices for continuous improvement. As an outgrowth of this committee's work, in spring 2000, ACC participated in the Malcolm Baldrige Institutional Self-Assessment designed to ascertain core values and concepts for leadership, strategic planning, customer and human resource focus, information and analysis, process management and results. The self-assessment identified gaps in some of the Baldrige categories, particularly communication across the college and alignment of programs, facilities and services with student needs. The college has been using the results of this assessment information in its planning and has expanded its publication of effectiveness information to the degree that it is now used in program review, strategic planning and evaluation.

COMMENDATION

ACC emphasizes the importance of institutional effectiveness and continuous improvement across the college.

FINDING

The Office of Institutional Effectiveness conducts various studies on how well ACC students perform academically relative to other post-secondary students and disseminates this information across the college to improve the instructional program. The primary purpose of the office is to "coordinate the processes that lead to effective decision-making collegewide."

Institutional studies and performance reviews provide information necessary to ensure quality improvement and data-driven decisions. For example, the Office of Institutional Effectiveness provides the associate vice presidents and deans with preliminary enrollment reports for course-scheduling purposes; developmental education administrators with

effectiveness studies about the impact of remediation on student retention; and various program administrators with student transfer success rates, licensure reports and graduate student follow-up data on employment. Faculty and staff conduct some of these studies themselves, and results are published in the *ACC Effectiveness Review*. Most are available both in print and on the ACC Web site. Some of the publications and reports that have the most relevance to instruction are described in **Exhibit 2-18** below.

Exhibit 2-18
Office of Institutional Effectiveness
Instructional Publications and Reports

Title	Description	Publication Information
Publications		
ACC Effectiveness Review (ACCER)	Summaries of effectiveness studies conducted by faculty and staff	Twice a year
Assessing Effectiveness of Instructional Units	Guide for defining learning outcomes, documenting assessment, measuring achievement and using results for improvement	N/A
Effectiveness Updates	Results of outcomes assessment by program area	Annual
Fact Book	Collegewide data and statistics on awards, headcount, credit hours, faculty and facilities, among others	Annual
Unit-Level Effectiveness Assessment Database Manual	Instructions for documenting assessment goals, outcomes, achievement and improvements	Ongoing
Reports		
Budget Planning Book	Five year history of headcount, sections, credit/contact hours for schedule planning	Annual
Preliminary enrollment reports	More information on enrollments, credit/contact hour production and high-demand sections	Per semester
Room utilization reports	Information on the percentage of time classrooms are used for classes (created	Annual

	by campus managers)	
Federal reports	Reports of enrollment, completions and graduation, among other data, required for eligibility for federal financial aid programs,	Various
State reports	Reports submitted to THECB on students, faculty, courses, enrollments and graduates	Various

Source: ACC Office of Institutional Effectiveness, spring 2002.

COMMENDATION

ACC publishes the results of its institutional effectiveness studies for broad distribution in order to make information available for continuous program improvement.

FINDING

Some ACC workforce programs are not satisfying THECB effectiveness criteria for number of graduates and/or successful placement of graduates into the workforce or another higher education institution. ACC officials say that job placements are often difficult to track, which may account for the failure of certain programs to meet the standard. They further point out that programs across the state have difficulty meeting the criteria, in some cases because the educational intent of students in these programs is not taken into consideration. For example, some students may leave school to go to work, while others may transfer elsewhere.

THECB mandates institutional effectiveness outcome measures for workforce education programs specifically related to the number of graduates produced and job-placement success. Colleges report data on these measures annually, and THECB creates statewide reports, which provide comparative feedback to the institutions. Colleges must use the effectiveness information to document program quality and describe improvement plans. In addition, the agency reviews each Texas community college every four years, a process which in the past has included a site review as well as a desk review.

Specifically, the measures require that:

- each workforce education program produce at least 15 graduates over a three-year period; and
- at least 85 percent of a workforce program's graduates must be placed in employment or another institution within a year of

graduation. THECB raised this criterion to 90 percent, effective in 2002-03, because the U.S. Department of Education changed performance requirements to receive Perkins vocational funds.

THECB permits colleges to adjust for the following:

- new programs, which have three years to demonstrate that they meet both criteria; and
- certain highly-specialized programs, which meet the first criterion only when combined with other programs in the same category-of-instructional-program code (CIP) area.

Overall results indicate that programs with larger numbers of graduates also tend to place the most students. **Exhibit 2-19** below presents the ACC programs not meeting one or both criteria:

Exhibit 2-19
Workforce Programs Not Meeting One or Both of THECB Criteria
For the Three-Year Period 1996-97 through 1998-99

Workforce Program	Number of Graduates	Placement Percent	Corrective Action
Computer Programming	30	83.3%	Will improve tracking and partnerships for better job access
Quality Control Tech	10	100.0%	Appointing faculty member to help with recruitment
Surveying	13	76.9%	Seeking assistance with industry partners to help with recruitment and equipment donations to modernize the program
Technical/Business Writing	11	100%	Developing marketing plan with employment fact sheet
Health and PE, General	0	0%	Developing recruitment plan and seeking program name change to more accurately reflect personal trainer curriculum
Carpenter	6	100%	Marketing with Capital Area Training Foundation and local

			builders association
Electrical, Electronics Installers and Repair	11	100%	Deactivated fall 2001
Commercial Photography	24	83.3%	Will improve recruiting
Financial Management	13	100%	Will target banking employees
Hospitality Services	8	87.5%	Will improve advising and tracking
Business Marketing and Marketing Management	11	81.8%	Will develop marketing and recruitment plan
Real Estate	2	100%	Will target those employed in real estate industry and offer more courses onsite

Source: ACC Office of Institutional Effectiveness, ACC Effectiveness Review, Vol. 8, No. 2, spring 2002 and Corrective Action Plan for Meeting THECB Standards, September 2001.

THECB requires colleges to submit corrective action plans for programs that do not meet requirements, ACC deans and program coordinators ensure that these corrective measures are implemented, and the associate vice president for Workforce Education holds informal status reviews with them. In addition, the college completes an annual data profile for THECB, which monitors success on the two criteria. If the college fails to submit a corrective action plan on any program not satisfying requirements, THECB will not approve new programs.

Recommendation 16:

Ensure that ACC workforce education programs satisfy the Texas Higher Education Coordinating Board's effectiveness criteria.

Developing corrective action plans and regularly monitoring them will enable ACC to regularly check the performance of programs that have not met THECB standards. Deans and coordinators should focus on enrollments, retention, curricula and program completion/placement rates in order to make timely and appropriate adjustments so that programs satisfy requirements.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president for Workforce Education works	January -
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	with deans and program coordinators to establish specific success milestones and a review timeline for each program that did not meet THECB standards.	February 2003
2.	The associate vice president of Workforce Education and each dean meet with program faculty and their advisory committees to exchange information about program weaknesses and any environmental influences that might be affecting completion and placement. ACC officials also discuss what happens to programs that do not meet standards.	February - March 2003
3.	Deans and program coordinators develop a comprehensive action plan for each program area that enumerates the tasks required to achieve each milestone, as well as the person responsible and the due date.	March - April 2003
4.	The associate vice president of Workforce Education appoints a small ad hoc task force of program deans, coordinators and faculty to develop a placement tracking process that will track each student for six months following program completion.	May 2003
5.	Program coordinators and faculty implement the tracking process.	August 2003
6.	Deans and program coordinators meet with the associate vice president of Workforce Education to review progress.	December 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 2

D. COURSE SCHEDULING

In community colleges, course scheduling is a multi-dimensional function that cuts across operational areas. Strategic planning in this area is critical to a balanced program of courses and sections, offered at locations and times most likely to enroll the optimal number of students, with a complement of faculty assigned to provide the highest quality instruction for the least cost. Often, how well a college can efficiently manage this confluence of variables determines how well it allocates and manages its resources.

FINDING

ACC is revising its entire course scheduling process to make it more efficient and flexible. The college has a history of "roll-over scheduling," that is, it continued to offer essentially the same number of sections from fall of one year to fall of the next, from spring of that same year to spring of the next and the same for summer. Associate vice presidents and deans reviewed preliminary enrollment reports of high-demand and endangered sections to make cancellation decisions or to determine whether or not to add additional sections.

Schedule review and revision has been an ongoing process, but it began in earnest in summer 2001 when the executive vice president for Academic, Student and Campus Affairs appointed a process improvement team for schedule development. The team's charge was to undergo a detailed analysis of the steps involved in building the college's class schedule and to refine the process so that it was not only more efficient and timely but was also better understood and more satisfactory to all those who work with it. Furthermore, the intent was to use the data from high-demand and low-enrolled sections to guide the process; to determine accountability levels for the associate vice presidents and the deans; to ensure room availability before faculty assignments; and to establish a system driven by data and effective processes rather than printing deadlines. Members of the process improvement team, facilitated by the associate vice president of Institutional Effectiveness, were the associate vice presidents of Instructional Resources and Technology and Information Technology, a campus provost, two deans, a task force chair and a program chair, the instructional development specialist and the marketing and publications manager. Several other ACC officials served in an ad hoc capacity.

The team met weekly from July 2001 through mid-December 2001 and developed a comprehensive schedule development process outline, which

defined processes, steps, responsible parties and issues around the following:

- establishing a timeline, guidelines and criteria for developing the schedules;
- gathering relevant section data on previous semesters and years;
- analyzing data and drafting possible changes to the "roll-over" draft schedule;
- preparing and reviewing a draft schedule;
- creating an appropriate, balanced schedule of distance-learning and extension center courses;
- scheduling all classrooms ;
- staffing courses;
- creating the publication and posting it to the Web;
- distributing the schedule;
- reviewing high-demand and endangered sections and adding or canceling classes as appropriate; and
- evaluating the process and revising it for the next cycle.

In addition to establishing a schedule development process, the process improvement team also generated several proposals:

- Effective communication is critical to the success of the process;
- Not everyone is appropriately informed;
- Accountability should be built into the process;
- Initial schedule modifications should be done prior to new data being entered;
- The format of schedule materials should reflect the printed schedule format for ease of use;
- The college should maintain a Web site with current information for all those involved in the process;
- Full-time faculty and adjunct faculty who have taught before should be listed in the schedule;
- The list of adjuncts should be current;
- Room scheduling processes across the campuses should be standardized; and
- The scheduling process for Open Campus, which handles distance learning; Continuing Education; and extension center courses should be standardized and integrated as much as possible.

In addition to these recommendations, the Office of Institutional Effectiveness has a Web page of both historical and current schedule development resources, which includes timelines, schedule development guidelines and section reports.

COMMENDATION

ACC is revising its entire course scheduling process in order to make it more data-driven, time-efficient, accurate and student-friendly.

FINDING

The college purges students for non-payment of tuition within one week of their registration in order to obtain an accurate enrollment figure. At ACC, students can register for courses by telephone but must pay by the following Friday, which gives them a few days to work out their financial aid situation. If they do not pay by the deadline, they are "de-registered," which frees their seats for others.

Prior to fall 2001, when the new system was implemented, ACC did not require students to pay their tuition and fees until the end of the registration period. Students who did not pay were dropped just before the start of classes, which meant that ACC did not have an accurate picture of enrollment until the end of registration. For example, if a class minimum was 15, and three registered students were not dropped until registration was over, the class would meet with fewer than the required number of students when it otherwise would have been cancelled due to low enrollment. Similarly, if a class filled at 35 and five students were not dropped until the end of registration, five other students were turned away. This lack of information about students' intentions led to unpredictable inefficiencies in class section enrollments, that is, classroom use was not maximized.

The change in process has given the college more information earlier in the registration process and has helped fill classes. Some staff feel it may have accounted for much of the 6 percent increase in credit enrollment that ACC experienced in 2001-02. Previous increases had been relatively stable at 2 percent. In essence, with the new system, more seats are taken and sections filled at the time classes start, which is a more efficient use of classroom space. It also makes the information on canceling classes more accurate, and the college is less likely to offer a class with low enrollment.

COMMENDATION

ACC purges students for non-payment of tuition and fees to ensure a more accurate accounting of enrollments.

FINDING

ACC has not been accurately projecting enrollments and optimizing the number of sections offered, particularly during 2001-02. Rollover scheduling, that is, offering the same number of sections from year to year, had served ACC adequately until the enrollment surge in fall 2001,

when the college added additional sections, hired more adjunct faculty and over-spent its fall budget. This problem was compounded in spring 2002 when the college reduced tuition by 50 percent for all courses meeting during "off-peak" time periods. The rationale for this decision was that it is a cost-effective measure designed to increase enrollment productivity during times when classes are often low-enrolled, such as late afternoons and late evenings. Providing incentives to increase section efficiency, maximize facilities use and attract some students because of lower cost is generally a responsible productivity effort. However, doing so for classes across-the-board, which includes high-demand classes, can have a serious impact on revenue, which is what happened at ACC. College officials indicate that the large enrollments and reduced revenue resulted from insufficient time to program specific "pilot courses" into Datatel.

In March 2002, after the large fall enrollment and the loss of revenue from tuition reductions in the spring, the executive vice president for Academic, Student and Campus Affairs assigned responsibility for schedule oversight to the associate vice president of Instructional Support Services. The associate vice president has designed and implemented a course schedule planning model for 2002-03 that addresses key decision points related to budgeting; section planning, consolidation and cancellation; and course enrollment goals. In addition, the new model is envisioned and planned for a year at a time rather than a semester at a time to build in flexibility. Furthermore, it is designed to provide an appropriate balance of class sections collegewide across program types and include "what if" scenarios to accommodate unexpected low- or high-demand sections in a given semester.

The 2002-03 schedule was built on the assumption that the budget could accommodate 8,900 sections, 2 percent of which the instructional associate vice presidents hold in contingency each semester, divided in nearly equal shares among four program areas: academic programs, workforce education, the Early College Start program for high school students and distance learning. If all sections allowed in the fall are not needed, the associate vice presidents may carry their reserves forward to spring and similarly into summer. They may also "trade" sections with one another from term to term. For example, if the dean of Communications has a special program set for high school students in the summer, she may want to hold sections during the year or she may be able to transfer some to the dean of Math and Sciences for the fall in exchange for a few of his in the summer.

ACC considers a section "endangered" and cancels it if enrollment is less than 60 percent of capacity, or a class has fewer than 12 students. In other words, a course with an enrollment capacity of 25 will likely be canceled if 15 students have not enrolled by the cut-off date. At this point, key

administrators review the schedule for sections that can be consolidated, including those beginning and advanced courses that can meet in the same room. For example, in summer 2002, ACC combined an introductory ESL class at Cypress Creek with an advanced class in order to reach the 60 percent capacity. At times, classes will be allowed to meet with fewer than the 60 percent minimum, but these are generally upper-level courses that are offered less frequently and may be needed for students to graduate. This practice is common in community colleges in order to ensure that students can meet their educational goals.

Recommendation 17:

Evaluate the ability of the new schedule-planning model to maximize enrollments, classroom space and scheduling flexibility.

The evaluation should include a review of section allocations, contingencies, program balance, student and faculty satisfaction, how well classes filled and how many were cancelled.

It would also be helpful to create a flow chart of the process and provide in-house training on how it works and how section planning and cancellations are handled. Task force chairs, program coordinators and deans could benefit from a full explanation of how a class schedule should be built to optimize offerings within budget and facilities parameters. Throughout the institution, staff who are involved in this critical process-analyzing enrollment and section data from previous semesters, preliminary enrollment and high demand reports, schedule development timelines, facilities options and resource needs-should fully understand how this complex process works.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive vice president of Academic, Student and Campus Affairs meets with the associate vice presidents of Instructional Support Services, Institutional Effectiveness, Academic Programs and Workforce Education to review, as a group, their initial impressions of how efficient the fall 2002 schedule was and to devise a strategy for evaluating the process and results.	January 2003
2.	The associate vice president of Instructional Support Services reviews the efficiency of all classes and reports back to others in the group, paying particular attention to the productivity of off-campus sites.	February 2003
3.	The executive vice president of Academic, Student and Campus Affairs and the associate vice presidents of	March 2003

	Instructional Support Services, Institutional Effectiveness, Academic Programs and Workforce Education recommend discontinuing courses at extension centers where sections have not filled and further recommend canceling any agreements the college has with such centers, unless they are also operating a dual-credit high school program that is meeting enrollment expectations.	
4.	The associate vice president of Instructional Support Services develops a training plan, in concert with the associate vice presidents of Academic Programs and Workforce Education, to explain how the scheduling development process works so that deans, task force chairs, program coordinators and key faculty leaders can better understand why classes are scheduled at certain locations, how cancellation and overload decisions are made and how the college attempts to balance on-campus, distance learning and extension offerings.	April - May 2003
5.	The executive vice president of Academic, Student and Campus Affairs and the associate vice presidents of Instructional Support Services, Institutional Effectiveness, Academic Programs and Workforce Education present a professional development program as a panel at fall in-service training.	August 2003 and Annually thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The level of enrollment productivity for ACC full-time and adjunct faculty declined from 1997-98 to 2000-01. One measure that community colleges use to determine the level of productivity for faculty is the number of student enrollments per section, also called "average class size." As shown in **Exhibit 2-20**, enrollments per section for full-time faculty decreased from 20.5 in 1997-98 to 19.6 in 2000-01. During the same period, the level of productivity for adjunct faculty rose slightly from 19.3 to 19.4, which is less than that of full-time faculty. While this average represents less than one student per class, it extrapolates to more than 8,000 when all sections are considered.

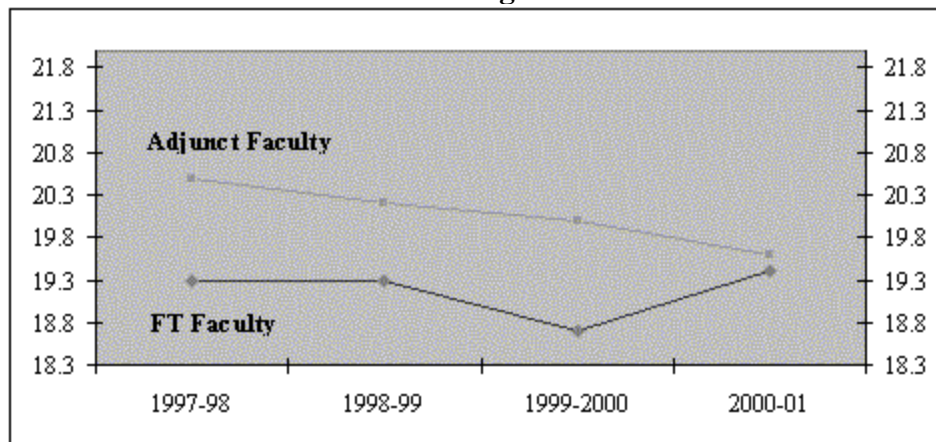
Exhibit 2-20
ACC Enrollments Per Section by Faculty Type
1997-98 through 2000-01

	1997-98	1998-99	1999-2000	2000-01
Full-Time Faculty	298	318	376	374
Sections	2,908	2,997	3,301	3,395
Enrollments	59,585	60,611	66,038	66,711
Enrollments/section	20.5	20.2	20.0	19.6
Adjunct Faculty	1,160	1,060	1,335	1,216
Sections	5,117	4,983	5,324	4,663
Enrollments	98,966	96,254	99,746	90,623
Enrollments/section	19.3	19.3	18.7	19.4

Source: ACC, Office of Institutional Effectiveness, Budget Planning Book for FY 2003.

As shown in **Exhibit 2-21**, ACC's enrollments per section for both full-time and adjunct faculty never exceeded 20.5 between 1997-98 and 2000-01.

Exhibit 2-21
ACC Full-Time and Adjunct Faculty Productivity Trends
1997-98 through 2000-01



Source: ACC, Office of Institutional Effectiveness, Budget Planning Book for FY 2003.

Colleges establish standards for minimum and maximum enrollments per class section, and they review these regularly to improve efficiency. Enrollment maximums, also called "caps," represent the maximum number of students that a given course or class section can accommodate. Typically, these enrollment maximums are based upon classroom size, availability of equipment and often the requirements of certain accrediting agencies that regulate programs like nursing. Colleges also consider other factors when determining enrollment maximums, such as course

requirements like the number of papers that must be graded, or the number of speeches that must be scheduled in certain communications classes or the amount of individualized attention required in certain developmental education courses. North Harris Montgomery Community College uses 35 as the enrollment maximum for "core" courses, such as history, providing that the classroom can accommodate that many students. Collin County uses 40 for history courses and 22 for speech classes. ACC's most common enrollment maximum for such classes is 36, providing the classroom is large enough.

ACC officials say that enrollment caps for class sections are generally based upon discipline requirements, not classroom size. However, campus administrators do check room capacity at least annually and revise enrollment caps as needed to accommodate equipment changes.

The issue of enrollment caps has become more significant in light of expanding enrollments and declining dollars. While class size may be specifically limited for some programs, others may be able to accommodate additional students, thereby reducing the number of sections offered and the number of faculty required. The college admits there may be instructional areas where efficiencies could be improved by modifications to class-size limits.

Recommendation 18:

Apply enrollments-per-section guidelines to the course scheduling process.

Given the financial strains on the ACC budget, increasing the number of enrollments per section to an average of 21 would be a prudent measure and fiscally responsible. Each section should be evaluated so that individual course requirements, including accreditation standards, can be met. Increasing enrollment in classes to an average of 21 per section will allow the college to meet the growing needs of the service area and stay within its budget. The new guidelines could be implemented in fall 2003.

As shown in **Exhibit 2-22**, increasing the number of enrollments per section reduces the number of full-time and adjunct faculty required.

**Exhibit 2-22
ACC Faculty Requirements
Based on 2000-01 Data**

Variable	Full-Time Faculty	Adjunct Faculty
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Number of faculty (A)	374	1,216
Number of sections (B)	3,395	4,663
Number of enrollments (C)	66,711	90,623
Number of enrollments/section [C / B]	19.6	19.4
Average number of sections per faculty member (D). [B / A]	9.1	3.8
Number of sections required with 21 enrollments/section (E). [C / 21]	3,177	4,315
Number of faculty required with 21 enrollments/section (F). [E / D]	349	1,136
Difference in number of faculty required [A - F]	25	80

Source: ACC, Office of Institutional Effectiveness, Budget Planning Book for FY 2003.

Raising the average class size to 21 from 19.6 for full-time faculty and 19.4 for adjunct faculty would require 25 fewer full-time faculty and 80 fewer adjunct faculty, if the number of enrollments were the same as in 2000-01.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice presidents of Academic Programs, Workforce Education, Institutional Effectiveness and Instructional Support Services and the academic deans meet to determine which sections can and cannot accommodate the enrollments-per-section guidelines, using utilization reports and individual course requirements.	January 2003
2.	The president and the associate vice president of Instructional Support Services seek board approval to implement the new guidelines.	February 2003
3.	The board approves the guidelines and freezes hiring of any overstaffed positions pending full implementation in 2004-05.	March 2003

FISCAL IMPACT

Full-time faculty salaries average \$52,005 plus benefits of 3 percent (\$1,560) or \$53,565. Therefore, the fiscal impact of reducing the number of full-time faculty by 25 is \$1,339,125 (25 x \$53,565 = \$1,339,125).

Since most adjunct instructors teach more than six lecture-equivalent-hours (LEH) and have been teaching for several years, their salaries average \$11,762 plus benefits of 3 percent (\$353) or \$12,115. Therefore, the fiscal impact of reducing the number of adjunct faculty by 80 is \$969,200 (80 x \$12,115 = \$969,200). The total amount of savings is \$2,308,325 annually beginning in 2003-04.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Apply enrollments-per-section guidelines to the course scheduling process.	\$0	\$2,308,325	\$2,308,325	\$2,308,325	\$2,308,325

Chapter 2

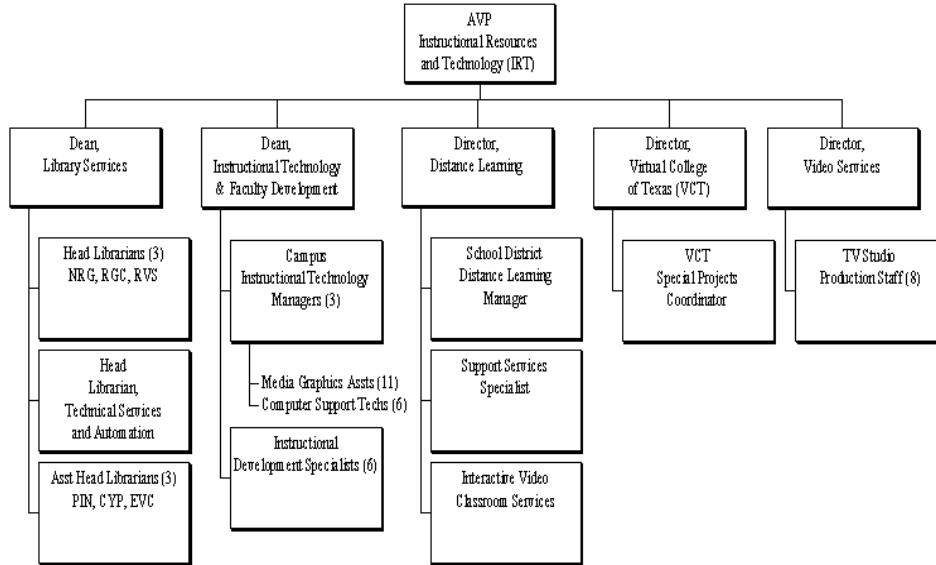
E. ACADEMIC SUPPORT

In the community college, strong academic support is required to carry out the instructional mission. Teaching and learning do not take place in a vacuum, and both students and faculty have a right to expect that the necessary resources will be available to support these activities. SACS criteria require that an effective institution of higher education ensure that "educational programs be complemented by well-rounded support structures that stimulate the mind and encourage the total growth and development of students." Two of the most important resources that community colleges have are their instructional technology and their library or learning resources center, which are essential to teaching and learning and must be adequate and available to all faculty and students.

Library services and instructional technology are centralized functions at ACC, and their deans report to the associate vice president of Instructional Resources and Technology. Distance learning programs and related services are also organized under this umbrella. This type of organization ensures that the quality of services, policies and procedures, technology planning and cataloging are consistent across the college; resources can be easily shared among campuses; and the automation system serves all ACC users.

The organization of ACC academic support functions provided through Instructional Resources and Technology is shown in **Exhibit 2-23**.

Exhibit 2-23 Academic Support



Source: ACC Office of Instructional Resources and Technology, ACC Organizational Reference, 2001-02.

According to its mission, Library Services is a "collaborative system of library information, reference and instructional support services, whose aim is to support teaching and learning at Austin Community College." In addition to providing customer service, instructional resources and support services, ACC's library staff educate users to promote information about literacy and embed a value for lifelong learning.

In addition to a dean, two leadership teams provide library services: one consisting of three head librarians, one for each of the larger campuses, plus the head librarian for technical services/automation, and the other made up of three assistant head librarians for the smaller campuses. Teams meet with their dean every two weeks separately and as a large group both at the beginning and end of each semester to discuss crosscutting issues and resolve any problems that might have collegewide implications. Reference librarians help patrons locate resources, and library assistants help maintain the collections.

Instructional Technology Services provides assistance via three campus managers, each of whom delivers services to two campuses, and their staffs of media graphics assistants and computer support technicians. In addition, instructional development specialists help faculty integrate technology into existing courses and develop new online, Web-based or distance learning courses. Faculty development and evaluation are also functions of Instructional Resources and Technology, but it is dealt with in the Human Resources chapter of this report.

General materials collections are located at the larger campuses; Northridge, Rio Grande and Riverside. Pinnacle, Cypress Creek and Eastview have smaller collections. The Web-based catalog, accessible at all campuses and from home computers, is an index to all print, media and computer software available. The library's Web site provides electronic access to indexes, full-text articles and other reference material. More than 1,000 periodicals and several online indexes round out the materials collection available to students. For materials not available in ACC's library or via the Web, interlibrary loan service links ACC to public and other college libraries.

Media, computer and instructional development centers are located at all six campuses. Media centers have facilities available for both analog and digital media, and computer centers house desktop computers for accessing the Internet and other instructional applications. Instructional development centers serve as faculty production centers. Over 350 open-access computers are available to students and faculty in campus Instructional Resource and Technology facilities across the college. Two campuses house computer classrooms for general use; seven campuses and five centers have interactive video classrooms for two-way interactive audio and video instruction; and the Pinnacle campus provides broadcast quality television studios for a cable television channel and two Instructional Television Fixed Service channels, which are used for distance learning courses.

FINDING

ACC Library Services maximizes availability of resources and level of service across the college. As libraries have become increasingly automated, student needs and requests have changed. ACC has taken a proactive position in response to the electronic revolution and the needs of college learners by "partnering" with them on electronic-literacy efforts. Reference librarians not only help students locate print materials but also identify electronic-information sources and train students to do so as well.

ACC statistics indicate that use of electronic services has increased dramatically between 1999-2000 and 2000-01, as shown in **Exhibit 2-24**.

Exhibit 2-24
Library Services User Statistics
1999-2000 and 2000-01

Type of Contact or Use	Description	1999-2000	2000-01	Average Per Week	Percent change over a year
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Person-to-person	Door count of users entering libraries	776,616	778,616	16,221	0.3%
	Checkouts	164,715	149,305	311	(9%)
	Reference/Librarian Transactions	47,908	43,544	907	(9%)
	Patron contacts		123,832	2,580	
	Group presentations	276	254	5.3	(0.8%)
	Group presentation attendees	4,828	4,436	92	(8%)
	Classes with Information Literacy programs	377	415	N/A	10%
Total person-to-person contacts		994,720	1,100,402	20,116.3	(16.5%)
Electronic	Online catalog visits	313,488	374,155	7,795	19%
	Library homepage hits	389,506	457,702	9,535	18%
	Electronic searches	132,057	233,899	4,873	77%
	Web subject link hits (librarian recommendations)	69,494	125,434	2,613	80%
	Information tutorial	2,433	22,512	469	825%
	Study and documentation guides use	12,188	40,888	852	235%
	General library services hits (hours, locations)	233,000	743,369	15,487	219%
Total electronic use	E-usage (online and Web use)	1,152,166	1,997,959	41,624	73%
Collection	Non-subscription items	133,273	135,097	N/A	1%
	Print volumes	115,567	117,275	N/A	1%
	Audiovisuals	14,044	14,541	N/A	28%

	Electronic resources (non-subscription software)	3,662	3,281	N/A	(10%)
Subscriptions	Paper and microform	1,974	1,930	N/A	(2%)
	Electronic texts and journals	22,290	63,834	N/A	186%

Source: ACC Fact Book, 2001-02.

ACC has allocated its 117,000 print, media and computer center services such that the larger campuses provide full library, media and computer services, while the smaller campuses rely more on circulating collections. The online catalog further enhances access to materials among campuses. In addition, the automated services available, even in the smaller libraries, make it possible for students to do much of their research online. A variety of services are available, including both print and electronic reference assistance and patron instruction in how to use electronic resources. Librarians also prepare "pathfinders," which are lists of relevant Internet links on popular research subjects for both students and instructors.

Compared with several peer institutions, ACC Library Services optimizes its materials, space and human resources. A recent review of the number of books, size of facility and staff-to-student ratio revealed that ACC has fewer books per student, almost a third less square feet per student and nearly twice as many students per staff than peer institutions, as shown in **Exhibit 2-25**.

Exhibit 2-25
ACC Library Services Ratios
Compared to Peer Colleges

College	Books to FTE	Books to Headcount	Sq. Ft. to FTE	Sq. Ft. to Headcount	Student FTE to Staff FTE	Headcount to Staff FTE
ACC	7.74	4.00	2.73	1.41	292.45	566.65
Collin County	16.82	6.58	9.91	3.88	121.61	311.07
North Harris - Montgomery	20.52	10.99	7.20	3.86	218.13	407.33
San Jacinto	15.48	88.85	9.91	5.67	649.85	1,137.25

Source: ACC, Library Services Study, February 2002.

COMMENDATION

ACC provides comprehensive library services and materials across the college in ways that optimize institutional capability.

FINDING

ACC Library Services has clearly-defined policies and procedures for handling controversial materials. This "materials challenge" policy addresses a wide variety of objections to certain kinds of printed materials, audiovisuals, computer software and electronic resources, including the Internet. Although there has not yet been a formal challenge to materials in the collection, the Library Services leadership team developed the board-approved policy as a matter of good practice and because granting agencies often require one. The original policy was developed early in the college's history, but it has been reviewed and updated several times, most recently to include electronic media. In addition to the policy, the leadership team developed a materials challenge "packet," which includes procedures on how to handle the initial contact as well as the forms required to request a review. It also contains a list of responsibilities of the ad hoc committee that reviews the challenge and explains the appeals process. Scripted scenarios are included for training purposes. Having such a policy in place and training employees on how to use it protects the college in the event of any legal complications.

COMMENDATION

ACC's Library Services has developed a comprehensive process for handling any objections to resources in the library's collection.

Distance Learning

The purpose of distance learning at ACC is to provide access to both credit and non-credit courses through the use of distance-education technologies. Texas Administrative Code (TAC), rule 5.154, specifies standards and criteria for distance education, requiring among other things that colleges offering courses via distance education meet the same standards for quality as on-campus instruction; that faculty be selected and evaluated according to institutional criteria; and that students satisfy the same requirements as on-campus students.

ACC began its distance-learning program in spring 1979 with two courses and 225 enrolled. The number of distance learning courses offered and enrollments grew during the 1980s when facilities were scarce; declined during the early 1990s when the tax base made more campus facilities possible; and grew again in the late 1990s as classroom space grew tighter

and online education became increasingly popular nationwide. By the late 1990s, due to the college's commitment to distance-learning telecommunications and its full-time, educational-access cable television channel and two wireless channels, ACC was offering 100 courses via distance learning technologies.

Distance learning is a function of Open Campus, a "virtual" college with a mission "to provide student access to quality higher education credit and non-credit courses via distance learning technologies" according to the ACC mission statement. Over the past few years, distance learning has become a routine experience for both high school and community college students, both degree- and non-degree seeking. Many rely on the flexibility of distance learning to increase their total course load during the semester.

FINDING

The number of distance learning courses offered through Open Campus has increased steadily since the 1980s, resulting in the offering of more than 100 college credit courses each semester. In the spring 2002, distance-learning courses accounted for 17.1 percent of the college's headcount and nearly 10 percent of the credit hours produced. In fact, Open Campus has become the fourth largest of ACC's seven campuses. **Exhibit 2-26** shows enrollment growth in the program for fall 1997 through fall 2000.

Exhibit 2-26
Fall Semester Open Campus Enrollment
1997-2000

Year	Number of Courses Offered	Total Enrollments
1997	136	4,419
1998	160	4,938
1999	173	5,015
2000	243	6,381

Source: Report to the Board, Distance Education: National Trends and Issues, March 19, 2001.

COMMENDATION

ACC uses its distance-learning program to reach a large number of students who can benefit from such an instructional-delivery alternative.

FINDING

ACC offers a variety of support services to both faculty and students who elect the distance learning option. A faculty handbook, for example,

- Describes the distance learning program and its typical student;
- Covers general college policies, such as grading and evaluation, as they apply to Open Campus faculty;
- Describes how teaching in a non-traditional format differs from teaching in the classroom;
- Explains the course development process and copyright and intellectual property guidelines; and
- Covers faculty responsibilities for student orientation; preparing a comprehensive syllabus; using the testing centers; and communicating with students, among others.

Open Campus also downloads live, interactive satellite teleconferences at both the Highland Business Center and the Pinnacle campus. Off-satellite taping of various programs for use as audio-visual resources in the classroom is another service available to faculty. Faculty who teach via Open Campus also receive training in the use of interactive video technology.

ACC and Open Campus are also committed to providing distance learning students with equal access to student support services. For example, the Open Campus Web site links students to academic advising, admissions and records, counseling, financial aid, learning resources, testing centers and tutoring. The Open Campus Web site also provides course information, orientation and a 10-question quiz to help students decide if this is an appropriate learning format for them. "Ready, Set, Go" provides students with tips on time management, organization and study skills. Students also have access to a help-line and e-mail access.

ACC participates in the Virtual College of Texas (VCT), which is a consortium of 50 accredited, public Texas community colleges. The goal of the program is to provide Texas with access via instructional technologies to quality instruction and support, regardless of geographic, distance or time constraints. This innovative "host-provider" model enables students to enroll in a local college (the host) where a specific course may not be offered and receive instruction from a remote college (the provider), like ACC. The student pays local tuition and fees and receives support services from the host college, while the provider college

delivers the instruction. The host college receives tuition, fees and state reimbursement and pays the provider institution a per-student instructional lease fee. The director of the VCT is located at the Pinnacle campus, and the associate vice president for Instructional Resources and Technology services serves on the state advisory board.

ACC provided its first two VCT courses in fall 1999 and enrolled two students. By spring 2001, those numbers had grown to 22 courses and 57 students, and the number of students doubled during 2001-02. ACC also hosts a few courses from other colleges in subjects it does not teach via interactive video. A retention study revealed that 74 percent of students enrolled in VCT courses during 2000 persisted to completion.

COMMENDATION

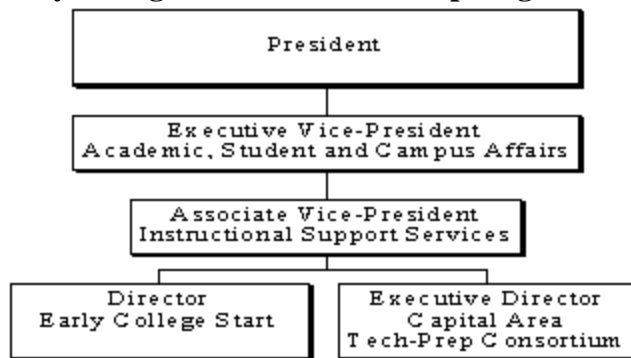
ACC provides extensive support services and resources to faculty and students who want to take advantage of distance-learning options.

Chapter 2

F. K-12 INITIATIVES - PART 1

ACC provides opportunities for high school students to get an early start on their college education by taking some courses while still in high school through two major programs - Early College Start and Tech-Prep. The organizational structure of these two programs is shown in **Exhibit 2-27**.

Exhibit 2-27
Early College Start and Tech-Prep Organization



Source: ACC Organizational Chart 2001-02 and interviews, August 2002.

Tech-Prep is an Early College Start option, and the two programs coordinate outreach efforts to enroll high school students. Early College Start staff provide outreach to students interested in academic courses, and Tech-Prep has responsibility for workforce program outreach. Credit towards college courses for both Early College Start and Tech-Prep is accomplished through articulation agreements between the high schools and the college. An articulation agreement is a formal written contract between a public school system and a post-secondary institution that coordinates high school course credit with college course credit to eliminate unnecessary duplication of course work. Articulation agreements also exist between the community college and four-year colleges and universities. In these situations, the agreement is usually with a department or college within the university and involves a specific course or courses.

Rule 9.143 of the Texas Administrative Code (TAC) states that there are four types of partnerships allowed between secondary schools and post-secondary schools: those for award of high school credit only, for award of concurrent course credit, for Tech-Prep programs and for remedial or developmental instruction for high school graduates. Rule 9.144 of the TAC covers the elements required for partnership agreements:

- student eligibility requirements;
- faculty qualifications;
- location and student composition of classes;
- provision of student learning and support services;
- eligible courses;
- grading criteria;
- transcripting of credit; and
- funding provisions.

The formal articulation agreements used in Early College Start and Tech-Prep can take many forms, but usually the appropriate representatives of the participating institutions sign a brief document outlining articulation conditions. Agreements may be for any length of time, although documents with a "notice to void" provision are the most common. This notice allows either party to terminate the agreement at any time upon notification of the other party.

ACC funds Early College Start through its budgeting process and receives state funding for high school students enrolled in the program, as shown in **Exhibit 2-28**. Early College Start is part of the School Relations budget, which also includes the management of school centers located on high school campuses.

Exhibit 2-28
Budget for Early College Start - School Relations
2001-02

Expenditure Category	Budget 2001-02
Salaries	\$115,797
Employee Benefits Pool	\$3,373
Supplies	\$60,500
Operating Costs	\$13,500
Duplication	\$4,000
Telephone	\$500
Total	\$197,670

Source: ACC, Budget director, June 2002.

Tech-Prep is federally funded. ACC serves as the fiscal agent for the federal Tech-Prep Carl D. Perkins grant through THECB. As shown in

Exhibit 2-29, the amount of funding for Tech-Prep during the past 10 years has remained static.

Exhibit 2-29
Capital Area Tech-Prep Grant Award
Program Years 1991-92 through 2001-02

Program Year	Total Allocation
1991-92	\$249,969
1992-93	\$453,588
1993-94	\$343,972
1994-95	\$357,000
1995-96	\$349,500
1996-97	\$358,478
1997-98	\$374,413
1998-99	\$369,360
1999-2000	\$397,310
2000-01	\$345,832
2001-02	\$373,343

Source: Capital Area Tech-Prep Consortium, June 2002.

The college has two full-time professional staff and one clerical staff funded through the Tech-Prep grant, and they oversee the Capital Area Tech-Prep Consortium, an advisory committee, to accomplish program goals. The advisory committee includes business and industry members; educators; and representatives of WorkSource - Greater Austin Area Workforce Board, the Rural Capital Area Workforce Development Board and the Capital Area Training Foundation, which is the workforce arm of the Greater Austin Chamber of Commerce.

FINDING

Through the Early College Start program, ACC provides a process for high school students to earn community college credit for skills mastered or work completed while still in high school at no cost for tuition or fees. ACC is one of nine Texas public community colleges that waive tuition and/or fees for co-enrolled high school students.

Prior to Early College Start, high school students had been taking college classes at ACC for more than 20 years but there was no formal program serving them until 1998 when the 74th Legislature passed a measure designed to strengthen the ties between public K-12 and higher education, and allowed two-year colleges to waive tuition and/or fees for co-enrolled high school students. This was the same time the ACC Board of Trustees began to examine relations throughout the service area and looked for ways to extend and enhance partnerships with independent school districts. The board wanted to increase awareness of ACC and to expand access to higher education throughout the service area. In fall 1999, the board approved the waiver of tuition and fees for high school students who participate in the Early College Start program.

Early College Start is designed for students who plan to earn a certificate, a two-year associate degree, a four-year baccalaureate degree or who just want to take some general education college courses if unsure of college plans. As shown in **Exhibit 2-30**, Early College Start enrollment increased from 44 students in the spring of 1999 to 1,474 in the spring of 2002.

Exhibit 2-30
Early College Start Enrollment
1999-2002

Semester	Enrollment	Percent Change from Previous Semester
Spring 1999	44	
Summer 1999	154	250%
Fall 1999	544	253%
Spring 2000	717	32%
Summer 2000	714	(0.4%)
Fall 2000	981	37%
Spring 2001	991	1.0%
Summer 2001	803	(19.0%)
Fall 2001	1061	32%
Spring 2002	1,474	39%
Summer 2002*	1,353	(8%)
Total Increase	1,430	

Source: ACC, *Early College Start Program, June 2002.*

**Summer 2002 enrollment does not include the second summer session enrollments.*

ACC works actively with all independent school districts within its service area, as well as charter and private schools and home-schooling programs to promote Early College Start opportunities for high school students who have completed their sophomore year. ACC's freshman- and sophomore-credit classes and their faculty meet the same accreditation standards as public four-year colleges and universities. The majority of college classes are transferable to other colleges and universities. Early College Start is consistent with House Bill 400 (H.B. 400) partnership and helps to fulfill the "Closing the Gap" goal of adding 500,000 additional higher-education students by 2015. H.B. 400 requires each school district whose students have low college-going rates to establish a partnership with an institution of higher education to develop and implement a plan aimed at increasing education enrollment rates at higher education institutions.

Through Early College Start, it is possible for all eligible high school students who have finished their sophomore year to complete high school with up to one year of college credit. There are two types of Early College Start opportunities, co-enrollment and credit-in-escrow. Co-enrollment is a college credit course, which may (or may not) apply to individual high school diploma requirements. If the college course is used for a high school graduation requirement, it is also referred to as "dual credit."

ACC offers over 60 dual-credit courses that meet Texas Essential Knowledge and Skills (TEKS) requirements and can count towards a high school diploma. According to Texas Administrative Code (TAC) Chapter 74, districts are required to provide instruction in the essential knowledge and skills of the appropriate grade levels in the foundation curriculum. Districts are to use the essential knowledge and skills in the enrichment curriculum as guidelines for instruction. Unless a high school course meets TEKS requirements, it cannot be used for college credit.

Examples of ACC courses that are eligible for dual credit if students are enrolled in Early College Start are shown in **Exhibit 2-31**.

Exhibit 2-31
Examples of ACC Courses Meeting Dual-Credit Criteria
2001-02

ACC Course	High School Equivalent
ACC 1623 - Accounting Principles	Accounting (1 credit)
ART 1613 - Drawing 1	Art 2 Drawing (1 credit)

BIO 1724 - Anatomy & Physiology 2	Anatomy & Physiology A (1/2 credit)
CIS 1033 - Fundamentals of Programming	Computer Science (1/2 credit)
ENG 1613 - English Composition	English 4 Composition (1/2 credit)
GER 1615 - German 1	German 1 (1 credit)
GER 1625 - German 2	German 2 (1 credit)
HIS 1612 - U.S. History I (to 1877)	U. S. History (1 credit)
HIS 1623 - U.S. History I (from 1877)	U. S. History (1 credit)
MATH 1314 - Math Independent Study	Math (1/2 credit)
MATH 2413 - Calculus I	Calculus (1 credit)
PSYC 2301 - General Psychology	Psychology (1 credit)
SOCI 1301 - Introduction to Sociology	Sociology (1/2 credit)

Source: ACC, Early College Start Program, June 2002.

Credit-in-escrow is a course that is part of a Tech-Prep articulation agreement between a high school and ACC. After high school graduation, a student continues his program of study at ACC and is awarded credit for high school courses identified in the agreement. Both co-enrollment and credit-in-escrow are provided with tuition and fees waived for juniors and seniors enrolled in public, private and charter schools, as well as home-schooled students, for two courses a semester. Once students begin at ACC after graduation, regular tuition and fees are assessed. ACC Tech-Prep articulation agreements that provide credit-in-escrow to high school students taking courses in Tech-Prep designated cluster areas are shown in **Exhibit 2-32**.

Exhibit 2-32
ACC Tech-Prep Articulation Agreements by District
2001-02

Tech-Prep Agreement	Participating School Districts
Automotive Technology	Austin, Bastrop, Del Valle, Elgin, Fredericksburg, Georgetown, San Marcos
Bio-Technology	Austin, Bastrop, Eanes, Elgin, Georgetown
Building Const. Tech	Fredericksburg, Georgetown, Manor
Child Development	Austin, Bastrop, Elgin, Georgetown, Hays, Leander, Round Rock, San Marcos

Computer Information Sys.	Austin, Burnet, Del Valle
Criminal Justice	Austin, Bastrop, Georgetown, Leander, Manor, Round Rock, San Marcos
Culinary Arts	Austin, Del Valle, Georgetown
Digital Pub. & Graphics	AYW, Austin, Bastrop, Georgetown, Manor
Electronic Technology	Austin, Del Valle, Georgetown, Manor
Emergency Med. Services	Austin, Georgetown, Round Rock
Eng. Design Graphics	Austin, Bastrop, Eanes, Georgetown, Leander, Round Rock, San Marcos
Environ. Science & Tech.	Del Valle, Round Rock
Hospitality Management	Austin, Del Valle, Georgetown, Leander, Round Rock
Marketing	Austin, Del Valle, Eanes, Elgin, Georgetown, Lockhart, Round Rock, San Marcos, Taylor
Office Systems Tech.	Austin, Bastrop
Semiconductor Electronics	Austin, Georgetown, Leander
Small Engine Repair	Austin, Georgetown, Killeen
Welding Technology	Austin, Bastrop, Fredericksburg, Georgetown, Leander, Manor, San Marcos

Source: ACC, Tech-Prep Manager, June 2002.

COMMENDATION

ACC's Early College Start and Tech-Prep programs make it possible for high school students to earn college credit and help the college meet its mission to serve the community.

FINDING

In 2001, the Capital Area Tech Prep (the Consortium) launched a new initiative in the Austin Independent School District (AISD) to improve Tech-Prep participation and support activities and make Tech-Prep more

efficient and effective. This initiative includes setting specific goals for participation; making principals and assistant principals accountable for meeting the goals; providing training for principals, counselors, and teachers; and marketing the program to students and parents.

Consortium staff work with Tech-Prep coordinators and teachers at AISD campuses and assistant principals and principals at the high schools to educate staff regarding dual credit and credit-in escrow. AISD career specialists work with Tech-Prep coordinators and Tech-Prep teachers to inform students and staff about the program and its benefits. At the campus level, an assistant principal is assigned by the high school principal to be the lead contact for the program and to provide direct leadership to counselors, the registrar and teachers.

The Tech-Prep campus coordinator is responsible for organizing an advisory team, distributing Tech-Prep information, coordinating staff development and monitoring articulation agreements at the campus level. The campus coordinator attends Tech-Prep meetings, keeps principals advised of Tech-Prep status and stays current on Tech-Prep issues. The consortium developed and distributed a principal and coordinators packet on Tech-Prep.

Participation at AISD has increased by more than 1,000 percent in four years, from an enrollment of 145 in 1997-98 to 1,472 in 2000-01. The Consortium has significantly increased participation in AISD Tech-Prep programs by improving outreach to AISD campuses and developing a more streamlined approach to Tech-Prep at the high school campuses.

COMMENDATION

The Capital Area Tech-Prep Consortium has increased the number of Tech-Prep students in Austin ISD through its campus-level accountability system.

FINDING

ACC has not communicated the value of the Early College Start program to all the high schools it serves, despite the fact that both tuition and fees for all Early College Start students are waived. Although the Early College Start program has seen increases in participation from a number of school districts, other districts still have little or no participation. Blanco ISD has no students participating. Del Valle, Dripping Springs, Elgin, Harper, Jarrell, Johnson City, Lago Vista, Liberty Hill, Manor and Smithville ISDs have limited participation.

The Early College Start program has responded to low participation in some service area ISDs by locating college courses on high school campuses. As of August 2002, classes are scheduled at Del Valle, Elgin, Harper, Liberty Hill, Manor and Smithville ISDs and are planned at Dripping Springs and Lago Vista ISDs. In most instances, the respective ISD has approached ACC with a qualified high school faculty member and ACC has scheduled a class in response. These partnerships can immediately increase enrollment, even in very small schools. The Early College Start director has assigned a liaison to each of these schools, and schools with little or no participation are assured of periodic contact and will be offered partnership opportunities.

While the Early College Start program is not mandatory, school districts have the opportunity to participate in a program that benefits students and provides considerable financial savings to parents. As shown in **Exhibit 2-33**, students and their parents saved \$743,092 in tuition and fees for ACC fall and spring 2002 semesters.

Exhibit 2-33
Waived Tuition and Fees for Early College Start (ECS) Students by District 2001-02

District and High School	Number of ECS Students Fall 2001	Number of ECS Students Spring 2002	Total Number of ECS Students 2001-02	Total Amount of Tuition and Fees Waived
Austin				
Akins	2	3	5	\$875
Anderson	15	17	32	\$5,600
Austin	23	38	61	\$10,675
Bowie	49	61	110	\$19,250
Crockett	18	60	78	\$13,650
Garza Ind.	11	38	49	\$8,575
L.B.J.	8	8	16	\$2,800
Johnston	6	11	17	\$2,975
Lanier	8	27	35	\$6,125
McCallum	9	28	37	\$6,475

Reagan	1	7	8	\$1,400
Travis	8	7	15	\$2,625
Bastrop				
Bastrop	14	26	40	\$14,840
Blanco				
Blanco	0	0	0	\$0
Del Valle				
Del Valle	23	26	49	\$18,179
Dripping Springs				
Dripping Springs	13	16	29	\$10,759
Eanes				
Westlake	57	53	110	\$40,810
Elgin				
Elgin	9	14	23	\$8,533
Fredericksburg				
Fredericksburg	61	117	178	\$66,038
Georgetown				
Georgetown	102	98	200	\$74,200
Harper				
Harper	3	2	5	\$1,855
Hays				
Hays	26	57	83	\$30,793
Jarrell				
Jarrell	11	6	17	\$6,307
Johnson City				
Johnson City	9	11	20	\$7,420
Lago Vista				
Lago Vista	1	2	3	\$1,113
Lake Travis				

Lake Travis	69	88	157	\$58,247
Leander				
Cedar Park	40	50	90	\$15,750
Leander	24	25	49	\$8,575
Liberty Hill				
Liberty Hill	0	17	17	\$6,307
Lockhart				
Lockhart	35	47	82	\$30,422
Luling				
Luling	24	23	47	\$17,437
Manor				
Manor	20	16	36	\$6,300
Nixon-Smiley				
Nixon-Smiley	23	21	44	\$16,324
Pflugerville				
Connally	21	21	42	\$15,582
Pflugerville	44	59	103	\$38,213
Prairie Lea				
Prairie Lea	4	4	8	\$2,968
Round Rock				
McNeil	38	57	95	\$35,245
Round Rock	15	25	40	\$14,840
Stony Point	10	21	31	\$11,501
Westwood	82	80	162	\$60,102
San Marcos				
San Marcos	4	36	40	\$14,840
Smithville				
Smithville	3	2	5	\$1,855
Wimberley				
Wimberley	45	27	72	\$26,712

Total*	988	1,352	2,340	\$743,092
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Source: ACC, Early College Start Program, June 2002.

*Note: *Total shows Independent School District students only and does not reflect home school, private high school and charter school students.*

Chapter 2

F. K-12 INITIATIVES - PART 2

As reported by AISD, three high schools in the district, Lanier, Reagan and Travis, had low higher-education entry rates. As shown in **Exhibit 2-34**, their participation rates in Early College Start were less than other high schools in the district, which averaged a 2.3 percent participation rate.

Exhibit 2-34
Austin ISD Participation in Early College Start Program by High School
2001-02

AISD High School	Total Number of ECS Students 2001-02	Student Enrollment 2001-02	Percent of At-Risk Students 2001-02	TEA Accountability Rating 2001-02	Percent of Early College Start Enrollment 2001-02
Akins	5	1,063	76.4%	Acceptable	0.5%
Anderson	32	1,742	60.0%	Recognized	1.8%
Austin	61	2,026	68.1%	Acceptable	3.0%
Bowie	110	2,611	60.4%	Recognized	4.2%
Crockett	78	2,362	80.3%	Acceptable	3.3%
Garza Ind.	49	358	94.1%	Acceptable	13.7%
L.B.J.	16	1,675	64.1%	Acceptable	1.0%
Johnston	17	1,496	79.8%	Low Performing	1.1%
Lanier	35	1,801	81.8%	Acceptable	1.9%
McCallum	37	1,657	71.4%	Acceptable	2.2%
Reagan	8	1,282	87.9%	Acceptable	.6%
Travis	15	1,694	79.6%	Acceptable	0.9%
Total	463	19,767			2.3%

Source: Austin Independent School District Web site and ACC, Early College Start Program interviews, June 2002.

Because of their low, higher-education entry rates, H.B. 400 requires these three schools in the Austin ISD, and other high schools that have lower college entry rates, to establish a partnership with an institution of higher education to develop and implement a plan aimed at increasing enrollment rates at higher education institutions. Early College Start is one mechanism that school districts use to meet the mandate of H.B. 400.

Both ACC and Early College Start students receive benefits from the program. The students receive free tuition and fees for college-accredited courses. Early College Start also teaches students "going to college skills" and prepares them for the transition from high school to college. Frequently, day, evening and weekend classes are available, and the length of time spent in credit classes may vary. In class, self-paced and technologically delivered instruction is common. Student support services, such as basic-skills assessment, career aptitude and interest assessments and learning labs and tutorial support help guarantee success.

The college receives state reimbursement on contact hours generated for Early College Start. For the fall and spring 2002, the state reimbursed the college \$611,048. In addition, ACC is able to offer restricted sections on a high school campus with no faculty salary costs for the college. When an ISD faculty member who also qualifies as an ACC adjunct faculty member teaches an ACC section as part of the high school teaching load, ACC does not pay the faculty member. Of the 60 restricted sections offered on high school campuses in 2001-02, 11 different high school faculty who also qualify as ACC adjunct faculty taught 16 sections. Of these 16 sections, 12 were sections in which ACC did not pay the faculty member as the faculty member taught as part of the high school teaching load. The savings to the college was \$34,200.

The college also reaps the benefit of having greater numbers of Early College Start students returning to ACC after high school graduation than students not participating in the program. The post-high school entry to ACC was 38 percent for Early College Start participants and 19 percent for nonparticipating students in the ACC service area from 1999-2000 through 2000-01.

In public forums, a number of students and members of the community said that high school counselors and ACC counselors and advisors need better training on Early College Start policies and procedures. The Early College Start staff host semi-annual meetings with superintendents and principals and meet directly with counselors at campuses. Early College Start staff review enrollments by high school and actively seek linkages with low-participating schools. They also work with the student recruitment office to visit high-priority schools throughout the service area. In summer 2002, Early College Start staff scheduled classes on

Austin ISD high school campuses where Early College Start participation had been low and nearly doubled participation within the district.

Enrollment has increased at ACC campuses where the faculty and campus administrators are familiar with Early College Start and market the benefits to nearby districts. At the Pinnacle campus, staff help market the program to area districts, and this is reflected in the enrollment numbers from Fredericksburg Hays and Wimberly school districts.

Recommendation 19:

Improve training and information on Early College Start provided to targeted high schools in the service area.

In addition to onsite training of counselors and principals and providing more information to campus faculty and administrators, the college should include a list of "frequently asked questions" on the ACC Early College Start Web page and include a link to Early College Start on the ACC Student Resources Web page.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Instructional Support Services and the director of Early College Start develop a training calendar for Early College Start, targeting high schools with low-participation rates and low-entry rates into institutions of higher education.	February 2003
2.	The director of Early College Start contacts targeted schools and confirms training calendar dates and times.	March 2003
3.	The associate vice president of Instructional Support Services provides additional information to campus deans regarding Early College Start and the benefits to both the college and students.	April 2003
4.	The associate vice president of Instructional Support Services and the executive director of Marketing and College Relations make changes to the ACC Web site to provide a list of "frequently asked questions" and a link to the Student Resources Web page.	May 2003

FISCAL IMPACT

By increasing contact hours for student participation in the Early College Start program to effect a 1-percent revenue increase, ACC should realize savings of \$6,110 per semester beginning in fall 2003 based upon the state's annual reimbursement of \$611,048 for both fall and spring semesters of 2002 (\$611,048 x .01). Annual savings should reach \$12,221 (2 semesters x \$6,110).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Improve training and information on Early College Start provided to targeted high schools in the service area.	\$0	\$12,221	\$12,221	\$12,221	\$12,221

FINDING

The Tech-Prep Consortium has not developed and implemented a process to determine the status of articulation agreements for each school district and has not provided staff development to all districts in the service area. The Consortium is unsure of where districts are in the process of developing articulation agreements with the college. Further, not all ACC workforce education programs use the process in place for creating and updating articulations, including a matrix to compare articulated high school courses to college courses in regard to instructional objectives, curriculum activities, curriculum resources and performance assessments. Articulation involves aligning the curricula and training faculty. As a result of the lack of articulation agreements and understanding of the benefits of the program, student enrollment in Tech-Prep is declining in the Consortium's service area.

As part of its 2002-03 goals, the Tech-Prep Consortium has a goal for articulation agreements:

The Capital Area Tech-Prep Consortium will develop and maintain articulation agreements between school districts and colleges based on coherent sequences of courses with enhanced curriculum in specified career concentrations. An articulation documentation system will identify career employment opportunities, align instructional objectives between college and high school Tech-Prep courses, align curriculum resources, and define student skill assessments related to workplace skill standards.

Objectives, activities and results as well as timelines for all goals are included as part of the Consortium's grant application process to THECB. These include:

- provision of labor market information, tools and systems for articulating career concentrations;
- a fully developed and implemented articulation documentation/monitoring process and an increased number of school districts participating in articulation agreements; and

Prairie Lea	0	0	0	0	0	0	0.0%
Flatonia	54	7	5	6	4	(50)	(92.6%)
La Grange	0	0	0	0	0	0	0.0%
Schulenburg	1	0	0	0	0	(1)	(100.0)%
Fayetteville	0	0	0	0	0	0	0.0%
Round Top/Car.	0	0	0	0	0	0	0.0%
San Marcos CISD	38	0	0	194	47	9	23.7%
Dripping Springs	0	10	0	1	0	0	0.0%
Wimberley	0	0	0	0	0	0	0.0%
Hays CISD	224	559	236	73	75	(149)	(66.5%)
Giddings	3	1	0	0	0	(3)	(100.0%)
Dime Box	0	0	15	0	0	0	0.0%
Llano	7	52	29	0	0	(7)	(100.0%)
Pflugerville	6	85	46	25	8	2	33.3%
Manor	47	32	93	98	33	(14)	(29.8%)
Eanes	0	0	0	0	26	26	0.0%
Del Valle	53	95	99	38	5	(48)	(90.6%)
Lago Vista	0	0	0	0	0	0	0.0%
Lake Travis	0	0	0	0	0	0	0.0%
Florence	10	9	0	0	0	(10)	(100.0%)
Georgetown	173	127	273	61	114	(59)	(34.1%)
Granger	16	10	4	3	0	(16)	(100.0%)
Hutto	0	0	0	242	0	0	0.0%
Jarrell	0	0	0	0	0	0	0.0%
Liberty Hill	0	0	0	0	0	0	0.0%
Round Rock	891	879	898	45	137	(754)	(84.6%)
Taylor	51	45	31	36	137	86	168.6%
Thrall	0	0	0	0	0	0	0.0%

Leander	633	252	725	409	217	(416)	(65.7%)
Total	3,136	2,766	3,925	2,091	2,452	(684)	(21.8%)

Source: Capital Area Tech-Prep Consortium, June 2002.

Only Austin, Elgin, San Marcos, Pflugerville and Taylor school districts have increased their Tech-Prep student enrollment from 1997-98 to 2001-02, and enrollment levels for all districts has decreased by 684, or 21.8 percent. THECB, the agency responsible for Tech-Prep oversight, reviewed the Capital Area Tech-Prep program in April 2002 and cited the program as not meeting standards for student participation, enrollment and follow-up.

THECB concluded that after 12 years of Tech-Prep implementation, almost all schools should be participating, and the numbers of participants should be increasing, not declining. Statewide, the number of students enrolled in Tech-Prep programs increased by 320 percent from 1997-98 through 2001-02, from 23,595 students to 99,125 students.

Recommendation 20:

Improve the Tech-Prep program articulation process and training.

ACC should improve its staff development process for Tech-Prep articulation, and the Consortium should provide more frequent communication and coordination with the districts. The college should review its articulation process internally to ensure a smooth flow of communications and transition for students.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Workforce Education directs the Tech-Prep executive director to develop a staff development plan for Tech-Prep articulation for all districts in the Consortium area.	February 2003
2.	The Tech-Prep executive director meets with the Consortium and reviews staff development curriculum for clarity and consistency.	March 2003
3.	The Tech-Prep executive director and the Tech-Prep manager provide training on articulation agreements to counselors and principals in Consortium districts.	April - June 2003
4.	The associate vice president of Workforce Education meets with workforce deans and program coordinators to review the	May 2003

	articulation process and ensure that articulation tools are being used across all workforce program areas.	
5.	The Tech-Prep executive director and the Tech-Prep manager evaluate the training to counselors and principals and make changes as needed in the training curricula and articulation process.	July 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 3

STUDENT SERVICES

This chapter examines Austin Community College's (ACC) student services in the following sections:

- A. Student Services Administration
- B. Enrollment Management
- C. Financial Aid
- D. Counseling and Guidance Services
- E. Student Activities

ACC's Retention and Student Services Division provides the following services: admissions, orientation, assessment and placement testing, registration and student records, academic advising, educational and career counseling, financial assistance and student extracurricular activities. In addition, services are provided for special student populations such as international students, disabled students and students with learning disabilities. The associate vice president of Retention and Student Services is responsible for responding to student grievances. ACC does not provide health services or job placement services.

The associate vice president of Retention and Student Services coordinates student services, which are delivered at six campus locations. Admissions, Student Records and the Financial Aid Office use central office staff to process student applications and other records, but campus coordinators at each of the six locations provide local services. Other services such as academic advising, assessment, counseling, disabled student services and student activities and organizations are provided only at the campus level.

ACC uses a matrix management system in the Retention and Student Services Division in which each campus dean of students assumes responsibility for a specific college wide management function. This responsibility is in addition to other work required of the campus deans of students. For example, the dean of students at the Rio Grande campus is responsible for Disabled Student Services, and the dean of students at the Eastview campus is responsible for orientation activities. This individual coordinates policy and procedures for a particular area of student services at multiple campus locations. The person who is responsible for a particular job is called a "process holder" and is charged with establishing and monitoring the policy and procedures for specific student services such as orientation, assessment and disabled student services. The campus dean of students also provides daily management of local campus services.

BACKGROUND

The mission of the Retention and Student Services Division at Austin Community College is to "provide exemplary programs that support the teaching/learning process and increase opportunities for students to define and reach their educational and career goals." The goals of this division are to:

- Respond to and influence ACC's mission, vision, values and strategic intents.
- Establish and maintain a mutually respectful and close working relationship with faculty, staff, students and external partners.
- Promote access to institutional programs and services.
- Design and implement high quality delivery systems that are responsive to student needs and preferred student outcomes.
- Communicate ACC policies and procedures in a clear, user-friendly manner.
- Collaborate with the college community to create, manage and monitor a comprehensive enrollment management plan.
- Administer and evaluate comprehensive transition services for students entering the job market or transferring to four-year institutions.
- Promote access for Student Services staff to professional development opportunities.
- Promote and maintain a healthy organizational climate.

A full-time staff of 108 delivers student services with an annual operating budget of nearly \$8 million.

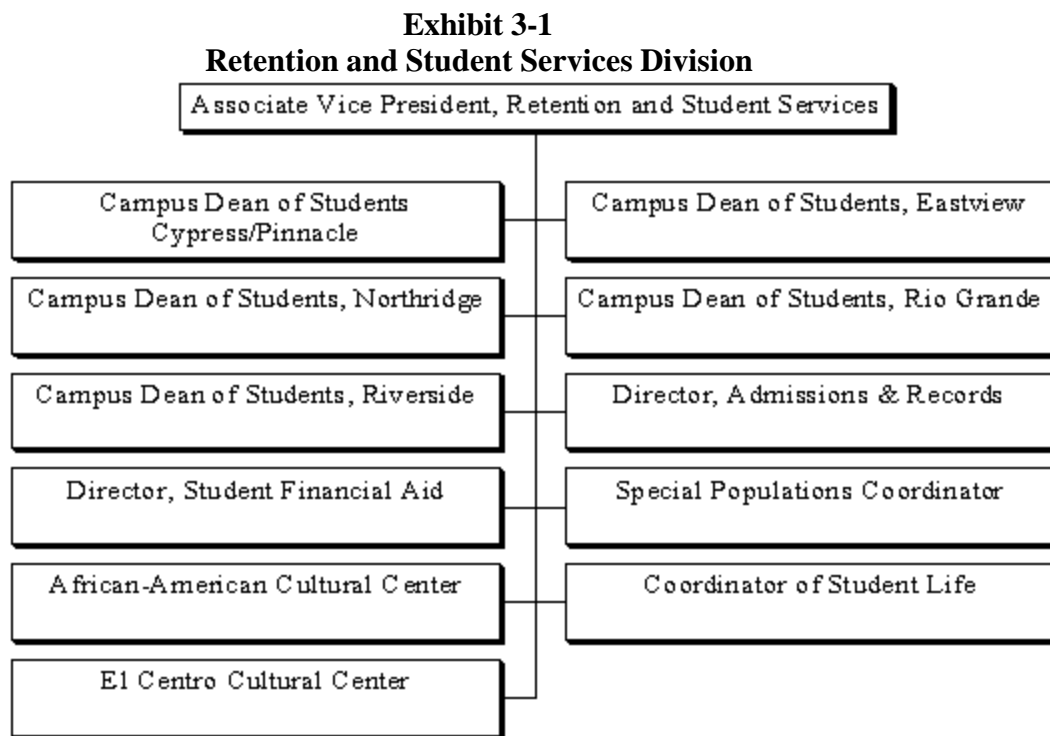
Chapter 3

A. STUDENT SERVICES ADMINISTRATION

Student services administration provides the organizational foundation for delivering educational programs and services that attract students to ACC, facilitates students' admission and enrollment, provides financial assistance when needed, delivers educational counseling, and helps students to complete their goals.

To provide student services to 27,577 students enrolled for fall 2001, ACC employed an associate vice president of Retention and Student Services, seven administrators, 56.89 professional/technical staff, 66.75 classified staff and 26.5 counselors. In addition, hourly staff and college work-study students work in the Retention and Student Services Division.

Exhibit 3-1 shows the organizational management structure for the Retention and Student Services Division.



Source: ACC Organizational Reference, 2001-02.

The services available at each campus are summarized in **Exhibit 3-2**.

Exhibit 3-2
Student Services Available by ACC Campus

Student Service	Cypress	Eastview	Pinnacle	Northridge	Rio Grande	Riverside
Academic advising	Yes	Yes	Yes	Yes	Yes	Yes
Admissions	Yes	Yes	Yes	Yes	Yes	Yes
Assessment	Yes	Yes	Yes	Yes	Yes	Yes
Counseling	Yes	Yes	Yes	Yes	Yes	Yes
Cultural center	No	Yes	No	No	No	No
Dean of students	Yes	Yes	Yes	Yes	Yes	Yes
Disabled student services	Yes	Yes	Yes	Yes	Yes	Yes
Financial aid	Yes	Yes	Yes	Yes	Yes	Yes
Student activities	Yes	Yes	Yes	Yes	Yes	Yes

Source: ACC Organizational Reference, 2001-02.

ACC provides nearly all student services on all six campuses. The exception is the cultural center that is only available at the Eastview campus. The assessment centers share physical space with the testing centers at Cypress, Eastview and Pinnacle.

To staff these services at both the central division offices and each of the campuses requires the number and type of employees shown in **Exhibit 3-3**. Classified staff includes the following: technical office assistants, clerks, admissions assistants, administrative assistants, computer support technicians and student financial aid assistants. Professional/Technical employees include advising specialists, advising supervisors, assessment specialists, coordinators of admissions and records, the registrar, the Texas Academic Skills Program (TASP) coordinator, student assistance specialists, a veterans affairs manager, interpreter services supervisor, staff sign language interpreters, student services specialists, a supervisor of the Office of Student Disabilities and career assessment specialists.

Exhibit 3-3
Student Services Staffing and Operating Budget
2001-02

Location	Administrator	Professional/ Technical	Classified	Counselor	Operating Budget
Associate Vice President's Office	1	2	1	0	\$364,608
Admissions, Records and TASP Office	1	6	30.25*	0	\$1,453,529
Financial Aid	1	12	15	0	\$1,077,359
Veteran Affairs	0	3	2	0	\$169,781
Special Populations	0	4.89*	0	0	\$622,796
One-Stop Centers	0	2	0	0	\$82,614
Cypress Campus	0	3	2	2.5*	\$393,579
Eastview Campus	1	2	2	3	\$461,840
Northridge Campus	1	5	5.5	6	\$918,913
Pinnacle Campus	1	2	2	3	\$437,658
Rio Grande Campus	1	5	4	6	\$914,679
Riverside Campus	1	10	3	6	\$1,061,966
Total Staff	8	56.89	66.75	26.5	\$7,959,322

Source: ACC Operating Budget, 2001-02.

** Indicates part-time personnel.*

FINDING

ACC provides a cost-effective level of student services that is well regarded by a majority of students.

Exhibit 3-4 shows the ACC Education and General Fund Operating Budget's estimated expenditures, the Retention and Student Services' estimated expenditures and the Retention and Student Services' estimated expenditures as a percentage of the Education and General Fund operating budget estimated expenditures for 1998-99 through 2000-01. From 1998-99 through 2000-01, the ACC budget increased each year, but the Student Services budget as a percentage of the total operating budget declined to 7.6 percent from 8 percent.

**Exhibit 3-4
Retention and Student Services Expenditures
As a Proportion of Education and General Fund
1998-99 through 2000-01**

Budget Item	1998-99	1999-2000	2000-01
ACC Education and General Fund estimated expenditures	\$81,635,196	\$86,197,547	\$93,860,794
Retention and Student Services estimated expenditures	\$6,525,416	\$6,596,742	\$7,133,420
Retention and Student Services expenditures as a percent of college expenditures	8.0%	7.7%	7.6%

Source: ACC Fact Books, 1998-99 through 2000-01.

To understand the context in which student services are delivered, **Exhibit 3-5** shows key expenditure indicators for ACC and the overall average of seven peer colleges in a study conducted by a private consulting firm that ACC hired.

**Exhibit 3-5
Education and General Expenditures Per Full-Time-Equivalent
(FTE) Student
ACC and Seven Texas Peer Colleges
1999-2000**

Indicator	ACC	Average of Seven Texas Peer Colleges

Instruction	\$3,668	\$3,373
Academic Support	\$756	\$583
Student Services	\$562	\$703
Institutional Support	\$1,728	\$966
Plant Operation	\$551	\$755
Federal Financial Aid Dollars Awarded	\$656	\$847

Source: ACC Benchmarking Update, April 2002.

The seven Texas peer community colleges used in this study included Alamo, El Paso, Houston, North Harris Montgomery (NHMCCD), Richland, San Jacinto and Tarrant County. The benchmark indicators reported here are the average dollars spent per full-time-equivalent student. According to the study, ACC spends more than the Texas peer colleges on instruction, academic support and institutional support, but less on student services and plant operations. ACC awards smaller amounts of money per student in federal financial aid than its peer colleges. Data indicate that Alamo and El Paso community colleges' service populations have a lower per capita income, and more of their students qualify for need-based financial aid.

An important indicator of student service quality is the level of student customer satisfaction. ACC participated in the Texas Gulf Consortium survey of Student Perceptions of College Services in the spring of 2001. Students were asked to rate their satisfaction with various student services using a 5-point satisfaction rating scale where 1 = very dissatisfied, 2 = dissatisfied, 3 = neutral, 4 = satisfied, and 5 = very satisfied. A summary of average student customer satisfaction ratings by gender for a random sample of ACC students is compared with other peer colleges in **Exhibit 3-6** for men and **Exhibit 3-7** for women. The survey results were not reported for a combined sample of men and women.

Exhibit 3-6
Average Male Student Satisfaction Ratings of Student Services
ACC and Peer Colleges
Spring 2001

Student Service	ACC	Houston	NHMCCD - North Harris	San Jacinto- Central	Peer Average
Availability of advisor	3.7	3.3	3.6	3.4	3.4

Academic advising	3.6	3.3	3.7	3.4	3.5
Admissions procedures	3.8	3.3	3.8	3.5	3.5
Telephone registration	4.0	3.3	3.6	3.9	3.6
On-campus registration	3.7	3.2	3.9	3.5	3.5
Financial Aid services	3.6	3.3	3.7	3.5	3.5
Disabled student services	3.6	3.5	3.9	3.5	3.6
Veterans services	3.5	3.4	3.7	3.4	3.5
Cultural programs	3.4	3.2	3.6	3.4	3.4
Orientation programs	3.5	3.3	3.6	3.5	3.5
Transfer planning	3.9	3.6	3.8	3.3	3.8
Personal counseling	3.6	3.3	3.8	3.3	3.5
Career counseling	3.6	3.3	3.7	3.4	3.5

Source: Table 4, Gulf Coast Consortium Student Perceptions of College Services, Spring 2001 Survey.

Exhibit 3-7
Average Female Student Satisfaction Ratings of Student Services
ACC and Peer Colleges
Spring 2001

Student Service	ACC	Houston	NHMCCD - North Harris	San Jacinto- Central	Peer Average
Availability of advisor	3.7	3.4	3.6	3.8	3.6
Academic advising	3.8	3.4	3.7	3.6	3.6
Admissions procedures	3.8	3.3	3.6	3.9	3.6
Telephone registration	4.1	3.4	3.6	4.3	3.8
On-campus registration	3.7	3.2	3.7	3.8	3.6
Financial Aid services	3.8	3.4	3.7	3.8	3.6
Disabled student services	3.8	3.5	3.7	3.8	3.7
Veterans services	3.7	3.4	3.6	3.7	3.6
Cultural programs	3.4	3.3	3.6	3.5	3.5

Orientation programs	3.6	3.4	3.6	3.6	3.5
Transfer planning	4.0	3.7	3.9	4.0	3.9
Personal counseling	3.7	3.4	3.7	3.7	3.6
Career counseling	3.7	3.4	3.6	3.8	3.6

Source: Table 4, Gulf Coast Consortium Student Perceptions of College Services, Spring 2001 Survey.

The survey results show that both ACC men and women rated their satisfaction with various student services as higher than students attending peer colleges for most of the services. There was no student service for which ACC students gave the lowest rating.

In spring 2002, a random sample of ACC students were asked their opinions about various student services and whether the services were outstanding, adequate, needed some improvement or needed major improvement. **Exhibit 3-8** provides a summary of their perceptions.

Exhibit 3-8
ACC Student Perceptions of Student Services
April 2002

Service	Adequate/ Outstanding	Needs Major/Minor Improvement	Don't Know
Academic counseling and advising	51%	29%	20%
Admissions	71%	19%	10%
Disability office	11%	5%	84%
Financial aid	26%	14%	60%
International student office	10%	4%	86%
Registration/records	65%	25%	10%
Student life/activities	29%	17%	54%
Student recruiting	35%	11%	54%

Source: Texas School Performance Review (TSPR) Management and Performance Review Student Survey Results, April 2002.

As expected, relatively large percentages of students did not know about the services for disabled students or the international student office. More

than 50 percent of the ACC students surveyed rated academic counseling and advising, admissions and registration/records as adequate or outstanding.

In spite of the fact that the percentage of the college budget spent on Student Services has declined, students report levels of satisfaction with services as high or higher than students in peer colleges.

COMMENDATION

ACC provides student services for its students with a high level of satisfaction at a lower cost than its peer community colleges.

FINDING

The associate vice president of Retention and Student Services uses a number of effective tools to communicate division priorities, issues and problems to the administrative staff. The associate vice president holds weekly meetings and posts a weekly newsletter on the division Web page. The weekly newsletter highlights current issues facing the division and provides a way to alert student service staff to new policies or changes to current policy and procedures. The newsletter is a public document and can be viewed at www2.austin.cc.tx.us/evprss/.

The associate vice president meets on the first and third Thursday of the month with the deans, directors and coordinators. On the second and fourth Thursday of the month, she meets with the campus deans only. The weekly meetings provide an opportunity for the campus deans and coordinators from the six campus locations to discuss common problems and to work on possible solutions. Communication from division directors, coordinators and deans of students to the associate vice president is open and all staff have an opportunity to raise issues and present problems and concerns. Staff members throughout the division praised the associate vice president of Retention and Student Services for her ability to communicate important issues, policy and practices in a timely manner.

Policy and procedures are well written and documented. Policy manuals are available for each student service function and committees, headed by a process holder, are responsible for meeting on a regular basis to review and revise the content. The policy manuals are distributed to staff and training sessions are held to educate staff members. The policy manuals are available on the Internet Web site as well. Involving staff members in weekly meetings, communicating current issues and problems in newsletters and providing clear policy manuals all contribute to effective communication within the division of Retention and Student Services.

COMMENDATION

Student services administrators communicate division priorities, issues and problems to staff in an efficient and timely manner.

FINDING

Student services staff are crossed-trained to perform multiple duties. Most student services departments have limited staff for the volume of students they serve. On the three smaller campuses, Cypress, Eastview and Pinnacle, only one full-time staff member or in some cases only a part-time staff member provides services to students. For example, at the Eastview campus, one staff member provides academic advising and placement testing. When this person is off campus attending a meeting, on vacation or ill, the services must be provided by other staff members in the office. In addition, financial aid and admissions counselors cover each other's responsibilities when the need arises.

A systematic effort is made to cross-train other staff members to administer all student services. Each staff member in a given area trains at least one other person to perform his or her job duties. Cross-training involves reviewing the policy manual, providing technical assistance and explaining the procedures to perform a specific job duty. One staff member also demonstrates to at least one other staff member proper procedures for collecting, maintaining and evaluating student information. As a result of cross-training, multiple staff members at a given campus office can offer the necessary services when a colleague is unavailable.

COMMENDATION

The Student Services Department cross-trains staff to perform additional responsibilities at multiple units and departments.

FINDING

ACC ensures accurate and consistent implementation of student service policy and procedures at multiple campuses by assigning management responsibility to a "process holder," who is a campus dean that coordinates policy and procedures for specific core functions at all six campuses. For example, orientation services are delivered on all six campuses and on the Web. The dean of students at Eastview is the process holder for orientation and implements related policies, conducts committee meetings to design procedures, coordinates the development and publication of printed materials, supervises the Web page design and evaluates the orientation program. There are four additional process holders, one each for advising, assessment, professional development and services for

students with disabilities. They do not receive additional salary for these responsibilities.

By involving representatives from all six campuses, a process holder can keep all staff members current on new policy and procedures. ACC uses process holders for academic advising, assessment, orientation, students with disabilities and training and professional development. All process holders perform a variety of other job functions.

By assigning the administrative responsibility of process holder to a campus dean of students, ACC ensures that students receive the same quality of student service regardless of campus location. Policy and procedures are implemented in a uniform and consistent manner as a result.

COMMENDATION

ACC uses a creative and innovative administrative management concept, called a "process holder," to ensure consistent and accurate delivery of core student services at all six campuses.

FINDING

The Retention and Student Services Division has an effective and meaningful point-of-service evaluation plan. The evaluation collects feedback from students on the effectiveness of a given student service, using an evaluation form that asks for information about student satisfaction with the timeliness and helpfulness of the service. Students also provide comments about ways to improve or expand the service. The same information is collected from all student service areas and provides a meaningful way to evaluate effectiveness in all functional areas.

Point-of-service evaluation survey forms are collected twice a semester, once during high traffic times and once during low traffic times. The forms are distributed at the point of service, and students complete and return them at the service site or they mail them back at a later date. The data are systematically collected, analyzed and reported for each student service office, and the feedback is used in planning and programming. The director or campus coordinator receives a copy of the report, as does the associate vice president of Retention and Student Services.

The evaluation survey results are used by staff throughout Retention and Student Services to evaluate and improve their services to students. Three sections, Admissions and Records, Financial Aid and Counseling and Advising, used the results to train staff to improve the delivery of services. Also, feedback complaining about long wait lines led the staff to establish

a monitoring system that posts the number of minutes students may expect to wait to receive service. As a consequence, students can choose to wait in line or return at another time.

By providing a way for students to routinely evaluate student services, ACC can consistently monitor the quality of its programs and services and improve them when necessary.

COMMENDATION

The Retention and Student Services Division uses a systematic point-of-service evaluation process to improve the effectiveness of each student service.

FINDING

ACC does not charge fees for special services such as late registration or schedule changes, unlike the majority of peer community colleges or other Austin-area colleges and universities. **Exhibit 3-9** shows a comparison of ACC student services fees with other Austin-area colleges and universities. While these colleges have a different mission and represent different types of institutions, students transfer to these institutions and return to ACC on a regular basis.

**Exhibit 3-9
Comparison of Student Services Fees per Semester**

Type of Fee	ACC	Concordia	Huston-Tillotson	St. Edwards	UT-Austin
Admissions Application or Matriculation fee (one time only)	\$0	\$25	\$25	\$30	\$50
Registration fee	\$0	\$0	\$0	\$0	\$7
Late Registration fee	\$0	\$30	\$0	\$0	\$15
Schedule Change fee	\$0	\$10	\$0	\$0	\$15
Student Activity fee	\$3	\$55	\$26	\$0	\$108
General Service fee or Infrastructure charge	\$0	\$0	\$510	\$7	\$150
Enrollment deposit (applied to tuition)	\$0	\$100	\$0	\$150	\$200
Orientation fee	\$0	\$0	\$0	\$100	\$75

Student record/transcript fee	\$5	\$0	\$0	\$0	\$0
Total Fees	\$8	\$220	\$561	\$287	\$620

Source: Selected documents and Web pages from each institution, 2002.

When students apply to Austin-area colleges they can expect to pay an admissions application fee of \$25 to \$50. The student activity fee ranges from \$26 to \$108. Total fees range from \$620 at the University of Texas at Austin (UT-Austin) to the \$8 charged at ACC. Not all fees are charged to all students. For example, only those students who register late pay a late fee, and only those who request a schedule change pay a schedule change fee.

Exhibit 3-10 shows a comparison of ACC student services fees with the fees charged by other Texas community colleges.

Exhibit 3-10
A Comparison of ACC and Texas Community College Student Service Fees

Type of Fee	ACC	Collin	North Harris	San Jacinto	Tarrant	Average without ACC
Admissions application or matriculation fee	\$0	\$0	\$12	\$10	\$25	\$11.75
Registration fee	\$0	\$0	\$12	\$0	\$0	\$3.00
Late registration fee	\$0	\$10	\$0	\$20	\$15	\$11.25
Schedule change fee	\$0	\$0	\$10	\$20	\$15	\$11.25
Student activity fee	\$3	\$12	\$24	\$22	\$10	\$17.00
General service fee	\$0	\$0	\$0	\$7	\$0	\$1.75
Student Record/transcript fee	\$5	\$2	\$0	\$0	\$5	\$1.75
Total Fees Charged	\$8	\$24	\$48	\$79	\$70	\$55.25

Source: Selected documents and Web pages from each institution, 2002.

Exhibit 3-11 shows the number of ACC students who registered after the start of classes and/or requested a change to their course schedule after classes began.

Exhibit 3-11
Number of ACC Students Who Registered or Changed
Their Course Schedule after the Start of Classes
Fall 2001 through Summer 2002

Semester	Total Number of Students Enrolled	Number of Students Who Registered Late or Changed Their Course Schedule	Percentage of Students Who Registered Late or Changed Their Course Schedule
Fall 2001	27,747	1,290	4.6%
Spring 2002	27,168	1,499	5.5%
Summer 2002	21,378	1,051	4.9%
Total	76,293	3,840	5.0%

Source: ACC Preliminary Enrollment Reports and ACC Office of Institutional Effectiveness, 2002.

While the percent of students who register late or change their course schedules after the start of classes is relatively small, more than 1,000 students require additional assistance each semester. ACC staff in the Admissions and Records offices on the six campuses must process the paperwork for admissions and/or course schedule changes. In addition, students who apply after the start of class also require assistance from the assessment center staff including some from academic counselors and advisors.

The ACC admissions and registration process creates long lines and high levels of frustration among students and staff. ACC has an open-door admissions policy, and the philosophy underlying this policy is to make ACC accessible to students. However, because students are allowed to apply and register through the first week of class, long lines of students overwhelm the admissions, registration, academic advising and counseling offices. These long lines include many returning students and a smaller number of new applicants. There are at least six categories of students who seek assistance during the first week of class. They are:

- Students who decide to apply for admission after ACC classes start;
- Students who do not want to register via the telephone because many class sections are closed and they find the process frustrating;

- Students who recently learned they are on suspension because of poor academic performance in a previous semester;
- Transfer students who have applied to ACC, but wait until the last minute to register;
- Senior citizens who are not permitted to register until the late registration period; and
- Students who have already enrolled but are referred by faculty to take different classes.

Students, who apply for admission after the start of classes must complete their orientation, see an academic advisor to determine their Texas Academic Skills Program (TASP) testing status, take placement exams and register for classes. Some students attempt to do all of these activities in a single day. When students apply for admission after the fall registration deadline, there is insufficient time to complete this process without extraordinary effort on the part of ACC staff. Transfer students who have applied but choose to register after the start of classes also seek assistance from academic advisors and counselors during this time period. Students who find classes closed on the telephone registration system also seek help from advisors and counselors, hoping these professional staff know about available course offerings.

According to campus admissions coordinators, academic advisors and counselors, students wait in lines to see an advisor or counselor for three to four hours. On these days, advisors and counselors may see more than 30 students in a single day. Advisors and counselors process a large number of students in a very short time, and the advisors and counselors reported concern that the quality of their advice may suffer as a result. Assessment center staff also said that too many students attempt to complete their placement testing at the last minute, and sufficient time and space is not available during peak registration and enrollment periods. In addition, faculty departments learn about this increased demand for additional classes at a very late date and must find classrooms and faculty to accommodate any additional students.

Students, who apply late, register late and make schedule changes require that ACC Student Services staff perform additional work. Fees are not intended to be a profit generator but are charged to recover costs for providing additional or special services. Students who register late or change schedules after classes begin put an additional burden on college personnel and services.

Recommendation 21:

Encourage student accountability by charging fees for late registration and class schedule changes.

These fees would provide additional revenue to the college and would only be assessed to those receiving the specific service. With the additional funds these fees would generate, ACC could fill vacant positions and deliver better service. The college should consider charging an \$11 fee for each of these special services. The \$11 fee was determined by taking the peer group average for these services.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Retention and Student Services meets with the Student Services advisory council to draft a request to implement an \$11 per semester fee for each late registration and schedule changes.	January - February 2003
2.	The associate vice president of Retention and Student Services presents the recommendation of a student service fee to the president and executive officers for review.	March 2003
3.	The president presents the fee recommendation to the board for policy approval.	April 2003
4.	The board approves the fees and instructs the president to implement the new student service fee policy effective fall semester 2003.	May 2003
5.	The president instructs the associate vice president of Business Services to implement the policy and procedures for collecting the fees for late registration and schedule changes.	June - July 2003

FISCAL IMPACT

In 2001-02, more than 3,800 students registered late or requested schedule changes. Charging an \$11 fee to approximately 3,800 students per year would generate \$41,800 per year (3,800 x \$11). These fees would be comparable to fees charged at peer colleges.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Encourage student accountability by charging fees for late registration and class schedule changes.	\$0	\$41,800	\$41,800	\$41,800	\$41,800

Chapter 3

B. ENROLLMENT MANAGEMENT

Enrollment management is a concept that addresses the issues of recruitment, admission, orientation, registration, retention and eventual graduation of ACC students. Because the retention efforts at ACC are provided by faculty who provide developmental education courses and by academic advisors and counselors who work with students to develop effective educational plans, this aspect of enrollment management will be treated in other sections of this report. The past five years of enrollment history for ACC and peer colleges is shown in **Exhibit 3-12**. ACC experienced relatively stable growth from 1997 through 2000, but a significant enrollment increase occurred in 2001. A similar pattern is evident for the peer colleges as well.

Exhibit 3-12
Total Unduplicated Headcount Enrollment
ACC and Peer Colleges
Fall 1997 through Fall 2001

College	1997	1998	1999	2000	2001	Percent Change 1997 to 2001
ACC	25,796	25,609	25,914	25,856	27,577	6.9
Collin County	11,047	11,241	11,867	12,704	14,179	28.3
North Harris Montgomery	17,961	17,575	18,461	19,002	21,050	17.1
San Jacinto	18,263	19,374	20,603	21,991	22,747	24.5

Source: Texas Higher Education Coordinating Board (THECB), College Profiles 1997 through 2001.

Exhibit 3-13 shows the enrollment growth from 1997 through 2001 by ethnic origin. There has been almost no change in the enrollment of Anglo students, but enrollment of African American students has increased by 19 percent; Hispanics by 16 percent; Asian Americans by 16 percent, and American Indian/Alaskan Native enrollment increased by 50 percent. The number of non-resident aliens and foreign nationals increased by 140 percent during the same period. **Exhibit 3-14** shows the demographic characteristics of ACC, Peer Colleges and the State in Fall 2001.

Exhibit 3-13
Enrollment Growth by Ethnic Origin
Fall 1997 through Fall 2001

Ethnicity	1997	1998	1999	2000	2001	Percent Change 1997 - 2001
Anglo	17,243	17,071	17,088	16,414	17,141	(0.6%)
African American	1,529	1,513	1,645	1,710	1,820	19%
Hispanic	5,058	5,015	5,145	5,329	5,842	15%
Asian American	1,460	1,509	1,503	1,552	1,698	16%
American Indian or Alaskan Native	161	179	187	172	242	50%
Non-resident Aliens or Foreign Nationals	345	322	326	351	828	140%
Not Reported	0	0	20	325	6	N/A
Total	25,796	25,609	25,914	25,853	27,577	7%

Source: THECB Prep On-Line Enrollment Data by Ethnic Origin, 2002.

Exhibit 3-14
Demographic Characteristics of ACC,
Peer Colleges and the State
Fall 2001

Community College District	Student Enrollment	Percent Hispanic	Percent African- American	Percent White	Percent Other
ACC	27,577	21.2%	6.6%	62.2%	10.1%
Collin County	14,179	7.5%	5.7%	73.5%	13.2%
North Harris Montgomery	21,050	15.5%	10.5%	65.2%	8.9%
San Jacinto	22,747	26.3%	10.2%	53.7%	9.8%
State	447,998	29.0%	11.0%	52.0%	8.0%

Source: THECB; Texas State Auditor's Office, 2002.

The Texas Higher Education Coordinating Board (THECB) has published an enrollment plan for public colleges and universities called *Closing the Gap*. The plan's primary purpose is to close the gaps in participation rates, increase the number of degrees awarded, improve the quality of educational programs and increase the level of federal funding to Texas institutions for science and engineering research. The THECB report estimates that 60 percent of the student growth will occur in the community college sector. **Exhibit 3-15** shows the projected enrollment growth for ACC between 2000 and 2015.

**Exhibit 3-15
Projected ACC Enrollment Growth**

Enrollment Category	2000	2005	2010	2015
African American	1,710	1,950	2,170	2,414
Hispanic	5,330	6,077	6,763	7,524
Anglo	16,417	18,718	20,830	23,175
Other	2,399	2,735	3,044	3,386
Total Enrollment	25,856	29,480	32,807	36,499

Source: THECB Study Paper 27, 1997.

If these projections are met, ACC's enrollment will grow from 25,856 students in 2000 to 36,499 in 2015. The number of African-American students will grow from 1,710 to 2,414, while the number of Hispanic students will grow to 7,524 from 5,330.

As shown in **Exhibit 3-16**, the ethnic background of ACC students matched the service area, college-age population within 2 percentage points in fall 2000, except that ACC enrolled a larger percentage of Asian students.

**Exhibit 3-16
Comparison of ACC Headcount to College-Age Service Area
Population
Fall 2000**

Ethnicity	ACC Service Area College-Age Population (15 and older)	ACC Fall 2000 Headcount

	Number	Percent	Number	Percent
Anglo	666,525	64.4%	17,172	62.2%
African-American	74,785	7.2%	1,822	6.6%
Hispanic	241,323	23.3%	5,867	21.2%
Asian-American	37,123	3.6%	1,707	6.2%
Other (Native American, International and unreported)	15,156	1.5%	1,046	3.8%
Total	1,034,912	100.0%	27,614	100.0%

Source: ACC Effectiveness Update: Student Services Effectiveness Measures Report, 2000-01.

Exhibit 3-17 shows ACC student headcount by age and gender.

Exhibit 3-17
Student Headcount by Age and Gender
Fall 2001

Age	Male		Female		Total	
	Number	Percent	Number	Percent	Number	Percent
16 and under	132	0.5%	195	0.7%	327	1.2%
17	316	1.1%	560	2.0%	876	3.2%
18	1,108	4.0%	1,279	4.6%	2,387	8.7%
19-21	4,160	15.1%	4,493	16.3%	8,653	31.4%
22-24	2,181	7.9%	2,429	8.8%	4,610	16.7%
25-30	2,185	7.9%	2,608	9.5%	4,793	17.4%
31-35	891	3.2%	1,191	4.3%	2,082	7.5%
36-50	1,249	4.5%	1,994	7.2%	3,243	11.8%
51-64	234	0.8%	296	1.1%	530	1.9%
65 and over	36	0.1%	40	0.1%	76	0.3%
Total	12,492	45.3%	15,085	54.7%	27,577	100.0%

Source: ACC Fact Book, 2001-02.

Five-year trends in the number of academic and workforce students enrolled from in-district and out-of-district areas are shown for ACC and the three peer colleges in **Exhibit 3-18**.

Exhibit 3-18
Trends in Full-Time Student Equivalent Fall Enrollment
Academic and Workforce Programs by Peer College and District
Status
1996 through 2000

College	Fall Semester	Academic		Workforce	
		In District	Out of District	In District	Out of District
ACC	1996	9,535	520	3,252	202
	1997	9,631	567	3,299	248
	1998	9,363	594	3,289	252
	1999	5,205	1,605	2,606	531
	2000	10,473	595	2,472	121
Collin County	1996	4,195	105	1,558	8
	1997	4,438	145	1,803	3
	1998	4,862	13	1,564	10
	1999	4,286	121	1,538	47
	2000	5,672	261	1,499	81
North Harris Montgomery	1996	8,501	105	2,917	1
	1997	9,033	156	2,990	13
	1998	9,064	175	3,053	44
	1999	7,499	10	3,253	6
	2000	10,775	29	3,119	6
San Jacinto	1996	7,305	174	3,762	6
	1997	6,984	150	3,693	4
	1998	7,357	192	3,889	30
	1999	6,520	201	3,972	76
	2000	8,500	297	3,178	122

Source: THECB, College Profiles, 1996 through 2000.

ACC enrolls more out-of-district students than peer institutions.

An effective enrollment management program not only includes recruiting, admitting and enrolling students but also helping them satisfy their educational goals. One measure of effective enrollment management is the retention of students from one semester to the next.

Exhibit 3-19 shows the percentage of students enrolled in fall 2000 who returned in spring 2001.

Exhibit 3-19
Percentage of Fall 2000 First-Time-in-College Students
Who Returned Spring 2001

Category	ACC N=4,984	Collin N=2,460	North Harris Montgomery N=6,748	San Jacinto N=4,812
	Percent	Percent	Percent	Percent
Academic	65%	73%	63%	75%
Technical	61%	68%	64%	63%
Tech-Prep	65%	69%	61%	0%
Men	62%	68%	63%	67%
Women	67%	77%	63%	74%
Anglo	64%	72%	61%	69%
African American	59%	75%	60%	65%
Hispanic	63%	72%	68%	73%
Asian	71%	75%	65%	75%
Native American	50%	80%	67%	72%
International	82%	80%	69%	71%

Source: THECB Annual Data Profile for each institution, 2002.

ACC students enrolled in academic programs return at a lower rate than Collin County and San Jacinto community colleges but at a slightly higher rate than North Harris Montgomery students. ACC students enrolled in

technical programs return at a lower rate than students at all peer colleges. The ACC tech-prep students return at a higher rate than students at North Harris Montgomery but at a lower rate than students at Collin County.

Enrollment management begins with recruiting students. Students who want to further their education at a community college not only make the transition from high schools, but they also come directly from the workforce or their home. As a result, recruiting community college students may involve a greater number of settings, which can include high schools, business and industry, churches and other community organizations.

The ACC Student Recruitment Office employs a director, a senior computer support technician, an administrative assistant, a clerk, four recruitment specialists and four part-time student ambassadors. The fiscal 2002 budget for this office is \$379,941. The Student Recruitment Office director does not report to the associate vice president of Retention and Student Services but reports to the provost of the Eastview campus.

The mission of the Student Recruitment Office is "to expand student recruitment efforts to increase access to higher education for the ACC service area, to recruit students from under-served and historically under-represented populations and to assist students in the transition to the community college."

Student Recruitment Office staff visit high schools, participate in college fairs, arrange campus tours, coordinate open house visits and assist prospective students with both the ACC admission and financial aid application process during ACC College Night programs and by individual appointments. Student Recruitment Office staff also assist ACC's Adult Education/GED students with transition to college. Staff also work with admissions, financial aid, advising and counseling staff as well as various faculty members to increase student enrollment and students' chances of reaching their educational and career goals at ACC.

Admitting and registering students for classes also is a critical function of enrollment management. At ACC, Admissions and Records is responsible for admitting students, providing and monitoring course registration procedures and maintaining student academic transcripts. Admissions and Records employs a director of Admissions, a registrar, three campus admissions and records coordinators, one TASP coordinator, two administrative assistants, three technical office assistants, 21 clerks, six admissions assistants and one computer support technician. The 2001-02 budget for this office was \$1,429,846.

The assessment of students' readiness for college is another critical component of enrollment management. Helping students identify their academic strengths and weaknesses prevents students from taking unnecessary courses and helps them avoid early failure.

The Texas Legislature requires all college students to complete the TASP assessment or an equivalent placement test or to meet specific exemption criteria, as shown in **Exhibit 3-20**, before registering for courses at a public higher education institution.

Exhibit 3-20
TASP-Exempt Criteria
Fall 2001

Bachelor's degree from an accredited institution.
Qualifying scores on the ACT or SAT (within five years) or TAAS (within three years).
Qualifying high school GPA and coursework (within two years) from an accredited institution.
Transfer students with college credits from out-of-state or private institutions that satisfy "B" or better requirements. Must meet with an advisor.
Qualified under disabled provision, and completed three or more semester hours of college-level credit from an accredited institution prior to fall 1995.
Three or more semester hours of college-level credit from an accredited institution prior to fall 1989.
Military credit (DD214 required) prior to fall 1989.

Source: ACC Smart Choice: Course Schedule, Summer 2002.

If students do not meet one of these criteria, they must take the TASP exam or an equivalent placement exam. Students pay \$29 to take the TASP, which is administered by a private testing organization under the auspices of the THECB. This fee is paid directly to the testing company. If ACC students do not take the TASP, they may take either the T-Compass or T-Asset exam as a TASP alternative. If students elect to take the T-Compass or T-Asset exams, they pay a \$29 fee to ACC. TASP-exempt students may take the Compass or Asset exams for advising and placement purposes but are not charged a fee.

The T-Compass and the Compass exams are the same exam, and ACC uses the "T" designation to distinguish between the two for accounting purposes. The same is true for the Asset and T-Asset.

The T-Compass and T-Asset exam both consist of a writing, reading and mathematics component and a student demographic section. Currently, the writing component can be completed on one of the ACC assessment center computers, or students may write the exam in a booklet if they cannot type.

Completed writing samples are mailed to ACT in Iowa City, Iowa for manual scoring on an eight-point scale. ACT returns results in three to four days, at which time scores are manually entered into the student's electronic record.

All new students are required to meet with an advisor or counselor to discuss the results of these exams. Upon advice from their academic advisor or counselor, students may also take the English as Second Language (ESL) exam as part of their placement testing. The results of these placement exams are used to advise students during their course selection.

During fall 2001, ACC administered TASP alternative placement exams to 6,307 students. These exams included the Compass placement exam, the T-Compass as a TASP alternative, the Asset and T-Asset exams and an English as Second Language exam (ESL). The assessment centers also assisted 64 students with disabilities, and 389 Early College Start students completed placement exams.

Placement exams are administered on all six campuses. Assessment centers are available on the three large campuses, and assessment services are offered through the learning labs on the smaller campuses. **Exhibit 3-21** shows the number of students who took placement exams at each campus during the fall semester 2001. Relative to the three large campuses, the number of placement exams administered at Eastview Cypress and Pinnacle campuses are low.

Exhibit 3-21
Number of Students Administered
Placement Exams By Campus
Fall 2001

Campus	Number of Students
Eastview	643
Cypress Creek	216
Northridge	2,060
Pinnacle	692

Rio Grande	1,636
Riverside	1,060
Total Exams	6,307

Source: ACC Assessment Center Monthly Reports, Fall 2001.

FINDING

ACC does not use the most cost effective method available to score the writing samples from the placement exams. Students who take the T-Compass as an alternative TASP placement exam pay ACC \$29 and register for a five-hour block of time at one of the ACC assessment centers.

ACC pays \$14 to have the writing sample portion of the exams manually scored and \$3.50 to electronically score the reading and mathematics exams and the student background information sections. Hence, ACC collects \$29 for each exam and pays ACT \$17.50 for scoring them. ACC assessment center staff have used the difference to purchase and maintain computer hardware and to hire part-time staff to operate the assessment centers.

During 2001-02, ACT offered an option to score these writing samples electronically at a cost of \$1.50 with results available immediately upon completion of the examination. The ACC process holder for assessment and a committee of assessment center coordinators proposed that the electronic scoring feature be adapted, but the developmental education faculty voted to continue using the manual scoring option. They expressed concern that the electronic scoring procedure would yield different scores. However, ACT research shows that the electronic scoring procedures provide the same degree of accuracy. Even though the electronic scoring option is new, ACT reports that there are eight colleges and universities in Texas that have adopted it for the Compass writing component.

In the first six months of 2001-02, 4,363 students submitted a writing sample for manual scoring. During this period, students paid ACC \$126,527, and ACC paid ACT \$76,350 to score the T-Compass exam. Of that amount, ACC paid \$61,082 to score the writing samples manually. Assuming a similar volume for the second six months, more than 8,000 students will have completed this writing sample.

Recommendation 22:

Score all placement writing samples electronically rather than manually.

The primary advantage of adopting the electronic scoring option for placement exams is that students obtain their scores immediately rather than waiting four days, and ACC provides a more cost-effective assessment service.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Retention and Student Services directs Assessment Center Coordinators to discontinue manual scoring of T-Compass writing samples and to substitute the electronic scoring option.	January 2003
2.	Assessment Center Coordinators work with the Budget Office to modify purchase orders to discontinue purchasing manual writing sample test booklets.	February 2003
3.	The Assessment Center Coordinators submit writing samples for electronic scoring.	March 2003 and Ongoing

FISCAL IMPACT

By using electronic rather than manual processing of writing samples from placement exams, ACC could save approximately \$12.50 per exam (\$14-\$1.50) for 8,000 students, or about \$100,000. Savings could be used to maintain the computer hardware, provide additional staffing and increase the number of testing sessions available, particularly during peak examination periods. This policy could be implemented during the second half of 2002-03 resulting in a cost savings of \$50,000. In subsequent years, the cost savings would be \$100,000 per year.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Score all placement writing samples electronically rather than manually.	\$50,000	\$100,000	\$100,000	\$100,000	\$100,000

Chapter 3

C. FINANCIAL AID

Attending college is expensive for many students, and they may need financial assistance. ACC provides information about the availability of scholarships, grants and loans in a student financial aid handbook and on the Web. Students may also talk with Financial Aid advisors about the availability of financial aid and may receive assistance in completing financial aid applications. The Student Financial Aid Department provides access to grants, loans and scholarships via federal, state and local sources. The number and types of student financial assistance awards for the last five years are summarized in **Exhibit 3-22**.

Exhibit 3-22
Students Receiving Financial Aid
Academic Years 1996-97 through 2000-01

Program	Recipients and Amount	1996-97	1997-98	1998-99	1999-2000	2000-01
Pell Grant	Recipients	3,736	3,555	3,544	3,266	3,336
	Amount	\$4,470,420	\$4,626,496	\$4,985,200	\$4,682,271	\$5,133,399
Supplemental Educational Opportunity Grant	Recipients	831	607	249	483	188
	Amount	\$418,432	\$394,018	\$354,404	\$427,722	\$288,140
Texas Public Education Grant	Recipients	1,644	1,439	778	1,225	1,310
	Amount	\$1,069,366	\$938,468	\$1,037,508	\$999,334	\$1,642,298
	Recipients	48	57	25	27	31
	Amount	\$38,338	\$44,834	\$23,345	\$26,862	\$28,377
Texas Grant	Recipients	N/A	N/A	N/A	118	209
	Amount	N/A	N/A	N/A	\$81,326	\$159,358
Texas Match	Recipients	N/A	N/A	N/A	N/A	200
	Amount	N/A	N/A	N/A	N/A	\$25,293
Perkins	Recipients	20	14	0	0	0

(Discontinued After 1997-98)	Amount	\$40,868	\$20,815	\$0	\$0	\$0
Loans	Recipients	4,091	2,500	2,581	2,185	2,034
	Amount	\$8,292,826	\$5,734,721	\$4,793,895	\$4,663,461	\$4,795,598
Federal College Work Study Program	Recipients	176	261	185	200	252
	Amount	\$227,446	\$442,502	\$371,198	\$364,131	\$662,967
Texas College Work Study Program	Recipients	30	15	14	14	30
	Amount	\$35,545	\$33,573	\$26,270	\$27,601	\$84,111
Unduplicated Number of Recipients		5,748	5,448	5,261	4,665	4,655
Total Amount Awarded		\$14,593,241	\$12,235,427	\$11,591,820	\$11,272,708	\$12,819,541
Average Award per Recipient		\$2,539	\$2,246	\$2,203	\$2,416	\$2,754

Source: ACC Fact Book, 2001-02,

Exhibit 3-23 shows the scholarships available to ACC students.

Exhibit 3-23
Scholarships Provided by the ACC Foundation
2002-03

Program	Scholarships Available	Description
Accounting	Irwin Fine	Tuition, fees and books up to \$250
Adult Education	Peierls Foundation	One-time \$1,000 scholarship for one year
Applied Science	Assistance League of Austin	Tuition, fees and books up to \$2,500 for one year
	Bowman	\$1,000 for tuition, fees and books up to \$500 per semester
	Career Pathway - Technology	Varies

	Rourke Family Foundation	\$4,000 over four semesters for tuition, fees and books
Building Construction Tech.	Faulkner Family Endowed	Based on funds available
Developmental	"Ryan" Endowed	Based on funds available
Digital Pub./ Graphics Tech.	Ben Clough Endowed	Based on funds available
Emergency Medical Services	Maxine Black Endowed	Based on funds available
Financial Management or High Tech	Thomas M. Madison & O.B. Ross/Merrill Lynch Endowed	Based on funds available
Fine Arts Students	Fine Arts Endowed	Based on funds available
Honors Students	Boone Baker	Based on funds available
	Honors Program	Varies
Hospitality Management	Austin Hotel & Motel Association Hospitality	Maximum of \$500
Legal Assistant	Ruth Townley Endowed	Based on funds available
Nursing	S. Austin Hosp. Aux. Endowed	Based on funds available
	Travis Co. Medical Alliance Endowed	Based on funds available
Photography	Reagan Bradshaw	Based on funds available

	Endowed	
Semiconductor Manufacturing Technology	AMD	Tuition, fees and books up to \$2,000 for one year
	Applied Materials	Tuition, fees and books up to \$2,500 for one year
	Cypress Semiconductor	Tuition, fees and books up to \$2,500 for one year
	R.W. Galvin Endowed	Tuition, fees and books for one semester
	International SEMATECH	Varies
	Motorola	Tuition, fees and books up to \$1,000 for fall semester, can be re-awarded up to \$1,000 for spring semester
	SEMI/Frank Squires	Tuition, fees and books up to \$2,500 for one year
	Tokyo Electron	Tuition, fees and books up to \$2,000 for one year
Visual Communication Design	Ben Clough Endowed	Based on funds available
	Edwina Fredlund Traverso	Based on funds available
General	ACC Classified Employees Association	\$100 for tuition and books
	ACC Emeritus Association	Tuition, fees, books and supplies up to \$400
	Delco Endowed	Based on funds available
	Pat Dobbs Endowed	Based on funds available
	Peggy Hale Croschaw	Based on funds available
	Bob Lain Endowed	Based on funds available

Military Order of the Purple Heart Service Foundation, Inc.	Tuition and fees for one of two computing courses
Ruth Stephens Memorial	Varies
Star of Texas Fair & Rodeo	Varies
Stasny-Siegmund	\$400 per academic year

Source: ACC Scholarship Opportunities booklet, 2002-03.

The Financial Aid Office includes one director, 12 professional/technical staff and 15 classified staff. The 2001-02 budget for this office was \$1,077,359.

FINDING

The Student Financial Aid Office reduced the student loan default rate from 17.6 percent to 7.2 percent from 1996 through 2001. **Exhibit 3-24** shows the number of loans and the percentage of defaults during this period.

Exhibit 3-24
Number of Loans and the Percent of Loan Defaults
1996 through 2000

Year	Number of Loans	Percent Defaulted Loans
1996	4,091	17.6%
1997	2,500	14.6%
1998	2,581	11.3%
1999	2,185	8.7%
2000	2,034	7.2%

Source: ACC Fact Book, 2001 and the director of Student Financial Aid, July 2002.

One of the ways that ACC reduce the student loan default rate was to reduce the number of student loans made. Beginning in 1997, ACC

changed how it awarded student financial aid to students. To provide more assistance to students with the greatest need, financial awards are now based on low expected family contributions. With this philosophy, ACC attempts to provide the most money to the students with the greatest need using grants and scholarships rather than loans. Consequently, the number of students who have received financial aid has declined over the last five years in nearly every category except the Federal College Work Study Program, the Texas College Work Study Program and the Texas Grant Program. In cases where the Texas Grant Program does not fully fund a student's tuition and fees, ACC supplements the Texas Grant with the year-old Texas Match program. The Texas Match program is funded by using money obtained from the Texas Pell Grant program (TPEG). As a result of this change in focus, the number of students receiving loans has declined from 4,091 in 1997 to 2,034 students in 2001, but the average amount of the loan increased slightly from \$2,027 in 1997 to \$2,358 in 2001.

Exhibit 3-25 lists the primary actions ACC initiated to reduce the loan default rate.

**Exhibit 3-25
ACC Actions Taken to Reduce Loan Default Rate**

1.	Award gift aid and work-study aid in lieu of loans to students with low expected family contributions.
2.	Require students to submit a loan application. Student loans are not automatically packaged.
3.	Promote conservative borrowing.
4.	Require all new loan students to attend a mandatory counseling session, even if they have attended a similar session at a previous institution. Discuss debt management practices during the entrance loan counseling session.
5.	Establish loan limits for all loans. Student can borrow twice at each grade level. All previous loans and dollar amounts are counted towards the loan limit at ACC. If additional assistance is needed, students must file an appeal.
6.	Enforce Federal Stafford Loan limits of \$2,625 for first-year students and \$3,500 for second-year students. Students must file an appeal for additional loan amounts.
7.	Systematically contact students identified on delinquent/default status reports provided by loan guarantors.
8.	Act as liaison between the student and the lender and/or guarantee agency, if the student is having a problem with his/her loan.

9.	Monitor alternative and private loans that are processed through ACC and use this information in calculating their total loan debt.
10.	Place registration holds on student records if he/she is delinquent or on a loan default status. Any student with a registration hold must contact the Financial Aid Office before registering or before a transcript is released.

Source: ACC director of Student Financial Aid, June 2002.

These 10 actions are consistently applied and enforced.

COMMENDATION

The Financial Aid Office has reduced the student loan default rate by carefully monitoring student progress, emphasizing debt counseling and placing loan limits on financial requests.

FINDING

In 2001, ACC processed loans for more than 2,000 students. ACC does not use, however, the most effective method for distributing loan checks to students. The current process for distributing loans requires students to present a paid fee receipt before a loan check can be released. If a student wants to use his or her loan check to pay tuition and fees, the loan check must be endorsed before tuition and fees can be deducted. The student must then wait 10 days before the balance of the loan check is mailed. Students now wait in long lines for payment of tuition and fees and to receive their loan payments. The Financial Aid Office makes three copies of each loan check and manually enters the loan amount, the check number, the date received and the date disbursed in the a computer database. The Business Office must then verify the receipt of each check and give the Financial Aid Office its copy stamped with the date of receipt.

The Financial Aid Office must sort checks by campus and alphabetize them for delivery to the Bursar's Office at each campus. A courier service delivers the checks to the campus offices for disbursement to students. ACC policy requires students to sign a receipt when they receive their loan distribution check. This means that students stand in line at a campus cashier's office during peak registration. In interviews, students report frustration over not receiving their financial aid in a timely manner. Other forms of financial aid, such as scholarships and grants, are mailed to ACC students, and a signed receipt is not required.

Increasingly, peer colleges use other methods to distribute loans to students. Some colleges mail the loan funds to students directly, and

others use an electronic fund transfer to deposit student financial aid loans directly into students' bank accounts. For example, The University of Texas at Austin deposits loan checks to a student's bank account directly, thereby significantly reducing the number of students standing in line.

By not using electronic fund transfer methods to distribute loan checks to students, ACC creates frustration among students and staff and spends money on a courier service to distribute the loan checks.

Recommendation 23:

Use direct deposit when distributing student loan checks.

Direct deposit of funds would distribute the money in a timely manner; the number of students standing in line would be reduced; and staff members in the cashier's office would have more time to deal with other student financial transactions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Student Financial Aid charges a small committee to investigate what would be required to automate the distribution of loan checks.	January 2003
3.	The committee selects an option for automating the delivery of checks and makes a recommendation to the director of Student Financial Aid and the associate vice president of Retention and Student Services.	April 2003
4.	The director of Student Financial Aid and associate vice president of Retention and Student Services approve the recommendation.	May 2003
5.	The director of Student Financial Aid directs the staff to implement the change.	May 2003
6.	The director of Student Financial Aid pilots direct deposit for fall 2003.	June - July 2003
7.	The director of Student Financial Aid fully implements direct deposit in spring 2004.	October 2003

FISCAL IMPACT

ACC spends approximately \$3,700 per year for courier services to deliver student loan checks to six campus Bursar's Offices. By implementing electronic transfer fund methodology, ACC would not need these courier services. Since the program will not be fully implemented until spring 2004, savings for the first year are prorated ($\$3,700/12 \times 6 = \$1,850$).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Use direct deposit when distributing student loan checks.	\$0	\$1,850	\$3,700	\$3,700	\$3,700

FINDING

ACC has not trained a sufficient number of staff to generate adequate management information reports for the Financial Aid Office. The administration of financial aid requires close monitoring of student aid awards, the transfer of money and the tracking of student academic progress. The distribution of federal financial aid requires that colleges document how and when money is distributed to students. Management information reports must be generated by the week, month, semester and year. Many of these reports are necessary to meet federal reporting requirements and to conduct annual audits of the financial aid award process.

To track financial aid awards and monitor the distribution of money to students, Financial Aid staff must compile information from many different sources, including the U.S. Department of Education, the National Student Loan Clearinghouse, the THECB and a number of guarantee agencies. The Financial Aid Office uses Datatel, which is an automated system, but the generation of reports is not automatic. Specific queries must be made of the database, and the associate director of Financial Aid estimated spending 85 to 90 percent of each day writing technical database queries to satisfy various reporting requirements.

Nearly every financial aid process from transmitting funds, to writing checks, to checking a student's enrollment status requires that specific queries be written. In addition, every time a new revision, called a "patch," is made to the Datatel system, various tests are necessary to ensure that system changes do not have a negative impact on current operations. These revisions occur on a monthly basis. Also, since ACC has multiple course sessions within a semester, queries must be written to check on the financial aid eligibility and enrollment status multiple times each semester.

The associate director of Student Financial Aid does all of the technical database queries necessary to extract management information reports from the Datatel system. To write these queries requires extensive knowledge of numerous financial aid database files, the Datatel computer system and financial aid award policy. Various staff members from the Financial Aid Office submit requests for information to one individual and then wait for the results. At certain times of the year when semester or annual reports are due, the volume of requests exceeds the ability of one

person to provide all of the reports in a timely manner. As a result, the reports may be delayed and important management decisions postponed.

Recommendation 24:

Train one or more additional Student Financial Aid staff member to generate management information reports using the Datatel system.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Student Financial Aid identifies one or more staff members for training in Datatel, so they can generate the necessary management information reports.	January 2003
2.	The selected staff are trained.	February - May 2003
3.	The staff begins generating Datatel management information reports.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 3

D. COUNSELING AND GUIDANCE SERVICES

ACC Administrative Rule 1.01.002 indicates that counseling and guidance services should help students meet their educational and career goals.

Exhibit 3-26 shows the administrative rules that guide the delivery of counseling and guidance services at ACC.

Exhibit 3-26 ACC Counseling and Advising Administrative Rules

Students on the campuses and at the centers will have access to counselors and advisors who will assist them in defining and reaching educational and career goals.
Counseling programs and advising services offered at ACC will conform to SACS guidelines.
Counselors will assist students to make appropriate use of support services available at the college with a special focus on students who are academically at risk.
Counselors will not engage in long-term counseling with students. Counselors may provide short-term intervention assistance to students dealing with personal issues that interfere with their immediate ability to succeed in college. Counselors will refer all students needing long-term assistance to outside providers.
Counselors and advisors will assist students in developing educational plans that include the support services students must use, the appropriate number of courses to make in relation to their outside responsibilities, and effective learning strategies.

Source: ACC Administrative Rules, July 2000.

First-time students are required to participate in academic advising before they register for classes. Students who fail two or more sections of the TASP are considered at-risk and must work with counselors when making their educational plans.

Academic advisors and counselors have different roles and functions at ACC. Academic advisors help students register for courses, check their TASP status and provide guidance about their educational plans. Counselors assist students who have failed two or more sections of the TASP; have been placed on academic probation, suspension or dismissal;

or seek career counseling. Counselors provide a significant contribution to the retention efforts of ACC by working with large numbers of undecided students. Counselors also provide mental health referral services to students with personal and emotional problems. However, Administrative Rule 1.01.002 limits the amount of time counselors may deal with personal and emotional problems and recommends counselors refer students to local health services outside the academic community. Academic advisors typically have a bachelor's degree, and counselors have either a master's or doctoral degree and are licensed professional counselors.

FINDING

ACC academic transfer faculty do not provide adequate academic advising. According to Board Policy D-3 on faculty workload, full-time faculty are required to provide at least five hours per week for consultation with students and an additional five hours per week for office hours. These office hours were intended to provide an opportunity for students to talk with faculty on course content, to seek advice on course selection and to inquire about job placement in their field of study. The last two categories constitute important elements of academic advising at ACC. Faculty involvement in the advising process, however, is inconsistent across departments. During interviews, students in some departments reported that faculty were not available for academic advising, while others reported that too few faculty were available and long waiting lines resulted. When students are unable to seek advice from faculty members, they seek it from advisors and counselors. As a result, academic advisors and counselors have responsibility for a large numbers of students. With 27,577 students and 40 ACC advisors and counselors, the ratio for ACC is 689 students for every advisor/counselor.

ACC recommends students seek advice and counsel from faculty about subject-specific issues, particularly course requirements in their program of study and employment opportunities as they near program completion.

In 2001-02, ACC pilot tested a College Credit Advising Model designed by the College Retention Committee and refined by a faculty committee. The model recommended that faculty advisors who do not teach developmental courses monitor the progress of and advise students who satisfied TASP requirements and are not enrolled in developmental courses and students who declared a major within the faculty member's area of expertise.

Faculty members who teach developmental courses were asked to monitor the progress of and work with counselors to advise students who needed one or more developmental courses and to advise those students who

needed one developmental course if referred by a faculty colleague or ACC advisor. The model also recommended the Faculty Development Office collaborate with the campus deans of students to provide training opportunities for faculty advisors similar to the model now in place at Monroe Community College in New York. The model incorporates academic advising into the workload formula for adjunct and full-time faculty. Using this model, students are allowed to select their own advisors, and mini-advising centers are established in each academic program area. Students in good academic standing would be allowed to self-advise but must meet with a counselor when they register for their 25th and 45th credits. Faculty advisors would be provided automated degree audits for students on the Datatel system, up-to-date information on their department web pages and articulation/transfer web pages that connect to the Web pages of other Texas institutions. The model also suggests that adjunct faculty be paid to advise and that a faculty advising associates training program be implemented. At the time of the TSPR review this model had not been implemented.

Exhibit 3-27 shows the number of academic advisors and counselors, the number of students and the student to counselor/advisor ratio at each of the six ACC campuses. Of the 4,960 students who received telecommunicated instruction, 1,218 were served at the extension centers and 936 received site-based instruction. These students may have selected advising services at any one of the six campuses, but which campus they selected could not be determined. Two of the six budgeted counselor positions at the Northridge campus were vacant during 2001-02.

Exhibit 3-27
ACC Academic Advisors and Counselors
Fall 2001

Campus	Number of Counselors	Number of Academic Advisors	Number of Students	Student to Counselor/Advisor Ratio
Cypress Creek	2.5	1	2,762	789
Eastview	3	0.5	1,867	533
Northridge	4	3	9,380	1,340
Pinnacle	3	1	3,623	905
Rio Grande	6	3	7,427	825
Riverside	6	5	7,071	642

Source: ACC Operating Budget, Fiscal 2002 and ACC Fact Book, 2001-02.

All six ACC campuses have more than 500 students per counselor/advisor. The actual number of students advised per campus may differ from the evidence presented in **Exhibit 3-27**, because students may elect to be advised at the campus of their choice rather than the campus at which they have been counted for enrollment purposes.

According to the student contact monthly summaries and the results of TSPR interviews, academic advisors and counselors reported seeing as many as 20-30 students a day during peak advising times. Seeing a large number of students per day reduces the amount of time counselors and advisors spend with a student, and students' educational choices may not be as effective. First-time students are required to meet with an academic advisor or counselor, and previously enrolled students may see an advisor, counselor or faculty member before registering for classes.

Students reported a preference for working with faculty about course selection once they declared a field of study. Students also reported that they found faculty advice especially valuable as they began looking for jobs. Students also reported frustration when faculty were not available for advising. In the TSPR survey of students, academic advising was one of the topics students listed as needing improvement. Of the total number of students surveyed, 29 percent suggested that academic advising needs some or major improvement.

When large numbers of students request advising help each semester, and ACC provides a small number of advisors and counselors, and when faculty are not involved in the advising process, students do not receive the necessary assistance to make sound educational decisions.

Recommendation 25:

Enforce board policy that requires faculty to provide academic advising to students who have declared a program of study.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president requests the executive vice president of Academic, Student and Campus Affairs to communicate board policy D-3 to all faculty.	January 2003
2.	The executive vice president of Academic, Student and Campus Affairs develops a system to monitor and evaluate faculty involvement in academic advising.	February - May 2003
3.	Task force chairs evaluate the level of faculty involvement in academic advising.	September - December 2003

4.	Task force chairs report the level of faculty involvement to the executive vice president of Academic, Student and Campus Affairs.	January 2004
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 3

E. STUDENT ACTIVITIES

College life is more than attending classes. Students learn valuable leadership skills, life skills and interpersonal skills by participating in student organizations and extracurricular activities. In addition, students may develop a strong commitment to the campus in a way that encourages them to contribute to institutional development as loyal alumni.

At ACC, the Student Life Office delivers student co-curricular services to six campuses. These services include student organizations and clubs, the Leadership Summit, student government, campuswide community services, the Make a Difference program, the student newspaper and the Cultural Connections program. A \$3 student activity fee paid by all enrolled students each semester funds this office, and this fee can be increased only through a student referendum. This is the only ACC student service funded entirely by student fees. The activities include leadership workshops, international student mixers, poetry slams, and salsa dance lessons among others. In addition, ACC's Student Life Office staff also provides services for the student newspaper, student government and cultural diversity programs.

The Coordinator of the Student Life Office and four full-time staff members deliver educational programs to ACC students at each of the six campuses. During 2001-02, two staff positions were vacant. In addition to the Student Activities Office, ACC also supports the African-American and El Centro Cultural Centers, although the directors of these two centers are faculty members who report directly to the associate vice president of Retention and Student Services.

FINDING

ACC provides two student cultural centers, one for African-American students and one for Hispanic students. Very few community colleges encourage student diversity by providing physical space and educational programming activities for underserved student populations. ACC has established itself as a leader in this area by providing two centers where students can meet, hold meetings and participate in educational programs to learn more about their cultural heritage. Faculty members serve as directors of the cultural centers and receive a one-class load reduction for this administrative responsibility.

Faculty members also serve as assistant directors and receive a small stipend of \$500 for their administrative assistance. The operating budget for the two cultural centers for fiscal 2002 was \$3,300. Both centers provide cultural programming events for students on campus and also provide off-campus events in local schools, churches and community centers. These off-campus events encourage underserved populations to learn more about attending college and the educational programs available at ACC. By providing both on-campus and off-campus cultural programming to ACC students and the local community, ACC promotes a greater appreciation of cultural diversity.

COMMENDATION

ACC provides space and programming activities for underrepresented student populations through the African-American and El Centro Cultural Centers.

Chapter 4

HUMAN RESOURCES MANAGEMENT

This chapter reviews the Austin Community College's (ACC) human resources management in the following sections:

- A. Organization and Staffing
- B. Human Resources Policies and Procedures
- C. Classification and Salary Administration
- D. Recruiting, Retention and Hiring Practices
- E. Faculty and Staff Development

Human resources management encompasses all the responsibilities and duties related to attracting, developing, motivating and retaining an effective work force. Qualified and talented employees are necessary for the college to fulfill its mission and goals. Human resources costs include salaries and benefits, which are usually the single largest expenditure of any college or organization. Although the responsibility for managing human resources is typically shared between a human resources department and an organization's management, the human resources department frequently oversees human resources policies and services.

Critical human resources responsibilities in a college environment include:

- Development, interpretation and communication of policies and procedures;
- Development and administration of an employee benefits program;
- Recruitment, selection and processing of new employees;
- Development and administration of a classification and compensation plan;
- Implementation and management of an employee evaluation and development program;
- Administration of the employee grievance and complaint process;
- Compilation of data and development of reports to satisfy compliance requirements;
- Management and maintenance of personnel records; and
- Compliance with federal and state rules, regulations and laws related to personnel.

BACKGROUND

ACC allocated 72 percent of its 2001-02 operating budget for employee costs that includes salaries, faculty overloads (salaries paid to full-time faculty personnel who teach over the required lecture equivalent hours), stipends (salaries paid for increased level of responsibilities) and

employee benefits. The Office of Institutional Effectiveness (OIE) reported that a benchmarking study performed for ACC revealed that ACC spent about 70 percent of its 2000 educational and general budget for employee compensation, while its peers spent about 65 percent for compensation. In this study, ACC was compared to eight Texas peer community colleges and four non-Texas institutions.

Exhibit 4-1 presents the 2002 operating budget for ACC.

**Exhibit 4-1
ACC Operating Budget
2001-02**

Object	Dollar Amount	Percent of Budget
Salaries	\$73,262,569	72.0%
Faculty Overloads	\$1,200,000	1.2%
Faculty Stipends	\$136,159	0.1%
Subtotal	\$74,598,728	73.3%
Employee Benefits	\$2,700,263	2.7%
*Lapse Salary Adjustment	(\$3,981,024)	(4.0%)
Consumable Supplies	\$2,441,412	2.4%
Staff Development, Meetings & Travel	\$657,952	0.7%
Utilities & Operating Supplies	\$11,816,232	11.6%
Non-Capitalized Equipment (less than \$500)	\$885,795	0.9%
Capital Outlay (Furniture, Equipment, Computers & Printers, Audio/Visual Equipment, Library Books & Technology Plan)	\$4,300,140	4.2%
**Contingency	\$127,500	0.1%
***Early Retirement	\$900,000	0.9%
****Mandatory Transfer	\$7,262,758	7.1%
Total	\$101,709,756	100.0%

Source: ACC Operating Budget, Fiscal 2002.

**Lapse salary adjustment includes projected savings from turnover and hiring freeze.*

***Contingency Funds are set aside and allocated to the provosts at the six instructional*

campuses and the two vice presidents to handle unplanned situations that occur throughout the year.

****Early retirement dollars are set aside to compensate eligible employees who take early retirement.*

*****Mandatory transfer includes transfers made to the Retirement of Indebtedness Fund to cover bond payment, to the Physical Plant Fund for preventive maintenance and capital improvement projects and to the Restricted Fund for Texas Public Education Grant (TPEG), Supplemental Educational Opportunity Grant (SEOG) and College Workstudy.*

ACC categorizes its more than 3,000 employees into the following groups:

- Full-time faculty
- Adjunct faculty
- Administrator
- Professional-Technical
- Classified
- Hourly

The term "staffing table" refers to annually budgeted positions that are eligible for employee benefits. Board policy directs the president of ACC to publish a staffing table, as part of the budget process, giving the planned distribution of long-term positions for the year. Non-faculty staffing table employees are categorized either as administrative, professional/technical, classified and hourly. Administrative personnel are employees who are exempt from receiving overtime pay, paid on a monthly basis and considered as upper management.

Professional/technical employees also are exempt from overtime pay and are paid on a monthly basis. Positions classified as professional/technical include accountants, analysts, buyers, coordinators, directors, managers and systems programmers. The classified category includes personnel who are not exempt from receiving overtime pay and are paid on a bi-weekly basis. Classified positions include assistants, clerks, building attendants, groundskeepers, cashiers, technicians and administrative assistants.

Full-time faculty includes instructors in college credit programs as well as counselors and librarians who are employed by the college and are included in the staffing table. Adjunct faculty are those instructors who teach in college credit and certificate programs who are employed on a course-by-course basis.

Hourly employees are hired by ACC on a temporary basis for a specific project, to substitute for employees on approved leave or when the workload exceeds the ability of the regular staff to accomplish work in a timely manner. Hourly employees are not full-time regular employees, but typically work less than 20 hours a week. ACC limits hourly employees to a maximum of 1,000 working hours during a fiscal year. Hourly employees are not eligible for employee benefits.

Exhibit 4-2 summarizes the number of personnel by employee classification for ACC.

**Exhibit 4-2
ACC Employee Count
Third Quarter, 2001-02**

Employee Classification	Employee Count	Percentage
Full-time faculty	417	12.5%
Adjunct faculty	1,172	35.2%
Administrator	37	1.1%
Professional-Technical	343	10.3%
Classified	506	15.2%
Hourly	855	25.7%
Total	3,330	100.0%

Source: ACC Human Resources Department.

OIE also reported that the benchmarking study showed that ACC had relatively fewer non-instructional staff to meet student needs than did the peer colleges included in the study.

ACC's faculty is the largest among its peers **Exhibit 4-3**. ACC had more faculty members than any of its peers.

**Exhibit 4-3
Comparison of Total Faculty
ACC and Peers
2001**

Institution	Total Faculty
ACC	1,589
Collin County Community College	755
North Harris Montgomery	1,465
San Jacinto	1,068

Source: ACC Human Resources Department; Texas Higher Education Board; Texas State Auditor's Office.

Chapter 4

A. ORGANIZATION AND STAFFING

The organization and management of human resources require effective leadership, proper planning and decision-making, collaborative working relationships and appropriate staffing levels to support the goals and objectives of the college. An efficient and logical organizational structure and a well-coordinated workflow enhance the timeliness and quality of service delivery.

In general, ACC board policies provide strategic direction for certain personnel areas such as recruitment, staffing, evaluation and due process. To supplement decision-making and implementation of human resources policies, ACC uses a system of task forces, committees and councils to address institutional needs in all operational areas, including human resources.

The college established councils to collaborate on the development or review of collegewide administrative rules and policies. ACC formed the Administrative Services Council, which is governed by a group of administrative, faculty, professional/technical and classified employees, to develop and implement recommendations for collegewide policies and procedures, develop budget and staffing priorities and coordinate continuous improvement of the college's administrative services. The vice president for Business Services co-chairs this council with another ACC employee.

ACC established task forces that are representative groups of personnel who focus on a specific area of college operations. The Human Resources Task Force exists for the purposes of:

- Reviewing and developing procedures to promote efficient, effective human resources operations;
- Reviewing forms and making recommendations for improvement;
- Reviewing the Human Resources Handbook annually;
- Identifying processes that should be automated; and
- Assisting in developing appropriate planning parameters.

The Human Resources (HR) Department compensation supervisor co-chairs this task force with a non-HR employee. The associate vice president of HR serves on this task force.

ACC also has committees in which members are appointed for a limited time period to review issues or concerns and to make specific

recommendations to a task force or council. The senior coordinator of staff development is a member of the recently formed Collegewide Professional Development Committee. This committee is charged with the following responsibilities:

- Developing and recommending collegewide professional development administrative rules and procedures to the Academic and Campus Affairs Council and the Administrative Services Council;
- Recommending professional development activities and needed resources based on input from task forces and collegewide committees;
- Developing and recommending guidelines of good practices for the design and delivery of professional development activities;
- Seeking input from all areas of the college regarding the effectiveness of professional development procedures and activities; and
- Recommending procedures for linking professional development activities with needs identified in the faculty and staff evaluation process.

Under the leadership of an associate vice president of HR, the HR Department is responsible for implementing and overseeing ACC's human resources programs, policies and procedures.

The mission statement of the HR Department is as follows:

"Human Resources provides support, guidance, tools, and resources to the ACC community through quality services to enhance employee and organizational effectiveness and foster a sense of community."

The fiscal 2002 operating budget for the HR Department is more than \$1.4 million, which is nearly 10 percent more than fiscal 2001. Salaries and benefits costs increased by 4.7 percent, and operating costs increased by 40 percent. Operating costs include professional services fees and advertising expenses. Operating costs increased by \$50,000 due to the consultant fee for the compensation study. **Exhibit 4-4** summarizes the department's budget for 2000-01 and 2001-02.

Exhibit 4-4
ACC Human Resources Department Budget
2000-01 through 2001-02

Description	2000-01	Percent of	2001-02	Percent of
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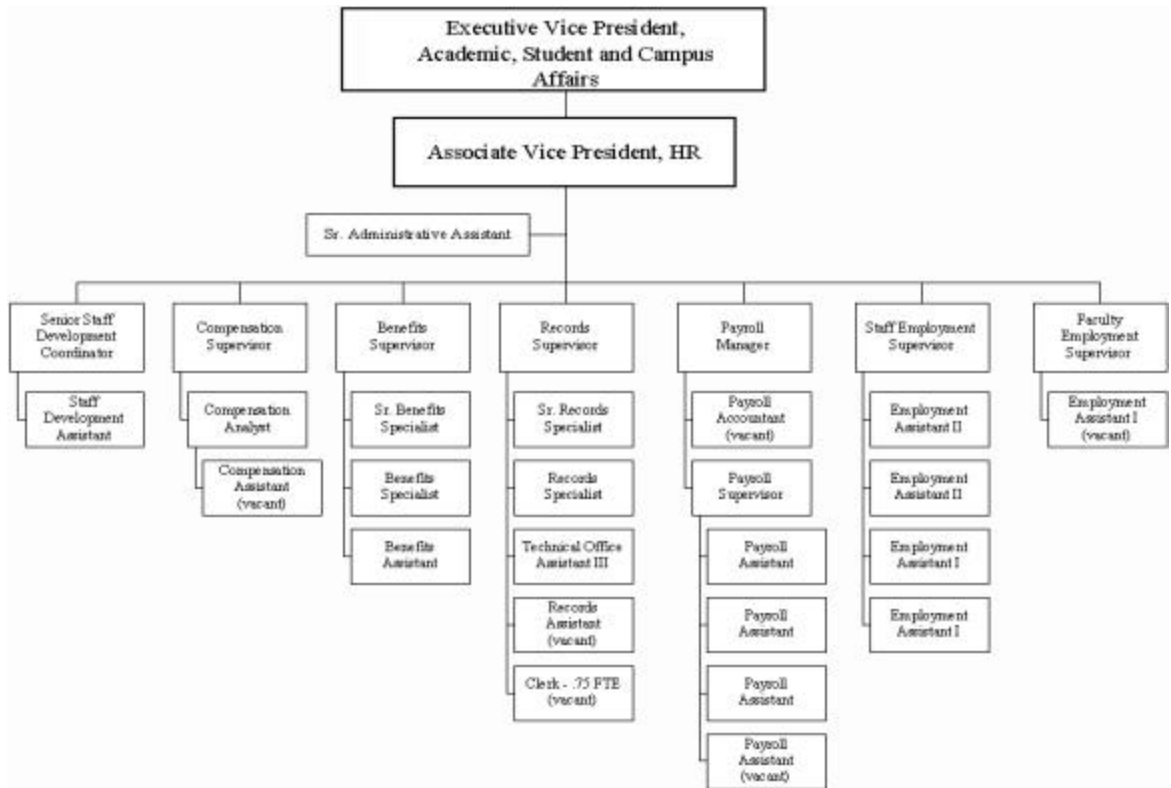
		Budget		Budget
Salaries	\$1,049,230	81.4%	\$1,102,223	77.9%
Employee Benefits	\$34,625	2.7%	\$33,067	2.3%
Supplies	\$20,830	1.6%	\$28,362	2.0%
Travel and Professional Development	\$13,900	1.1%	\$22,900	1.6%
Operating Costs	\$124,940	9.7%	\$174,940	12.4%
Duplication	\$18,500	1.4%	\$24,500	1.7%
Telephone	\$16,977	1.3%	\$19,270	1.4%
Non-Capitalized Equipment (less than \$500)	\$9,564	0.7%	\$9,564	0.7%
Total	\$1,288,566	100.0%	\$1,414,826	100.0%

Source: ACC Operating Budget, Fiscal Year 2002.

Exhibit 4-5 illustrates the organizational structure of ACC's Human Resources Department.

Exhibit 4-5
ACC Human Resources Department Organization

2002-03



Source: ACC Human Resources Department, September 2002.

The associate vice president of HR manages the HR Department with a staff of 30 administrative and support personnel. The department has six vacant positions that represent 5.75 full-time equivalent (FTE) employees. Eight positions report to the associate vice president, including one manager, one coordinator, five supervisors and a senior administrative assistant. Each manager, coordinator and supervisor head a functional area.

Specific roles and responsibilities of the HR Department staff in each organizational section are summarized in **Exhibit 4-6**.

**Exhibit 4-6
Roles and Responsibilities of the Human Resources Department**

Section	Staff	Roles and Responsibilities
Associate Vice President's Office	<ul style="list-style-type: none"> Associate vice president Senior administrative 	<ul style="list-style-type: none"> Employee complaints, grievances and mediation Equal employment opportunity issues such as

	assistant	harassment and discrimination <ul style="list-style-type: none"> • Employee association relations • Budget management for department • Policy development, interpretation and communication • Board meetings and requests • Open records requests • Supplies and equipment orders • Vendor payments
Compensation	<ul style="list-style-type: none"> • Supervisor • Compensation analyst 	<ul style="list-style-type: none"> • Faculty and staff salary placements • Position reclassifications and upgrades • Job descriptions • Salary surveys and recommendations • Employment offers
Benefits	<ul style="list-style-type: none"> • Supervisor • Senior benefits specialist • Benefits specialist • Benefits assistant 	<ul style="list-style-type: none"> • Benefits plan enrollment and administration • Sick leave pool coordination • Family and Medical Leave administration • Retirement programs
Records	<ul style="list-style-type: none"> • Supervisor • Senior records specialist • Records specialist • Technical office assistant III 	<ul style="list-style-type: none"> • Employee personnel files and records • New hire paperwork • Personnel requisitions and authorizations • Employment verifications • Datatel information system management • Position tracking • Faculty contracts • Staff and faculty reporting • Tuition and dependent

		voucher program
Payroll	<ul style="list-style-type: none"> • Manager • Payroll accountant • Payroll supervisor • Payroll assistant (4) 	<ul style="list-style-type: none"> • Payroll deductions and paychecks • Timesheets and summaries of absences • Forms W-2, W-4 and W-5 • Retirement program vendor payments • Sick leave payments
Staff Employment	<ul style="list-style-type: none"> • Supervisor • Employment assistant II (2) • Employment assistant I (2) 	<ul style="list-style-type: none"> • Position vacancy notices and postings • Applicant tracking • Application screening • Hiring packets preparation • Hiring committee training • Employee orientation • ACC employee identification card distribution • Notifications to non-selected applicants
Faculty Employment	<ul style="list-style-type: none"> • Supervisor • Employment assistant I 	<ul style="list-style-type: none"> • Recruitment activities • Position posting and advertising • Applicant tracking • Applicant screening • Hiring packets preparation • Hiring committee training • Notifications to non-selected applicants
Staff Development	<ul style="list-style-type: none"> • Senior staff coordinator • Staff development assistant 	<ul style="list-style-type: none"> • Training workshops promotion, development and coordination • Professional development resources and library • Special event coordination (Professional Development Day, Classified Employee Appreciation Breakfast, etc.) • ACColades Reward and Recognition Program

		<ul style="list-style-type: none"> • Service awards
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Source: ACC Human Resources Department and Interviews.

Faculty development and evaluation functions are not assigned to the HR Department but are the responsibility of the Institutional Technology and Faculty Development Office.

FINDING

The HR Department does not have a well-formulated strategic plan to connect the department's goals and activities to ACC's strategic priorities. The department has documented several goals and projects and regularly reports its progress and accomplishments to the executive leadership team, employee associations and other governing bodies at the college. However, many of the goals are tactical in nature and are written simply as tasks or activities. Most of the activities focus on improving or automating its internal processes.

ACC has a collegewide strategic planning process in which the HR Department plays a limited role. According to board policy, the president of ACC is responsible for developing a comprehensive master plan for the college. This plan is organized around three major areas—an educational/academic plan, a physical facilities plan and a financial implementation plan. It includes long-, medium- and short-term goals. The HR Department, as well as other service support departments, are not required to develop a strategic plan.

While the HR Department is not viewed as a major contributor to the development of the comprehensive master plan, there are significant areas of the plan that have direct implications for the department. Moreover, the strategic planning process does not preclude the department from engaging in strategic planning on a department-level. The Office of Institutional Effectiveness (OIE) offers a variety of Web-based information, resources and tools about the college's strategic planning process and effectiveness assessments. According to the Web page, ACC established nine strategic priorities, in which two of the objectives require the involvement of the HR Department, as shown in **Exhibit 4-7**.

**Exhibit 4-7
ACC Strategic Planning for 1999-2004
Collegewide Strategic Priorities 7 and 8**

Strategic Priority 7

Ensure continued high quality teaching through expansion and continuous renewal of a strong core of professional faculty.

Key Objective: Increase proportion of sections taught by full-time faculty, especially in critical core areas.

Tactics:

- Implement 3-year hiring plan to expand the number of full-time faculty by 60.
- Explore further expanding hiring in critical core subject areas based on an analysis of need.

Key Objective: Ensure all faculty have the skills and knowledge needed for effective teaching.

Tactics:

- Plan and implement comprehensive faculty development services and programs to both full-time and adjunct faculty at each campus.
- Plan and implement comprehensive orientation and mentoring program for new faculty to ensure teaching effectiveness.

Strategic Priority 8

Ensure increased operating effectiveness through improved internal administrative processes, a strengthened infrastructure and consistent use of information for planning and decision-making.

Key Objective: Increase the ability of the college to plan effectively by developing an integrated master plan for instruction, facilities, human resources, technology and budgeting.

Tactic:

- Develop a comprehensive staffing plan and increase the diversity of the faculty and staff, through active promotion and search strategies.

Key Objective: Provide a strategy to ensure non-faculty staff development to increase employee effectiveness.

Tactics:

- Ensure comprehensive skill-based job descriptions, orientation and ongoing training opportunities to develop leadership skills and to enhance

performance.

- Employ technology in the delivery of training and enhance access to training on an as-needed basis.
- Develop employee recognition programs.

Key Objective: Ensure administrative processes and procedures are consistently defined and implemented.

Tactics:

- Complete the development of a consistent set of administrative rules to assure that the "one-college" concept is implemented and that fragmented, non-productive practices are minimized.
- Implement a systematic method to analyze internal processes (TQM, CQI) to improve operating procedures

Key Objective: Ensure that the internal and external college community has access to the information necessary to improve college services and program effectiveness.

Tactics:

- Evaluate information needs collegewide and develop a plan to ensure information is available when needed through a system of Web-based reports and query capability.
- Ensure the implementation of Datatel brings consistency to data by developing standards and procedures based on best practices.

Key Objective: Ensure the college meets the institutional effectiveness and planning requirements related to accrediting agencies, government regulations and ACC board policies.

Tactics:

- Institutionalize quality indicators of performance collegewide, including review of all programs, functions, and sectors of the college.
- Ensure collegewide implementation and integration of institutional effectiveness and planning processes at the unit level by developing a comprehensive, systematic approach.

The department engages in some informal planning activities, while the accountability for strategic human resources planning is dispersed throughout the college. Many of the critical human resources decisions, policies and initiatives are assigned to groups outside the HR Department. As a part of the shared governance concept, ACC established councils, task forces and committees for the expressed purpose of recommending, developing and implementing collegewide operational and functional policies, procedures and initiatives. This approach has diluted the effectiveness and decision-making of the HR Department and has relegated the department to an administrative role.

The associate vice president for HR does not have a formal master plan document to ensure that all departmental activities are strategically aligned to the goals and objectives of the comprehensive master plan. The department does not have a vision statement to help create a shared focus and direction for department staff. The associate vice president meets with the department supervisors to assign projects and to discuss departmental changes. Other staff members informed the review team that department meetings are not regularly held to discuss plans, obtain input and to ensure understanding of the department's goals and objectives.

The department does not have performance measures to evaluate its effectiveness or the impact of its projects and activities on achieving its mission. The department, however, conducted a point-of-service survey and an internal customer satisfaction survey. As a result, HR commissioned the OIE to conduct a series of focus groups to identify specific issues relating customer service and employees' perception of HR. The department used the survey results to develop an action plan to respond to employee concerns.

Without a well-formulated vision and strategic planning process, the department does not have a road map for establishing long-term and short-term goals, priorities and needed resources. This situation reduces the overall effectiveness of the department.

A strategic plan provides a unified direction and focus for the staff. Establishing objectives with assigned roles, specific timetables and methods of measuring and monitoring success are key components of effective strategic planning. The Society for Human Resource Management (SHRM), the world's recognized voice for the human resource profession, emphasizes the importance and value of strategic planning by the human resources leader. According to SHRM, strategic planning:

- Creates a vision;
- Identifies present and future critical needs of the organization;

- Assesses organizational capabilities and performance gaps;
- Defines workable methods, systems and processes;
- Maximizes the human, financial and capital resources of the organization; and
- Focuses on continuous improvement.

Human resources departments that engage in strategic planning ensure that the department's activities, contributions and service level are directly linked to the larger organization's vision, strategies and goals.

The Human Resources Department of the Houston Community College System (HCCS) developed a department strategic plan that delineates the department's mission, vision, values, goals, priorities and timetables for the fiscal years 2001 through 2003. The documented plan establishes the department as a strategic partner with an integral role in providing the support and services essential to the accomplishment of HCCS' Strategic Plan. The department's leadership adopted a philosophy that all department decisions will be evaluated according to whether they will improve student learning. **Exhibit 4-8** summarizes the nine major goals and objectives of the HCCS Human Resources Department.

Exhibit 4-8
HCCS Human Resources Department
Strategic Plan 2001-2003

Goal	Objectives
<p>1. Implement Position Control Develop/implement Position Control Report to realize personnel cost savings by tracking personnel changes through the System.</p>	<ul style="list-style-type: none"> • Develop template to identify and track personnel status changes. (Fall 2001) • Develop procedures/guidelines to ensure understanding and acceptance throughout the System. (Fall 2001) • Realize \$2.1 million savings by reducing September 2000 full-time headcount by 5 percent through attrition. (Fall 2001)
<p>2. Implement Compensation Market Study</p>	<ul style="list-style-type: none"> • Evaluate and assign

<p>Implement Compensation Market Study to ensure HCCS maintains internal pay equity and market competitiveness.</p>	<p>all full-time positions to their respective competitive pay lines. (Fall 2001)</p> <ul style="list-style-type: none"> • Ensure full-time employees are within the market range of their respective pay line. (Fall 2001) • Develop model to award additional pay for HCCS full-time experience. (Fall 2001) • Install Salary Management System (SMS) to continually monitor the market. (Fall 2001) • Develop plan to communicate results of market study. (Fall 2001) • Implement Market Study. (Spring 2002)
<p>3. Revise Administrative Support Staff Part-Time Pay Scale Establish a market competitive part-time hourly pay scale.</p>	<ul style="list-style-type: none"> • Evaluate principal job duties of current part-time jobs and assign correct job title. (Fall 2001) • Establish official list of part-time jobs/titles with respective pay rates. (Fall 2001) • Revise current part-time hiring procedure to include HR coordination. (Fall 2001) • Implement part-time increase as approved by Board. (Spring 2002)

4. Develop/Implement Performance Management Program

Provide a systematic communication tool for managers and their employees to mutually define job expectations, evaluate/reward performance and help develop employees to their fullest potential.

I. Performance Appraisal Program

Adopt Management by Objectives and Results (MBOR) as the cornerstone of the Performance Management Program and tie it directly to the goals of HCCS' Strategic Plan.

- Conduct focus groups to develop job specific performance appraisal criteria. (Spring 2002)
- Develop performance appraisal tool to include job related goals and universal/managerial job elements. (Fall 2002)
- Train on the use of the performance appraisal program. (Spring 2003)
- Implement Pilot Performance Appraisal Program. (Fall 2003)
- Implement Performance Appraisal Program for fiscal year 2004-2005.

II. Compensation Delivery Program

To establish clearly defined policies, procedures and guidelines for salary budgeting and administration and to ensure a clear understanding among all employees of how the compensation program will reward employee

	<p>performance based on MBOR.</p> <ul style="list-style-type: none"> • Revise/update Compensation Policies and Procedures Manual to reflect HCCS compensation philosophy and establish performance-based salary increase guidelines. (Spring 2003) • Conduct informational sessions on the use of the Compensation Manual. (Spring 2003) • Implement Compensation Delivery Program for fiscal year 2004-2005
<p>5. Review/Revise/Update HR Policies/Procedures Manual To provide a guide for management to aid in the implementation of effective/productive relationships among all employees.</p>	<ul style="list-style-type: none"> • Conduct focus groups on critical policies. (Spring 2002) • Draft proposed revisions and submit to Chancellor and Executive Team for review. (Spring 2002) • Finalize draft and submit to Board for approval. (Spring 2002) • Conduct information sessions for management and employees. (Fall 2002)
<p>6. Training and Development</p>	<ul style="list-style-type: none"> • Develop plan to

<p>Develop training programs to address specific management/supervisory training needs.</p>	<p>include incumbent managers, supervisors and directors in the College Leadership Program. (Fall 2001)</p> <ul style="list-style-type: none"> • Continue to revise/improve College Leadership Program for new supervisors. (Fall 2003) • Develop/implement PAL Staff Mentoring Program. (Fall 2002) • Provide system-wide Customer Service and Diversity Training. (Fall 2002) • Develop/implement mid and executive level Leadership Development Program. (Fall 2003)
<p>7. Recruitment and Staffing Develop recruiting strategies to attract and hire quality candidates in a timely manner.</p>	<ul style="list-style-type: none"> • Revise Screening Committee Guidelines to allow more flexibility in hiring process. (Spring 2002) • Revise Job Bid Procedure to allow hiring authority flexibility in filling vacancy. (Fall 2001) • Review/revise departmental employment processes to improve customer service. (Spring 2002) • Develop plan for on-site campus recruiting of faculty and technical (IT)

	candidates. (Spring 2002)
<p>8. Benefit Plan Design Review current benefit plan design to ensure employees are provided competitive health care coverage at a reasonable cost.</p>	<ul style="list-style-type: none"> • Review Benefit Plan Designs. (Fall 2002) • Obtain/review/analyze experience loss reports to ensure employer/employee premiums are competitive. (Fall 2002) • Solicit bids on welfare plans from vendors for ancillary coverages such as eye care, cancer, etc. (Spring 2002) • Introduce Cafeteria Plan. (Fall 2003)
<p>9. Administration and Support Support HCCS' Strategic Plan by developing and implementing programs in support of "Building a Learning College."</p>	<ul style="list-style-type: none"> • Assign HR Generalist at each college (Spring 2002) • Develop/distribute Employee Handbook. (Fall 2002) • Develop Diversity Plan. (Spring 2002) • Develop Management Succession Plan. (Fall 2003) • Develop Time and Attendance Program. (Fall 2003) • Implement HR Performance Task Force Committee initiatives. (Fall 2003)

Source: Houston Community College System Human Resources Department Web site, <www.hccs.cc.tx.us/system/Human_Resources/HRpdfs/StrategicPlan.pdf>.

Recommendation 26:

Implement a strategic planning process to develop the Human Resources Department goals, objectives and priorities that are linked to ACC's comprehensive master plan.

The department should establish timetables for achieving its objectives, assign responsibility, develop performance indicators to measure and monitor the achievement of its goals.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR and HR supervisors review the college comprehensive master plan and collegewide strategic planning process.	January 2003
2.	The associate vice president of HR and HR supervisors draft strategic goals and communicate the goals to internal staff.	January 2003
3.	The HR supervisors solicit input from employees in developing tactical plans to support the strategic goals.	February 2003
4.	The associate vice president of HR and HR supervisors refine and document the goals, tactical plans and implementation timelines.	February 2003
5.	The associate vice president of HR and HR supervisors implement the plan, continuously monitor and report progress in accordance with the college's strategic planning process.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The HR Department has too many supervisory-level positions, creating separate sections for similar functions. There are 31 positions in the department, of which eight are supervisory positions, including the associate vice president of HR. Seven of these positions and a senior administrative assistant report to the associate vice president. The remaining 22 employees report to the seven supervisory positions, creating a staffing ratio of 3.1 employees for each supervisor. Three supervisors, a senior staff development coordinator and a faculty employment supervisor, have only one employee reporting to the supervisor. The compensation supervisor has two subordinate positions, but one position remains unfilled due to the hiring freeze.

There are two separate employment sections, one for staff and one for faculty, even though the personnel in these two office perform similar jobs. The staff employment supervisor oversees staff and adjunct faculty

employment issues. This supervisor has four direct reports, while the faculty employment supervisor has one direct report, an employment assistant.

One of the employees reporting to the staff employment supervisor performs functions related to the adjunct faculty personnel. The faculty employment supervisor serves as the primary recruiter for ACC. Supervisory responsibilities are limited and the employment assistant often relies on the policies and procedures of the employment assistants performing similar duties in the staff employment section.

The job description of the faculty employment supervisor does not show that the position has supervisory responsibilities. The essential duties of the position are listed below:

- Ensures compliance with college employment practices and procedures;
- Reviews qualifications of applicants and ensures minimum qualifications are met;
- Develops and coordinates recruitment programs and coordinates application process for adjunct and full-time faculty to increase likelihood of reaching staffing goals;
- Assists with training committees as needed;
- Responds to inquiries about the college employment policies, practices and process;
- Creates advertising copy, coordinates advertisements in newspapers and other publications and posts job descriptions; and
- Prepares reports at end of the hiring process.

The separation of similar functions increases the opportunities for inconsistent work practices and miscommunication between the two sections. Properly aligned functions improve the efficiency of the department and helps ensure that staff is properly trained and can fill in to handle the workload during periods of employee absences.

Recommendation 27:

Merge Staff Employment and Faculty Employment sections into one functional area, and reclassify the faculty employment supervisor position to recruiter.

Reorganizing the employment sections of the HR Department by merging staff employment and faculty employment into one functional unit will increase the department's efficiency and enable it to serve both internal and external customers more effectively. It will allow the staff to process work in a more straightforward manner, eliminating duplication and

processing delays. Reclassification of the faculty employment supervisor to a recruiter position is appropriate because the position's essential duties are associated with recruiting.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR reorganizes the employment sections to merge staff employment and faculty employment into one functional area.	February 2003
2.	The associate vice president of HR reclassifies the faculty employment supervisor position to a recruiter position and appoints the staff employment supervisor to oversee the new combined unit.	March 2003
3.	The associate vice president of HR revises the job descriptions of the affected positions.	April 2003
4.	The associate vice president of HR presents the reorganization plan to the president for approval.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 4

B. HUMAN RESOURCES POLICIES AND PROCEDURES

ACC Board Policy - Group F addresses state laws and board policies governing personnel issues. These policies are included in an ACC employee handbook provided to each employee during orientation.

In addition to the handbook, ACC provides its employees with an array of hardcopy and electronic publications designed to clarify and inform them about college policies concerning personnel vacancies, procedures, benefits and activities. For example, the HR Department produces a monthly online newsletter on its Web page called HR Updates. The newsletter is designed to keep employees informed about activities in the department as well as policy and procedure changes in the various areas of HR. Information covers payroll, training, benefits, records, compensation and employment.

FINDING

The HR Department does not have a comprehensive operating procedures manual that describes the various functions performed in the department. Without documented procedures, the staff performs certain tasks in an inconsistent manner. For example, the faculty employment section posts open positions without receiving an approved personnel requisitions, while the staff employment section does not post an open position before receiving the proper paperwork.

Typically, a procedures manual defines the processes and procedures for implementing HR policies and delivering HR services. Staff members told the review team that a manual is being developed; however, the HR Department did not provide a draft of the manual to the review team. Staff members did provide the review team with a draft of specific tasks performed by individual staff members.

Without a well-organized, indexed and comprehensive procedural manual, staff members do not have a reference book to expeditiously check policy and personnel issues or find procedures on how to perform functions in the department. Documented procedures help establish work standards, consistency and overall operational efficiency.

The associate vice president of HR recognizes the need for a procedures manual and has developed a Procedures and Guidelines form for staff to document all work processes and procedures for each of their functional areas. TSPR interviews with department staff members, however, revealed

that employees were not using the form. Many staff members stated they were unaware of this process. According to the associate vice president of HR, the supervisors of the department are using the form to collect information on the tasks and activities performed by their staff. The supervisor and respective staff are expected to compile the procedures manual.

A best practice for most human resources departments is to have a comprehensive documented operations procedures manual. Miami Dade Community College maintains a detailed procedures handbook online that includes step-by-step descriptions of each process and procedure used to deliver services, including posting personnel vacancies, recruitment and selection, resignation of personnel/termination and classification and reclassification of positions. All forms to process personnel transactions for services delivered by the HR department are online.

Recommendation 28:

Implement the use of the Human Resources Department's Procedures and Guidelines form and develop a comprehensive departmental operating procedures manual.

Implementing the use of the Procedures and Guidelines form is an initial step in developing the procedures manual. The purpose of this form is to provide a way to document and maintain documentation on operating processes and procedures. Developing an operating procedures manual will provide the framework and structure for standardizing procedures and keep the staff informed. Each functional section should have desk manuals to ensure continuity of working during absences and vacancies in the department.

The manual should contain the department's mission, goals, organizational structure and detailed procedures for carrying out the functions and responsibilities of the department. The manual should be reviewed and updated regularly.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR develops a plan to implement the use of the Procedures and Guidelines form and a process to update an operating procedures manual on a regular basis.	February 2003
2.	The associate vice president of HR directs the supervisors of each functional area to develop detailed procedures for each operation for their assigned area.	March 2003
3.	The supervisor and staff review descriptions of policies.	Anril

	procedures and processes for the assigned functional area.	2003
4.	The supervisor and staff develop the contents of the manual for the area and present it to the associate vice president of HR for approval.	May 2003
5.	The associate vice president of HR approves the manual for use by each functional section of the department.	June 2003
6.	Once approved, the associate vice president of HR ensures distribution of the manual to each HR staff member.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC job descriptions for HR positions do not accurately describe the duties and responsibilities of the positions. For example, the job description for the faculty employment supervisor does not list the supervision of the employment assistant. Additionally, in a review of ACC's job descriptions, the review team found that generic language for required knowledge and skills is used in all job descriptions regardless of employment classification. The associate vice president of HR informed the review team that ACC's job descriptions are written to represent the broad, general responsibilities of a job and not the employee's specific job duties.

ACC has a total of 328 job descriptions, all of which are posted on ACC's website. Although there are no established standards that require review and update of job descriptions on a regular basis, most of the job descriptions have been updated in the past six months by the compensation supervisor. Comments from ACC employees and focus groups conducted for faculty, staff and administrators indicate that the job descriptions, though they have been revised, still do not accurately reflect their current duties and responsibilities. **Exhibit 4-9** presents focus group verbatim comments concerning the inaccuracy of job descriptions.

Exhibit 4-9
TSPR Faculty, Staff and Administrator Survey
ACC Focus Group Comments on Job Descriptions

- | |
|---|
| <ul style="list-style-type: none"> • The job descriptions should accurately portray the jobs so that they won't list duties that aren't done or hardly ever done. • Allow departments to add paragraphs to job descriptions that accurately |
|---|

- describe individual position's responsibilities.
- ACC should review all job descriptions of Recruitment Specialist carefully to make sure that they are equally representative of the students who are being recruited into the program.

Source: TSPR Faculty, Staff and Administrator Survey.

Accurate job descriptions should document a job's major functions or duties, responsibilities and/or other critical features such as skill, effort and working conditions. Accurate job descriptions are important because they help identify and delegate responsibilities within an organization and help ensure consistent compensation treatment of employees. SHRM provides information and examples of job descriptions on its Web site. Additionally, SHRM notes that job descriptions and other forms of job documentation have the potential to become the subject of contention, including grievances or litigation.

Recommendation 29:

Develop a plan to update all job descriptions and establish a schedule for routine updates.

The HR Department should develop a plan to update all job descriptions. The HR Department should distribute job descriptions to all ACC managers and supervisors for update. Because most of the colleges' job descriptions need updating to reflect current duties and responsibilities, the HR Department should begin by having all employees and their supervisors review the job descriptions for accuracy and completeness.

All ACC staff with supervisory responsibilities should be instructed to review current job descriptions or revise a job description when there is a change of duties or work assignments. Finally, the HR Department should establish a schedule for updating job descriptions regularly.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president directs the compensation supervisor to develop a plan to update all job descriptions and establish a schedule to carry out the revisions.	February 2003
2.	The compensation supervisor develops the plan and the associate vice president of HR approves the plan.	March 2003
3.	The compensation supervisor distributes the job descriptions to department managers and supervisors for update.	March 2003

4.	Each employee reviews and proposes revisions to the job descriptions as appropriate, in concert with his or her immediate supervisor.	April 2003
5.	The compensation supervisor meets with management staff as needed for clarification or issue resolutions related to updated job descriptions.	May 2003
6.	The compensation supervisor reviews and updates job descriptions according to the established schedule.	June 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The HR Department does not produce summary-level employee termination reports to assist with analyses of employee turnover. The HR Department manually uses data collected from Employee Separation forms and resignation letters to prepare a quarterly Termination by Department report. The associate vice president of HR includes the report as part of the board materials packet. **Exhibit 4-10** reproduces a copy of the employee turnover report prepared by the HR Department.

Exhibit 4-10 Terminations from September 2001 - April 2002 by Department

Position	Department	Reason
Clerk	Admissions & Records	Personal Reasons
Admissions & Records Count	1	
Clerk, Accounting Sr	Adult Education	Other Employment
Clerk, Sr	Adult Education	Other Employment
Coordinator, Program	Adult Education	Other Employment
Instructor, Adult Education	Adult Education	Other Employment
Instructor, Adult Education	Adult Education	Personal Reasons
Adult Education Count	5	
Clerk, Sr	Business Services	Attend School
VP, Business Services	Business Services	Death

Cashier I	Business Services	Involuntary Termination
Business Services Count	3	
Clerk (60%)	Campus Manager	Attend School
Building Attendant	Campus Manager	Job Dissatisfaction
Clerk II	Campus Manager	Other Employment
Clerk, Lead Duplication	Campus Manager	Other Employment
Clerk (50%)	Campus Manager	Personal Reasons
Evening Supervisor (50%)	Campus Manager	Personal Reasons
Campus Manager Count	6	
Dispatcher	Campus Police	Involuntary Termination
Patrol Officer	Campus Police	Job Dissatisfaction
Patrol Officer	Campus Police	Other Employment
Patrol Officer	Campus Police	Personal Reasons
Campus Police Count	4	
Assistant, Science Lab III	Chemistry	Unsatisfactory Performance
Chemistry Count	1	
Technician, Sr Computer Support	Computer Information Systems	Absenteeism/Tardiness
Technician, Computer Support II	Computer Information Systems	Involuntary Termination
Technician, Computer Support (50%)	Computer Information Systems	Personal Reasons
Computer Information Systems Count	3	
Director, Community Programs	Continuing Education	Attend School
Assistant, Technical Office II	Continuing Education	Other Employment

Source: ACC Human Resources Department.

While the report lists the position titles, the number of vacant positions by department and the reason for employee separation, the content and format

of the report are not sufficient to effectively analyze, measure and communicate turnover statistics and impact.

A report on a college's turnover data is necessary to provide timely, clear and specific information that is useful for an organization's retention efforts and its capacity to accomplish its goals. As an example, the State Auditor's Office (SAO) produced the *Annual Report on Full-Time Classified State Employee Turnover for Fiscal Year 2001*. The report is comprehensive and provides in-depth narrative details about employee turnover in several significant areas. The SAO uses this information to evaluate and analyze trends in state employment and to address causes of state employee turnover.

In its 37-page report, SAO gathers and analyzes turnover data in a number of ways:

- Employees with less than two years of agency service;
- Employees under 40;
- Retirements;
- By region;
- By agency;
- By occupational category;
- By ethnic group;
- Reasons for leaving; and
- Interagency transfers.

The results of the analyses are displayed in numerous exhibits throughout the report. **Exhibit 4-11** provides an example of a turnover report that provides a comparative analysis of turnover.

Exhibit 4-11
State Auditor's Office

Reasons State Employees Terminate Employment

Reasons	Fiscal Year 2001		Fiscal Year 2000		Fiscal Year 1999		Fiscal Year 1998		Fiscal Year 1997	
	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations
Personal Reasons Not Related to the Job	11,256	41.3	11,306	39.1	11,162	40.4	10,670	38.9	8,667	41.3
Retirement	2,699	9.9	2,970	10.2	2,511	9.1	2,923	10.6	857	4.0
Transfer to a Different Agency/Institution	2,223	8.1	2,311	8.0	2,144	7.7	2,123	7.7	2,279	10.8
Reasons Unknown	2,121	7.7	2,501	8.6	2,456	8.9	2,158	7.8	1,784	8.5
Inadequate Salary	1,441	5.2	1,897	6.5	1,973	7.1	2,173	7.9	1,976	9.4
Dislike/Unsuitable for Assigned Tasks	1,151	4.2	1,193	4.1	1,273	4.6	1,084	3.9	1,047	4.9
Dissatisfaction With Supervisor	424	1.5	376	1.3	322	1.1	343	1.2	273	1.3

Exhibit 4-11 (continued) State Auditor's Office

Reasons State Employees Terminate Employment

Reasons	Fiscal Year 2001		Fiscal Year 2000		Fiscal Year 1999		Fiscal Year 1998		Fiscal Year 1997	
	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations	Terminations	Percentage of Terminations
Personal Reasons Not Related to the Job	11,256	41.3	11,306	39.1	11,162	40.4	10,670	38.9	8,667	41.3
Retirement	2,699	9.9	2,970	10.2	2,511	9.1	2,923	10.6	857	4.0
Transfer to a Different Agency/Institution	2,223	8.1	2,311	8.0	2,144	7.7	2,123	7.7	2,279	10.8
Reasons Unknown	2,121	7.7	2,501	8.6	2,456	8.9	2,158	7.8	1,784	8.5
Inadequate Salary	1,441	5.2	1,897	6.5	1,973	7.1	2,173	7.9	1,976	9.4
Dislike/Unsuitable for Assigned Tasks	1,151	4.2	1,193	4.1	1,273	4.6	1,084	3.9	1,047	4.9
Dissatisfaction With Supervisor	424	1.5	376	1.3	322	1.1	343	1.2	273	1.3

Source: Texas State Auditor's Office "Annual Report on Full-Time Classified State Employee Turnover for Fiscal Year 2001."

From this data, the SAO identifies primary reasons for employee turnover and the areas and positions most affected by turnover. Also, by looking at employee turnover, the SAO was able to conclude that the workforce was changing, and a long-term forecast was needed.

Recommendation 30:

Develop a useful report format to analyze and measure employee turnover statistics.

Improving the existing report format to include specific data about turnover will provide the president and board members with a comprehensive perspective on employee turnover. Data may be extracted from the information system and downloaded to a spreadsheet software application, minimizing the time and manual processes involved in producing the report. Regular analyses of employee turnover will allow the HR Department to estimate staffing needs, determine staffing placement and anticipate staffing shortages based on historical data. Strategies can then be developed for targeting those areas where personnel shortages are likely to occur.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR determines the critical turnover information that should be presented in the employee termination reports.	February 2003
2.	The associate vice president of HR drafts a revised report with narrative analyses and presents the draft report to the president.	March 2003
3.	The president reviews, provides input and approves the report format.	April 2003
4.	The associate vice president of HR uses the approved format to produce employee turnover reports for the board.	April 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

While the HR Department maintains and reports data on employee turnover, the department does not conduct exit interviews with employees. The staff relies on the Personnel Separation (PS) forms or employees' resignation letter to learn the reasons employees voluntarily leave ACC. Although, the PS form allows exiting employees to indicate specific reasons for leaving, if "other" is checked as the reason for leaving and there is no explanation in the comment section, the HR Department does not have sufficient information to determine the reason the employee resigned. According to policy stated in the *Employment, Procedures, Salary Schedules and Compensation Manual*, the supervisor is expected to complete the PS form. Therefore, the responsibility for completing the PS

resides with the supervisors. Completed PS forms that do not provide specific reasons for leaving may indicate employees' hesitation to discuss the details of their reasons for resignation, particularly if the employee is leaving for reasons related to the supervisor's management style. The department also does not seek feedback from exiting employees who do not submit resignation letters.

A review of the reports dated September 2001 through April 2002 shows a total of 74 employees left ACC. More than one-third of separated employees left ACC for other employment, which suggests that employees may be unhappy with ACC, their career, job, management, organizational culture or salary. An additional 17 percent of separated employees indicated personal reasons for terminating their employment with ACC. **Exhibit 4-12** summarizes employees' reasons for resignation.

Exhibit 4-12
ACC Employee Separation Reasons
September 2001 through April 2002

Separation Reasons	Total Employees	Percent
Other employment	26	35%
Personal reasons	13	17%
Involuntary termination	8	11%
Attend school	5	7%
Unsatisfactory performance	5	7%
Abandoned position	4	5%
Reduction in force	3	4%
Job dissatisfaction	2	3%
Absenteeism/tardiness	2	3%
Health reasons	2	3%
Retirement	2	3%
Death	2	3%
Total	74	100%

Source: ACC Human Resources Department. (Numbers may not add to 100 percent due to rounding.)

Exit interview data is useful in addressing employee turnover and creating a work environment that is conducive to attracting and retaining talented individuals at ACC. Exit interviews provide insight into what employees like or dislike about the college's policies and practices. Human resources departments that conduct exit interviews are more informed about the effectiveness of various human resource management in individual departments or colleges. It is important that questions asked of an exiting employee yield straightforward feedback that will help the college to improve its retention efforts and encourage talented employees to stay.

Questions often asked during exit interviews focus on the following:

- Initial selection practices;
- The degree to which the job met the employee's expectations;
- Benefits;
- Training;
- Advancement opportunities;
- Supervision;
- Organizational culture;
- Salary; and
- Other positive and negative features of the organization.

A best practice cited by SHRM is that a representative of the HR Department conduct exit interviews. The representative is not involved with the day-to-day supervision of the employee and not in a direct line of authority to the supervisor, so exiting employees are more likely be candid during the exit interview process.

Recommendation 31:

Develop a process for the Human Resources Department to conduct exit interviews.

The HR Department should develop a process to conduct exit interviews. After obtaining more complete and specific data on reasons for voluntary resignations, the department will be able to identify turnover trends and staffing needs and determine ways to retain quality employees.

There are several options available to the HR Department to conduct exit interviews. For instance, the department could develop an interactive exit interview form on the HR Web page in such a way that the data could be collected and analyzed automatically. For those exiting employees without computer access, the Records area in HR can provide and collect the hardcopy exit interview form.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR and records supervisor develop an exit interview process.	May 2003 through June 2003
2.	The associate vice president of HR proposes the process to the Administrative Services Council (ASC).	July 2003
3.	The ASC reviews, provides input and approves the process.	August 2003
4.	The associate vice president of HR directs appropriate staff to conduct exit interviews.	August 2003
5.	The staff implements the revised exit interview process.	September 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC does not fully comply with federal regulations and its own administrative rules on the completing and filing Employment Eligibility Verification (I-9) forms. The Immigration and Nationality Act (INA), as amended by the Immigration Reform and Control Act (IRCA) of 1986, requires all United States (U.S.) employers to complete and retain the I-9 form for each individual hired for employment in the U.S. The employer must verify the employment eligibility and identity documents presented by the employee and record the information on the Form I-9. ACC's Administrative Rule 6.06.010 stipulates:

- Human Resources will examine the documents and complete the employer part of the I-9 form for all new hires. The I-9 form verifies that the individual is authorized to work in the United States.
- The I-9 form must be completed before the individual starts work. If the documents are not available on the first day of work, the employee has three days to provide the required verification and identification. If the individual is unable to produce the required documentation, the college shall consider that failure to be a refusal of the job offer.
- Human Resources shall maintain the I-9 forms in separate file for three years after the date of hire, or one year after the individual terminates employment, whichever is later.

The review team performed a random audit of personnel files and discovered that many of the I-9 forms were completed incorrectly. The forms were located in the individual personnel file and not in a separate

file as required by ACC's administrative rule. The employer part, Section 2, was completed by employees in the hiring departments and not by the HR Department. In several cases, the individual employee recorded his or her own verifying document information. Often, the document title and the issuing authority name were missing from the form.

On some forms, the employee did not select a citizenship designation. The majority of the forms did not have the employment start date. The review team also noticed that on some forms, the verification documents recorded in Section 2 exceeded the verification requirements. For example, the form showed information from a passport (List A), driver's license (List B) and a social security card (List C). In those instances where the employee self-identified as a lawful permanent resident, there is no certainty that the hiring department examined the appropriate documents. One form showed that an ACC verifier dated the form the day before the employee signed the form. Also, some campuses are using outdated forms.

HR Department staff told the review team that the completion of I-9 forms is a shared responsibility between the HR Department and the hiring department. Many new employees complete their paperwork at the various campuses and the paperwork is forwarded to the HR Department. In some cases, the form is faxed and HR does not obtain an original completed form.

The Immigration and Naturalization Service (INS) of the U. S. Department of Justice is a governing agency that has the authority to assess civil and criminal penalties against employers who do not comply with IRCA. The inconsistencies in verifying and recording employment eligibility may be a result of inadequate training and the lack of an efficient compliance review process. The HR Department receives and files the forms, but there was no indication that staff conducted follow-up requests to have forms completed accurately.

The INS maintains a Web site that offers information and updates about changes in laws, regulations, policies, procedures and compliance requirements. Recent changes implemented by the INS include the addition of Form I-766 (Employment Authorization Document) as an acceptable List A document #10 and the removal of Form I-151 #5, Certificate of U.S. Citizenship, Certificate of Naturalization, Unexpired Reentry Permit and Unexpired Refugee Travel Document from the acceptable List A identity and work authorization documents.

Recommendation 32:

Revise the administrative rule, conduct training, implement a compliance monitoring process and comply with federal regulations in completing I-9 forms.

HR should conduct training and implement a compliance monitoring process to ensure that I-9 forms are completed. The training should instruct staff on how to complete the I-9 form and provide the titles of positions authorized to verify the identity and work eligibility of potential employees.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR presents this issue to the ASC for review and discussion.	January 2003
2.	The ASC recommends a policy change that authorizes certain designated positions to verify the identity and work eligibility of employees and complete the I-9 forms.	February 2003
3.	The ASC submits the revised policy to the college president for approval.	February 2003
4.	Upon approval, the associate vice president directs the Records section staff to develop a training class for employees in authorized designated positions.	March 2003
5.	The Records section staff develops and conducts training and implements the compliance monitoring process.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 4

C. CLASSIFICATION AND SALARY ADMINISTRATION

An effective compensation plan is critical to attracting and retaining quality employees. ACC's classification and compensation plan is based on the principles and administrative directives established by the board. Some of the compensation plan goals include:

- Providing all employees fair pay for their contributions to the college mission, with no employee paid less than the community-accepted level of a "living wage";
- Providing a compensation package (including salary, benefits, time off, stipends and awards) that is market-competitive. Priority for increasing compensation shall be for those positions that are at 95 percent or less of the market average or any other compensation target established in by the board;
- Adjusting pay scales annually to reflect cost-of-living changes (including inflation), with cost-of-living adjustments applied on the same basis to all pay scales. However, cost-of-living increases shall be adjusted appropriately to reflect the greater impact of inflation on lower-income persons; and
- Providing salary ranges that reflect appropriate adjustments for changes in effectiveness due to acquired education/experience and completion of any mandatory professional development.

The board annually reviews the compensation pay plan. ACC has different pay scales for full-time faculty, adjunct faculty, professional/technical positions, information technology department positions, classified positions and hourly positions. Each pay scale has pay steps and levels. ACC regularly conducts salary surveys and market studies.

FINDING

Many employees do not understand the college's method for deciding placement on the salary scale. ACC uses a salary placement system that focuses primarily on education and work experience in determining the appropriate salary level for a position. The compensation staff does not confer with hiring authorities in determining salary assignments for new hires. The compensation analyst is the only employee in ACC who is primarily responsible for the salary placement process. The methodology has been in place for some time. The compensation analyst said that the salary placement system existed before he came on board in 2001. He had no previous experience with the system but learned on the job using some undated written guidelines. He also receives direction from the

compensation supervisor who has several years of compensation experience.

HR has consistently received negative feedback from both prospective and current employees about ACC's salary placement process. OIE released a February 22 - March 5, 2002 report in which HR focus group participants said:

"Customers do not know the overall compensation policies, processes and procedures; how levels, steps or titles are determined; how jobs are selected to undergo market classification; who has authority on re-classifications or what the criteria are for promotion."

The ACC Classified Employees Association recently submitted a list of questions to the associate vice president of HR on certain compensation practices. The group expressed concern that human resources policies and rules are not consistently enforced. For example, the group wanted to know why the administrative assistant III position does not substitute work experience for educational requirements while similar positions do permit substitutions. As a result of further discussions, a survey was conducted and administrators agreed to change the job description to substitute work experience for educational requirements. Other questions dealt with job posting procedures and job descriptions. The associate vice president of HR acknowledged that the compensation section has experienced high turnover, with five different employees in less than three years. As a result, there is little documentation or history of past practices and decisions. The associate vice president explained current policy and rationale that was applied to the situations described in the letter.

To determine salary placement, the compensation analyst evaluates the education and work experience of the candidate or employee against the position requirements. The compensation analyst assesses and credits work experience that is "directly related" or "closely related." The assessment also takes into account the applicant's most recent relevant salary, market conditions and internal equity. The compensation analyst completes a placement worksheet to document the scoring and placement decision. Then the compensation analyst contacts the applicant to extend an employment offer. The scoring or quantitative evaluation of the work experience is a manual process although the compensation analyst uses a database to track the data and the results.

Organizations can use compensation plans as a strategic tool in attracting and retaining good performers. When employees do not understand how salary decisions are made, they tend to raise questions about the credibility of the system. Misunderstandings about the compensation plan lead to perceptions and complaints of unfair treatment. Open communication

promotes trust and facilitates a check-and-balance system to ensure that salary decisions are based on established policy and standard practices.

Recommendation 33:

Develop a plan and communication strategy to improve employees' understanding of the salary placement process.

The HR Department should develop a plan to communicate the salary placement guidelines to ACC employees. Implementation of an education campaign would help employees understand the process and help eliminate the misperceptions about unfair treatment.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR directs the compensation staff to review and update the salary placement guidelines.	February 2003
2.	The associate vice president of HR reviews and approves the documented procedures.	March 2003
3.	The associate vice president of HR and compensation staff drafts a strategy and plan to communicate the salary placement process to all employees.	April 2003
4.	The associate vice president of HR and compensation supervisor submit the plan to the HR Task Force for review and input.	May 2003
5.	The HR Task Force reviews the plan and provides input and approval.	June 2003
6.	The HR Task Force presents the plan to the president for review and approval.	June 2003
7.	The HR Department implements the plan and makes timely updates when appropriate.	July 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC routinely and inconsistently pays stipends to employees for various reasons, thereby, substantially increasing its payroll costs. The stipends provide another vehicle for ACC to increase employee pay beyond existing pay scales.

The stipend policy and administrative guidelines are not well defined, nor publicized. The review team found little documented information about the stipend program. According to the associate vice president of HR, departments and budget authorities determine and enter stipends on the hourly Web page. The HR Department then uploads the information to pay employees. In May 2002, the associate vice president of HR disseminated a memo to the Administrative Leadership Team (ALT) and budget authorities instituting some practices to be followed due to budget constraints. The following practices were defined:

- Stipends shall not be considered for staffing table employees because other positions are vacant in the department. It is the responsibility of the supervisor to re-evaluate employee duties and tasks and re-prioritize projects in view of the hiring freeze. Supervisors should avoid re-distribution of non-essential duties and ensure that priorities, which support our mission and strategic plans, are being achieved.
- A classified employee may be considered for a stipend when the employee is assigned to a significant amount of duties of a higher level classified position, and there are funds in the department's budget, and approved by the executive vice president of HR. The HR Compensation Office will be consulted on all stipends to ensure consistent application of the practice. A classified employee may not perform the essential function of a professional/technical position.
- A supervisor may recommend a stipend (if there are funds in the budget) for professional/technical employees who are asked to assume duties in a higher classification such that their new duties are essentially those of the higher level position. The HR Compensation Office will recommend to the executive vice president a stipend amount in view of the revised duties.
- Supervisors may not use the salary of a vacant or frozen position to fund a proposed stipend.

The HR Department is developing guidelines for stipends for staffing table employees.

- Classified employees may not work full-time in a classified position and as an hourly employee. Federal regulations require classified employees that work more than 40 hours in any work week (regardless of the position in which they are working) must be compensated at the overtime rate.
- Classified or professional/technical employees who assume responsibilities from the same or a lower level position, may not be approved for a stipend because the employee is already being paid on that level or higher than the lower position in a 40-hour per

week position. Classified employees may work overtime to assist with an increased volume of work only if there are funds for overtime pay.

ACC created two stipend committees, faculty and non-faculty. The non-faculty stipend committee was designated as the Classified and Professional-Technical Stipend Committee. This committee is responsible for developing a process, guidelines and policy for awarding stipends to non-faculty employees. The committee held its first meeting in August 2002 in which members discussed the purpose and expectations of the committee.

The HR Department provided the review team a spreadsheet listing the stipend amount, stipend description, stipend start and end date, employee name and employee classification. The report is long, and stipend description information is inconsistently described and documented, which makes the data difficult to sort and analyze. The report does show, however, that ACC has paid more than \$706,500 in 2001-02 to 622 employees in as many as 1,187 stipend payments. The individual stipend amounts ranged from a low of \$12 to a high of \$8,830. The \$12 stipend was paid to an hourly employee for attending a photo session. The \$8,830 stipend was paid to a professional/technical employee for serving six months in an interim position. There are 139 employees listed on the report who received an individual stipend award of at least \$1,000. The total cost of stipends paid to the 139 employees was \$389,136. Some employees received a stipend only once while several employees received from six to 15 individual stipends.

Exhibit 4-13 shows some of the various reasons for which stipends were awarded.

**Exhibit 4-13
ACC Stipend Payment Reasons
2001-02**

Reason	Number of Payments	Total Dollars
Program and assistant coordinator duties	58	\$131,283
Acting or interim positions/additional duties	52	\$85,745
Lecture Equivalent Hour (LEH) activities	40	\$55,708
Curriculum and course development functions	35	\$52,450
Council, task force and committee assignments	239	\$36,729

Department chair, self study chair, head librarian, lab coordinator and associate director	50	\$35,062
Work related to the Hammer project, Hope project, Hustle Bonus, Hirsh Innovation grant and Nursing grant	24	\$33,001
Payroll adjustments and corrections	36	\$29,451
Mentoring duties	111	\$27,020
Assistant and associate dean functions	9	\$26,000
Adjunct Faculty Association responsibilities	38	\$22,800
Quick Texas Academic Skills Program (TASP) related functions	180	\$19,968
Task force chair duties	9	\$19,488
Trustee election activities	38	\$19,458
Hard-to-fill rate for adjunct faculty	7	\$16,293
General Equivalency Diploma (GED) activities	29	\$12,823
Summer Youth Academy	26	\$8,283
Full-time faculty orientation	38	\$5,140
Educational	7	\$3,920
State Wide Articulation Program (SWAP) training	18	\$1,800
Electronic Instructional Learning (EIL)	10	\$800
Other	133	\$63,309
Total	1,187	\$706,531

Source: ACC Human Resources Department.

Some of the reasons for stipend payments reflected in the "Other" category include attending meetings, music production work, employee association duties, training and development and other similar activities.

Exhibit 4-14 shows the dollar range of the stipends. More than 65 percent of total stipend dollars were paid out in 218 stipends ranging from \$1,000 to \$8,830 each.

Exhibit 4-14
ACC Stipend Amounts
2001-02

Dollar Range	Number of Stipends	Percentage of Stipends	Total Dollar Amount	Percentage of Dollar Amount	Average Amount
\$2,500 - \$8,830	56	4.7%	\$218,563	30.9%	\$3,903
\$1,000 - \$2,499	162	13.7%	\$266,618	37.7%	\$1,646
\$500 - \$999	152	12.8%	\$94,460	13.4%	\$621
\$100 - \$499	531	44.7%	\$109,759	15.5%	\$207
Less than \$100	286	24.1%	\$17,131	2.4%	\$60
Total	1,187	100.0%	\$706,531	100.0%	\$595

Source: ACC Human Resources Department.

Exhibit 4-15 provides a breakdown of stipend distribution by employee classification. Full-time faculty received nearly 30 percent or 351 of the individual stipend awards at a cost of \$350,138 or 49.6 percent of the total dollars spent. Adjunct faculty received more than 28 percent or 334 of the individual stipend awards at a cost of \$145,595 or 20.6 percent of the total dollars spent.

Exhibit 4-15
ACC Stipend Distribution by Employee Classification
2001-02

Employee Classification	Number of Stipends	Percentage of Stipends	Total Dollar Amount	Percentage of Dollar Amount
Administrator	3	0.3%	\$2,606	0.4%
Professional/Technical	179	15.1%	\$106,219	15.0%
Classified	90	7.5%	\$39,378	5.6%
Full-time Faculty	351	29.6%	\$350,138	49.6%
Adjunct Faculty	334	28.1%	\$145,595	20.6%
*Hourly	230	19.4%	62,595	8.8%
Total	1,187	100.0%	\$706,531	100.0%

Source: ACC Human Resources Department.

*Hourly employee stipends are not necessarily employees in the classified or hourly

employee categories. This group of stipends are lump sum payments for specific tasks or projects and are listed on the hourly Web page.

There is no centralized accountability for the management and approval of stipend payments. Budget authorities approve stipends online using a password. Unclear guidelines and inconsistent application of policies and practices can lead to inappropriate payments and abuse of the stipend program. For example, stipends may be inadvertently used to pay classified employees for overtime work. The spreadsheet describes the stipend payments as "overtime for HR payroll" for two classified employees.

Employee compensation and benefits programs are usually tied to the strategic goals of the organization. Such programs are routinely evaluated to ensure relevancy and cost-effectiveness. A compensation plan is designed to ensure that employees receive adequate pay for the work performed. Detailed cost-benefits analyses help organizations make critical decisions about continuing, discontinuing or modifying certain programs. Modifications may range from standardizing the program to reducing eligibility criteria. Ineffective management drains limited resources and administrative costs.

Recommendation 34:

Conduct a cost-benefits analysis of the stipends program and eliminate stipends for routine work performance and assignments.

The HR Department should perform a cost-benefits analysis of the stipends program. Reviewing stipend eligibility requirements is a key element in evaluating the merits of this program. This is the first step in modifying the stipend program and eliminating questionable payments in order to provide consistency for the type of work for which ACC employees receive stipend payments.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR directs the compensation staff to perform a detailed analysis of stipends and present the findings to the associate vice president.	February 2003
2.	The associate vice president of HR presents the findings to the ASC and proposes a committee review and modification of the program.	March 2003
3.	The ASC submits a recommendation to the president to revise the stipend program by reducing eligibility criteria and eliminating payments for routine work.	April 2003

4.	The president reviews, approves and submits the policy change to the board for approval.	April 2003
5.	The board approves the revised policy and the associate vice president of HR implements the modified program.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 4

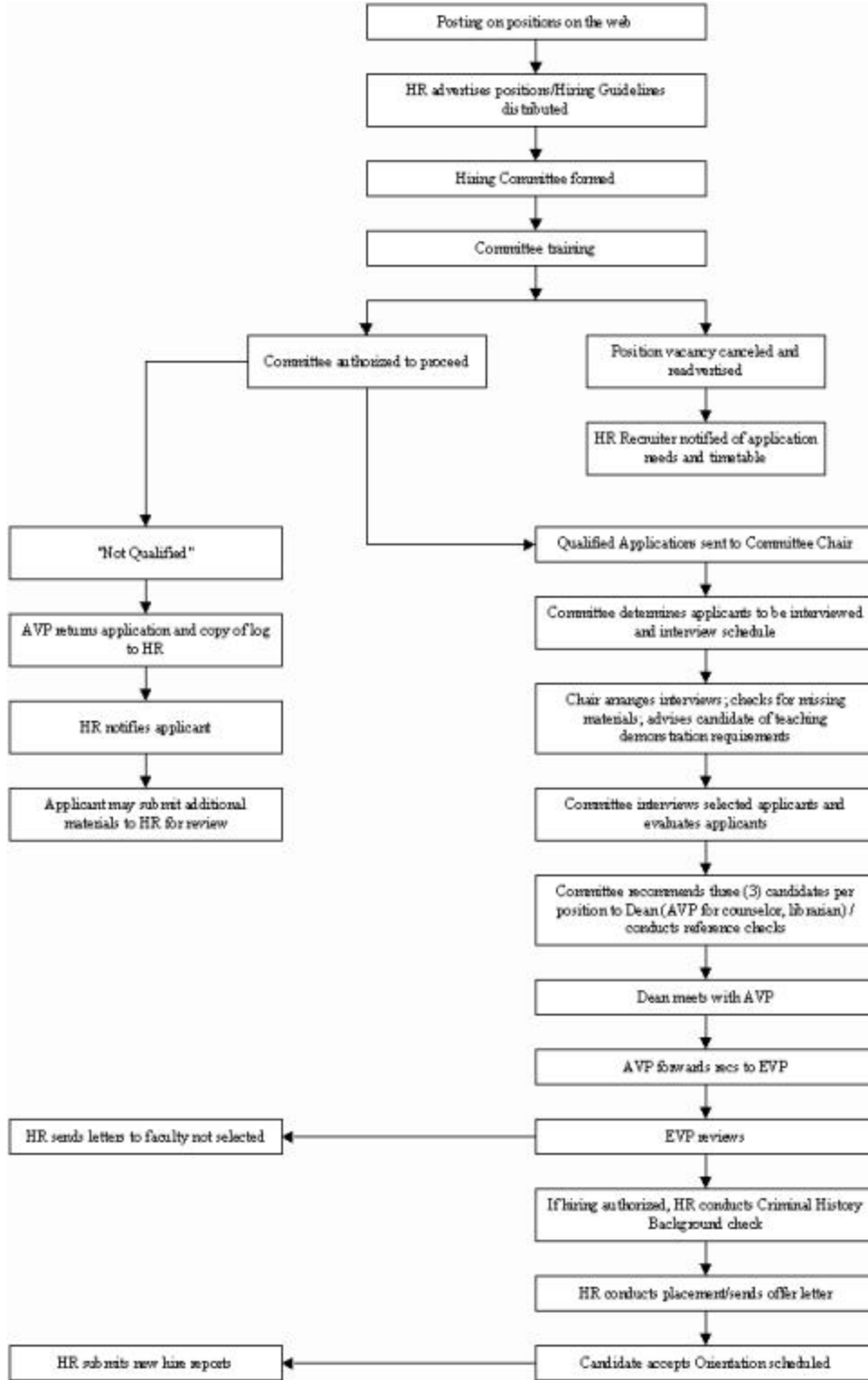
D. RECRUITING, HIRING AND RETENTION PRACTICES

Effective recruitment and retention strategies are critical to the success of a college and its students. Community colleges must make aggressive efforts to recruit and retain faculty and employees that reflect the ethnicity composition of the student population. ACC has a student enrollment population of 27,577 and a full-time and adjunct faculty population of 1,589 for 2001-02.

The HR Department posts all open vacant positions in the HR Department, at each ACC campus, on the ACC Web site, in the local newspaper, with community and state organizations, on the local cable access channel and on the ACC job phone line. The faculty employment supervisor is responsible for advertising open faculty and administrative positions in national, regional and local newspapers and other outlets. Before 2002, ACC allocated \$100,000 for advertising costs to be administered by the HR Department. The 2002 budget records show that HR has spent more than \$53,000 for advertising.

At ACC, numerous staff are involved in the hiring process. Responsibilities for hiring and evaluating candidates are spread among the HR Department, a hiring supervisor, a hiring committee, dean or associate vice president and the executive vice president. **Exhibit 4-16** demonstrates ACC's faculty hiring process.

Exhibit 4-16 ACC Faculty Hiring Process



Source: ACC Human Resources Department.

It is ACC's practice to establish hiring committees to interview candidates for staff employment and faculty employment positions. The process used to create the hiring committees for the two functional areas differs slightly. For example, the dean of the department with the vacancy consults with the associate vice president of academic and business units to appoint the committee chair of the full-time faculty hiring committee, while the committee chair of staff employment positions is the hiring supervisor. Hiring committee members for staff and faculty employment must attend Committee Membership Training before conducting interviews. The hiring processes are similar for full-time faculty and staff employment positions. Even though Faculty Senate focus group comments suggest that there is an interview committee separate from the hiring committee, there is only one hiring committee that interviews the candidates and recommends the top three candidates to the dean and associate vice president.

FINDING

ACC is committed to workforce diversity in principle but not in practice. Diversity goals are not considered in the hiring process for ACC employees, and the HR Department is not permitted to forward ethnicity and gender data to the hiring committees. Hiring committees conduct interviews and make recommendations to hire faculty and non-faculty employees. Clearly, ACC recognizes the importance of a diverse staff and faculty as evidenced by Board Policy and Administrative Rule 6.03.001. The policy states, "The College shall actively seek to increase the number of minority personnel through affirmative actions." Administrative Rule 6.03.001 states "ACC shall continue its efforts to promote diversity and non-discrimination in the employment of staff."

The HR Department has expanded its efforts to recruit minority faculty. For example, the supervisor of staff employment attends job fairs and conferences held by minority organizations and local minority chamber of commerce. Despite these efforts, however, the ethnic composition of ACC faculty continues to differ significantly from that of the student population.

Exhibit 4-17, Exhibit 4-18 and Exhibit 4-19 shows the number and ethnicity of ACC faculty, administrative staff and students for 1999-2000 through 2001-02.

Exhibit 4-17
ACC Count and Ethnicity of Faculty, Administrative Staff and
Students
1999-2000

Ethnicity	Faculty		Administrative Staff		Students	
	Count	Percentage	Count	Percentage	Count	Percentage
Anglo	1,180	82%	443	60%	17,088	65.9%
African-American	65	5%	119	16%	1,645	6.3%
Hispanic	126	8%	159	21%	5,145	19.9%
Asian	56	4%	18	2%	1,503	5.8%
American Indian	9	1%	6	0%	187	0.7%
Other	5	0%	5	1%	20	0.1%
International	0	0%	0	0%	326	1.3%
Total	1,441	100%	750	100%	25,914	100%

Source: ACC Human Resources Department and 1999-2000 Fact Book.

Exhibit 4-18
ACC Count and Ethnicity of Faculty, Administrative Staff and
Students
2000-01

Ethnicity	Faculty		Administrative Staff		Students	
	Count	Percentage	Count	Percentage	Count	Percentage
Anglo	1,165	81%	478	58%	16,417	63.5%
African-American	69	5%	124	15%	1,710	6.6%
Hispanic	125	9%	188	23%	5,330	20.6%
Asian	60	4%	28	3%	1,552	6.0%
American Indian	7	0%	7	1%	172	0.7%
Other	10	1%	6	0%	325	1.3%
International	0	0%	0	0%	350	1.4%
Total	1,436	100%	831	100%	25,856	100%

Source: ACC Human Resources Department and 2000-01 Fact Book.

Exhibit 4-19
ACC Count and Ethnicity of Faculty, Administrative Staff and
Students
2001-02

Ethnicity	Faculty		Administrative Staff		Students	
	Count	Percentage	Count	Percentage	Count	Percentage
Anglo	1,292	81%	508	57%	17,141	62.2%
African-American	75	5%	132	15%	1,820	6.6%
Hispanic	135	9%	204	23%	5,842	21.2%
Asian	74	5%	27	3%	1,698	6.2%
American Indian	12	0%	8	1%	242	0.9%
Other	1	0%	7	1%	6	0.0%
International	0	0%	0	0%	828	3.0%
Total	1,589	100%	886	100%	27,577	100%

Source: ACC Human Resources Department and 2001-02 Fact Book.

From 1999 to 2002, approximately 19 percent of the faculty has been minority, while the student minority population has been 37 percent. Conversely, administrators, professional/technical and classified minority employees are 43 percent of the employee staff and more closely resemble the student population.

A best practice in the area of faculty minority recruitment is to include diversity recruitment strategies in the college's strategic plan. As an example, Miami Dade Community College incorporated diversity recruitment strategies in its strategic plan. The strategy has established goals, performance measures, a tool to evaluate prior year accomplishments and future recruitment activities. **Exhibit 4-20** gives the details of the diversity component of the strategic plan.

Exhibit 4-20
Miami Dade Community College
2000-05 Diversity Recruitment

Diversity

Goals:

- Develop and implement a faculty recruitment and management "succession" plan to meet and surpass the College's diversity goal;
- Continue to implement an aggressive student recruitment plan to increase enrollment of underrepresented groups in specific programs;
- Implement strategies to ensure that all groups, especially those underrepresented in the business community, have fair access to participation in College business activities.

Accomplishments Since August 2001

- Analysis of potential DROP participants was conducted as part of faculty and management succession and recruitment planning.
- \$9.96 million dollars was spent with minority/women owned businesses in 2000-2001.
- Minority employees were 50 percent of the targeted categories on June 30, 2001, compared to 49 percent the prior year.
- The College's first employee orientation video, which will also be used as employee recruitment tool, was developed.
- Health and dental benefits were made available to same sex domestic partners.
- A series of professional development initiatives were identified for inclusion in the management succession plan.
- Facilities Management participated in technical support seminars designed for minority and women-owned businesses interested in work with construction contractors. The seminars were conducted at MDCC's Entrepreneurial Center.

Prior Year Accomplishments

- Employee Development and Quality Enhancement (EDQE) began implementing a plan to identify future faculty position openings and formalize a set of recruitment strategies.
- EDQE began development of a management succession action plan.
- Business Affairs implemented strategies for underrepresented groups to participate more fully in College business activities: \$7.6 million dollars was spent with minority/women owned businesses in 1999-2000.
- The college's 50 percent minority hiring commitment continues to increase diversity. Minority employees were 49 percent of the targeted categories on June 30, 2000, compared to 46 percent the prior year.

Future Activities:

- Continue implementation of the faculty recruitment plan.
- Begin the implementation of the management succession plan.
- Continue tracking dollars spent on minority/women owned businesses and adjust strategies (if necessary) based on the results.
- Incorporate recruitment of underrepresented groups into enrollment management/recruitment plans.

Source: Miami Dade Community College 2000-05 Strategic Plan.

Recommendation 35:

Develop recruitment strategies to increase faculty diversity.

ACC should examine its recruiting efforts over the past three years. Improvements could be made by identifying community colleges and universities where recruitment of minorities has been particularly successful and increase efforts at these locations; contact a sample of minority applicants who were offered positions but went to another college to learn their reasons and adjust recruitment strategies accordingly. Identify minority leaders who could participate in campus recruitment efforts, either through presentations to faculty and students, and survey minority faculty members and administrators to identify alumni associations and explore the prospect of using these groups to attract faculty.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR directs the recruiter to compile and analyze statistics on faculty recruitment by ethnicity for the past three years.	January 2003
2.	The recruiter analyzes the data and identifies opportunities to expand efforts at locations where efforts to recruit minorities faculty have been successful.	February 2003
3.	The recruiter surveys minority faculty members and administrators to identify alumni associations.	March 2003
4.	The recruiter modifies the recruitment plan and submits it to the associate vice president of HR for approval.	April 2003
5.	The associate vice president of HR approves the plan.	April 2003
6.	The recruiter implements the recruitment plan and modifies the plan as appropriate to ensure minority recruitment goals	May 2003 and Ongoing

are met.	
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The HR Department has 3.75 FTE vacant positions that are not required because existing staff have absorbed the duties of the positions. The associate vice president of HR does not plan to fill two of the positions-the records assistant and clerk positions, which represent 1.75 FTE. The duties of these positions have been absorbed by present staff. The third vacant position is for a compensation assistant. The compensation analyst has absorbed the duties of this position. The compensation analyst told the review team that even with the increased duties the workload does not require many overtime hours. However, the associate vice president of HR plans to fill the compensation assistant position. **Exhibit 4-21** presents the duties of the compensation assistant position.

Exhibit 4-21 ACC Compensation Assistant Job Duties

- Handles Web updates, database management, tracking and compiling information for a wide variety of projects within a yearly cycle.
- Provides assistance and support for placement/job offer process.
- Maintains database of candidate and position information, offers made and accepted, and compiles information for reporting purposes.
- Send official employment offer letters to new employees.
- Coordinates orientations with other HR areas. Helps update the Web site to reflect accurate and timely information on job descriptions, pay schedules and criteria, performance excellence program, Adjunct multiple semester appointments, compensation forms, etc.
- Assists with annual adjunct faculty placement process by tracking information and data flow.
- Performs initial placements on a backup basis.
- Compiles records of placements for uploading into Datatel database system.
- Conducts and tracks mass mailings to faculty for placement opportunity and placement results.
- Assists with the annual salary survey by updating contact lists, compiling survey questions into format, assembling and mailing surveys, tracking surveys sent and received, contacting organizations to monitor participation in survey and compiling information received into reporting

formats.

Source: ACC Human Resources Department.

The salaries associated with the vacant positions are reflected in **Exhibit 4-22**.

Exhibit 4-22
ACC HR Department Vacant Positions

Position	FTE	Budgeted Salary for Position	Vacant Since
Compensation Assistant	1.00	\$21,919	01/02
Records Assistant	1.00	\$24,380	01/02
Clerk	.75	\$16,194	04/01
Total	2.75	\$62,493	

Source: ACC Human Resources Department.

Recommendation 36:

Eliminate the three vacant positions in the Human Resources Department.

The associate vice president of HR should eliminate the compensation assistant, records assistant and .75 FTE clerk positions. For the past six months, other HR Department staff members have performed the duties of these positions. The duties of these positions have been absorbed, and the positions should be eliminated.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR reassigns the duties of the compensation assistant to the compensation analyst and directs the supervisor of compensation to update the job description of the compensation analyst and records specialist.	January 2003
2.	The associate vice president of HR approves the new job descriptions.	January 2003
3.	The associate vice president of HR eliminates the compensation	January

assistant, records assistant and clerk positions in the budget.	2003
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FISCAL IMPACT

Total compensation for the three positions is \$64,368, which is equal to a base salary \$62,493, plus 3 percent benefits of \$1,875. Assuming the positions are eliminated in January 2003, savings would be prorated for seven months during fiscal 2003 and would equal \$37,548 ($\$64,368 \times 7/12$). Savings in years 2004 through 2007 would be \$64,368 per year.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Eliminate the three vacant positions in the Human Resources Department.	\$37,548	\$64,368	\$64,368	\$64,368	\$64,368

Chapter 4

E. FACULTY AND STAFF DEVELOPMENT

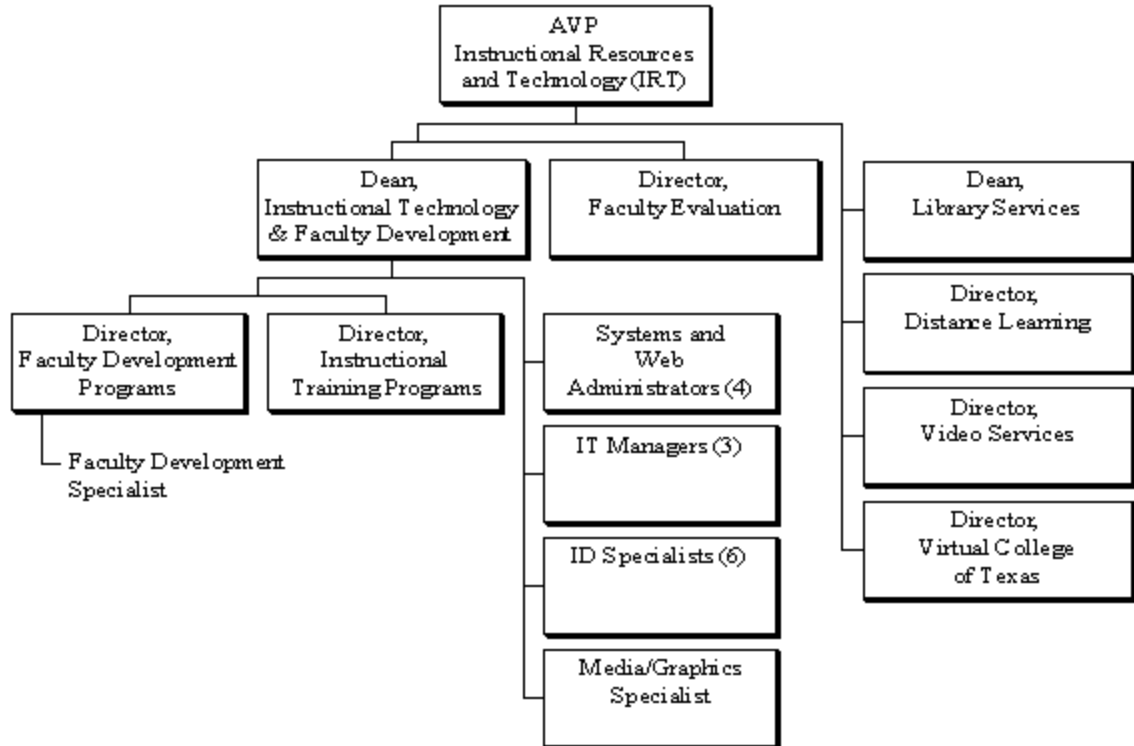
Second only to hiring a high-caliber faculty and staff is providing an environment that encourages them to develop professionally throughout their careers. The Southern Association of Colleges and Schools' (SACS) policy states that "the general tone and policies of an institution must make it clear that individual faculty members are to take the initiative in promoting their own growth as teachers, scholars and, especially in professional and occupational fields, practitioners." This implies that faculty have the responsibility to continue their growth and the right to choose how they do it, within reasonable and financial parameters. Institutions are also expected to conduct regular evaluations of faculty performance to ensure that standards are being maintained and students are receiving the best possible instruction. A comprehensive and effective development and evaluation process demonstrates a value is placed on performance and teaching excellence and a learning environment that encourages professional growth. Continuous development and learning improve individual work performance, institutional efficiency and job satisfaction.

ACC uses a centralized database to manage faculty and staff development activities. All employees have access to the online Faculty Development Database to browse the calendar of workshop and professional development offerings. Employees also may register for the course or cancel registration through the system. The database automatically credits employees when they complete the course if the HR Department verifies course completion.

Faculty Development

At ACC, separate departments manage faculty and staff development. Faculty development and evaluation are functions of the Instructional Technology and Faculty Development Office. Directors report to the associate vice president of Instructional Resources and Technology, as shown in **Exhibit 4-23**.

**Exhibit 4-23
Faculty Development and Evaluation**



Source: ACC Organizational Reference, 2001-02.

There are 37 positions in the Instructional Technology and Faculty Development Department, assigned as follows:

- Dean (1) and administrative assistants (2);
- Instructional Technology (IT) Services (19 total, consisting of three managers, each of whom is responsible for two campuses; 10 media graphic assistants for six campuses; and six computer support technicians);
- Faculty Development and Instructional Technology Training (2);
- Instructional Development (ID) Services (8), including six instructional design specialists at the campuses and the Highland Business Center (HBC), one faculty development specialist and one graphic specialist; and
- Network Services (5).

Instructional development (ID) specialists, located on the campuses in Instructional Development Centers, consult with faculty to help them adapt course materials for Web-based, computer-based and multi-media delivery. Instructional Development Centers, located at all campuses except Eastview and Cypress Creek, contain computers, printers, scanners, CD-ROM burners and digital cameras, among other hardware and

software. Working with course objectives, these ID specialists help create Web pages, Powerpoint presentations, CD-ROM materials, video segments, audio or visual materials and other materials specific to computer delivery. They also help faculty convert their courses to distance learning formats, such as online and instructional television, and train them on Blackboard, ACC's online course management system. ID specialists also provide support to the professional development program, presenting workshops on alternative delivery systems.

Surveys conducted during faculty development days indicated that, during 2000-01, 40 percent of faculty had relied on ID specialists, 44 percent had used an ID Center and 69 percent had attended workshops, particularly in how to use Blackboard.

Faculty development at ACC is centralized with a focus on encouraging and supporting teaching, learning and collaboration between faculty and development staff, who are professional-technical employees. According to the Instructional Technology and Faculty Development (ITFD) Web site, the objective is "to enhance faculty teaching skills and increase faculty discipline knowledge."

Full-time ACC faculty are required to participate in 12 hours of faculty development each year in order to receive a salary-step increase. Adjunct faculty receive \$80 for completing four hours of professional development. Credits may be earned in several ways with supervisor approval. Opportunities include workshops for skill and application training, seminars on instructional topics taught by experts, faculty retreats and participation in credit and non-credit courses and teleconferences, among others. All activities, other than those sponsored by Instructional Technology and Faculty Development must be pre-approved by task force or program chairs. During 2001-02, Instructional Technology and Faculty Development sponsored more than 80 staff development workshops and seminars, many of them related to distance learning and integrating technology into the classroom. Others covered topics designed to improve teaching skills and help faculty understand learning styles.

Instructional Technology and Faculty Development also sponsors an intensive summer institute for faculty that focuses on specialized instructional methods and best practices. The 2002 program will focus on integrating streaming media applications. ITFD staff also operates the college's faculty development days and the adjunct faculty mentoring program, which is mandatory for all new adjunct faculty. Furthermore, the department maintains a Web site that publicizes information of value to faculty, including computing resources, newsletters and important links. ITFD also coordinates faculty awards, sabbaticals and innovation grants.

FINDING

Faculty evaluation at ACC is comprehensive and, unlike many colleges, involves multiple types of reviews. The process, which normally occurs in the fall semester, includes a portfolio review, student ratings and classroom observation for new instructors. Task force chairs and program coordinators, who are responsible for evaluating their faculty, also consider professional service, administrative performance and instructional performance in the process.

The portfolio process, which has been part of evaluation since the late 1990s, is unusual in community colleges. SACS requires documentation in files of course data but not a multi-tiered process as comprehensive as the one used at ACC. There are three types of portfolios:

- First-year: required of all new full-time and adjunct faculty; includes syllabi, major assignments, handouts, tests and projects;
- Second-year: required of all second-year faculty; same as first year, plus statement of teaching philosophy; and
- Third-year: required of all third-year faculty and one-third of faculty on three-year contracts and adjunct faculty with more than three years of service; same as second year, plus commentary on courses taught and a faculty development plan.

Task force chairs, program coordinators and their assistants integrate the portfolio review process into the overall evaluation process, which also includes reviewing student evaluations and grade distribution reports; considering information on online faculty input forms; and classroom observation of new instructors.

For adjunct faculty, a successful evaluation is critical to placement on an "eligibility list," which ranks faculty on a priority-hiring list. An adjunct faculty member may be excluded from the list for a low professional evaluation, a serious problem or incident, a violation of a federal or state law, or a significant problem in classroom performance noted by the supervisor. On the other hand, an adjunct professor with a rating of "excellent" on both student and professional evaluations must be placed in the "highest-priority-to-hire" category for a given task force or program area. Using multiple evaluation methods to review an instructor's teaching and service to the institution is unusual. Most community colleges rely on student evaluations and some classroom observation to provide evidence that an instructor is performing adequately.

COMMENDATION

ACC uses multiple evaluation techniques to ensure a comprehensive review of faculty performance.

FINDING

In spite of the wide range of opportunities available, faculty report dissatisfaction with their level of involvement in planning and managing their professional development. They said in interviews, surveys and focus groups that their development needs are ignored, that programs are irrelevant to their work and interests and that resources are flowing into management of a large professional development program that is primarily geared toward technology and distance learning. Faculty support distance learning as a growth alternative, but they also want more discipline-specific development opportunities. In short, they want to have more input into choosing and planning how they spend their professional development time.

Faculty also argue that the requirement that full-time faculty complete 12 hours and adjunct faculty complete four hours is arbitrary. In fact, ACC has a wide range of requirements from four hours for adjunct faculty; to 12 for faculty, librarians and counselors; to 24 for non-supervisory professional/technical and classified employees. Thirty-six hours is required for supervisory professional technical and classified employees. Four additional hours are also required of professional/technical and classified staff who also teach as adjunct professors.

Until 2002, faculty had their own professional development advisory committee, which addressed issues of specific concern to faculty. These concerns might be pedagogical, curricular or even discipline-based. However, in spring 2002, this committee was disbanded in order to centralize all staff and faculty development in one collegewide professional committee. This new committee has representation from all employee groups, but its charge is more broad-based. Instead of focusing on issues of interest primarily to faculty, its goals are to recommend collegewide professional development rules and procedures; suggest the activities and the resources necessary to carry them out; identify best-practice guidelines for professional development; find ways to link activities with needs identified in personnel evaluations; and address logistical issues such as scheduling, registration and tracking processes. The focus has shifted from faculty development to general staff development and monitoring activities.

ACC provides a budget allocation for staff development, meetings and travel for each of the dean areas. For 2002, the budget was \$106,428 for academic deans and \$116,723 for workforce. This budget is intended for faculty travel to conferences for professional development. These figures

do not include additional funds provided to non-teaching faculty such as librarians and counselors.

To comply with the "intent" of the SACS requirement that faculty take the leadership in their individual professional development, some community colleges set aside funds specifically for faculty to distribute as they deem appropriate and useful for professional development. Limited funds for conference travel are often included in this set-aside, and faculty compete for or share resources, depending upon how they decide to allocate the funds.

In other colleges, faculty take responsibility for their own professional development programming with one discipline sponsoring a special speaker one year and another discipline handling the program the next year. Many colleges also retain a faculty development committee with set-aside funds, as well as a collegewide staff development committee, in order to comply with the intent of the SACS standard. Others ensure that the intent is maintained by developing a subcommittee of the general staff development committee that is dedicated to ensuring that the standard is satisfied.

Recommendation 37:

Ensure professional development initiatives comply with the intent of the Southern Association of Colleges and Schools' requirement.

As the new professional development committee organizes itself, develops procedures and makes assignments, it is important to ensure that faculty not only have input into its specific professional development activities but that they also share in how these activities are balanced across disciplines. A subcommittee of interested faculty could design parameters, research and suggest development alternatives and recommend a structure for allocating resources.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president asks the associate vice president for Transfer Programs, Workforce Education and Instructional Technology and Faculty Development for recommendations for members to serve on the new Faculty Development Committee. The committee should consist primarily of faculty but may also include one or two deans.	January 2003
2.	The president works with the vice president of Business Services and the associate vice president of Instructional Technology and Faculty Development to re-allocate money to the Faculty	January 2003

	Development Committee to plan programs for the next academic year.	
3.	The president appoints members of the Faculty Development Committee and charges them to discuss their concerns, make recommendations and create a program of activities and a structure for implementing them within defined financial parameters.	February 2003
4.	The committee meets and addresses issues related to coordination, information-sharing, criteria and evaluation, as well as how to allocate funds for programs.	February - April 2003
5.	The committee presents its recommendations to the president and the associate vice president of Instructional Technology and Faculty Development for consideration.	May 2003
6.	If approved, the president prepares an administrative rule that addresses faculty development, including the committee, criteria, guidelines, evaluation, requirements and resources.	May 2003
7.	The committee plans for fall in-service and additional programs for the upcoming academic year.	June - July 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Faculty Evaluation

SACS requires all accredited institutions to conduct faculty evaluations and ensure that board policy and administrative rules support the process. Evaluation has been an ongoing part of the continuous improvement efforts at ACC since the early days of the college. The evaluation process is designed to provide feedback on teaching effectiveness, help in the development of both individual and college-wide faculty development and foster continuous improvement in teaching skill and practice. With respect to adjunct faculty, a successful evaluation is critical to placement on a subsequent "eligibility list."

Staff Development

The staff development section in the HR Department is responsible for coordinating the professional development program and assisting ACC non-faculty staff in identifying training programs offered by external vendors. ACC promotes professional development through a number of programs, such as credit and non-credit courses, tuition vouchers,

workshops, seminars, online courses and audio-visual materials. **Exhibit 4-24** presents a sample of ACC's staff development courses.

Exhibit 4-24
ACC Staff Development Course Sampling
2001-02

Name	Description	Targeted Audience
Creative Problem Solving	Introduces employees to a framework for creative, dynamic problem solving	all employees
The Customer Connection	Teaches employees strategies for providing exceptional customer service	all employees
Decision Making Skills	Helps employees learn successful decision-making by evaluating the positive and negative aspects of the many alternatives	all employees
Documenting Effective Termination	Explains the process for handling employee terminations	all supervisors
Effective Employee Terminations	Discusses the policies related to terminating employees	all supervisors
E-mails Do's and Don'ts and Using Meridian Mail	Provides guidelines to help send effective e-mail messages and use the telephone voice mail system	all employees
Got Time in Your Life?	Shares ideas on best time management ideas	all employees
Hiring Committee Training	Trains hiring committee members on the hiring process	all employees
International Education: What Should ACC Employees Know	Helps employees learn to interact and provide service to international students	all employees
New Habits - Intentional Change	Helps employees develop a personal plan for making lasting behavior changes	all employees
Sexual Harassment Prevention	Focuses on recognizing harassment and determining appropriate action based on ACC policies	all supervisors and employees
Americans with	Discusses issues related to requesting	all supervisors

Disability Act (ADA) Awareness	reasonable accommodations	and employees
Proofreading from A-Z	Teaches employees proofreading techniques	all employees
Web Treasures	Teaches employees to use the Internet	all employees
Work Study Supervisor Orientation	Educates potential work study supervisors in all aspects of work study employment	all staffing table employees

Source: ACC Human Resources Department.

The objectives of ACC's professional development program are to help non-faculty employees:

- improve their job skills;
- obtain job-related knowledge;
- increase productivity and efficiency; and/or
- prepare for higher level positions.

ACC encourages and rewards its employees for completing professional development requirements. Supervisors are expected to meet with employees to discuss and identify professional development needs and opportunities. The supervisor records and approves the intended professional development on a Professional Development Report (PDR) form, of which the original and copy are kept in the departmental file, and the employee and the staff development section each receive a copy. As the employee completes each activity, the supervisor records this information on the form. The supervisor forwards the completed report to the HR Department, indicating whether the employee satisfied the professional development requirements for the fiscal year.

FINDING

ACC's professional development requirements link pay to activities and not to job performance. ACC requires employees to complete professional development programs to be eligible for annual salary increases.

Classified, professional-technical and administrative employees cannot receive the annual step increase unless they complete the professional development requirements. The annual requirements are:

- Each full-time staffing table employee is expected to complete activities totaling at least 24 hours;

- Employees in supervisory positions must complete at least 36 hours of professional development;
- Part-time employees (those employed 20 hours each week) are responsible for completing 12 hours of professional development;
- Employees who work less than 20 hours each week may complete a prorated portion of the required clock hours;
- Hourly employees are not considered staffing table employees and are not subject to this requirement;
- Employees hired after the beginning of the fiscal year may complete a prorated portion of the requirement;
- Employees hired after the first business day in April of any fiscal year are not required to satisfy this requirement and will not be eligible for the annual step increase; and
- Employees who are already at the top of the salary range for their position must still fulfill the requirement.

Adjunct faculty are required to complete four hours of faculty development activities to receive an \$80 stipend. Full-time faculty must complete 12 hours of faculty development to be eligible for a step increase.

In addition to distributing and collecting class evaluation forms at the end of each class, the senior coordinator of staff development conducted a survey of professional development needs in November 2001. She e-mailed the survey to approximately 850 employees, but only 125 employees returned the completed survey. The survey consisted of eight questions. Employees were asked to identify the top six training topics that they felt would best support their performance evaluation goals. **Exhibit 4-25** summarizes the top six training topics.

Exhibit 4-25
ACC Top Six Training Topics
November 2001

Topic	Number of Responses
Dynamic Problem Solving	30
Microsoft Excel	28
Microsoft Access	26
Microsoft PowerPoint	26
Leadership Development	25
Emotional Intelligence	23

Source: ACC Human Resources Department.

The survey results demonstrate that ACC employees need for computer training. The senior coordinator said that the HR Department does not have the capacity to provide computer training, and budget constraints limit outside training opportunities for ACC employees.

The survey presents employees an opportunity to identify what training they wished they could have taken when they first began working for ACC as well as their current training goals and needs. However, the survey did not question employees about their motivation or reasons for pursuing specific professional development courses. Also, the survey did not gather any information about the usefulness or application of the training or skills gained in the class.

Although written guidelines specify that professional development activities must be job-related, there are no requirements for employees to demonstrate new knowledge or skills acquired from training. According to ACC policy, the employee's supervisor is responsible for approving professional development and ensuring that activities are directly job related, achievable and will substantially improve the employee's ability to perform and add value to the area's operations. There is no indication that data are collected, analyzed or reported to assess impact of training results on department or college operations. In fact, the PDR only requires the supervisor list the course names, date taken and professional development hours earned. The net effect is that more emphasis is placed on time or attendance rather than on substance and relevancy. The staff development section affirmed that professional development activity increases as the August 1 deadline nears.

Model professional development programs are designed with specific strategies and outcomes. Professional development is viewed as an investment with expected returns.

Recommendation 38:

Strengthen the professional development program to include measurable performance results.

Offering a variety of training opportunities is only one aspect of an effective professional development program. Collecting and using training evaluation results is also critical to determining if training needs and objectives have been met. ACC should implement a plan to evaluate whether or not employees are gaining new knowledge, skills and competencies that translate into improved employee and organizational performance.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president directs the senior coordinator to share the survey results with the collegewide professional development committee.	January 2003
2.	The committee reviews the data and drafts a plan and recommendations to tie the professional development programs to job performance.	February 2003
3.	The committee submits its recommendations to the ASC for review and input.	March 2003
4.	The ASC reviews, approves and submits the recommendations to the president for approval.	April 2003
5.	The president approves the plans and the associate vice president implements the plan.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Severe budget constraints reduce the quality and availability of professional development opportunities. Overall, the HR Department allocates a portion of its budget each year to sponsoring and underwriting certain professional development activities. For example, the department usually holds a Professional Development Day in which employees can attend classes all day during normal work hours. This function includes a continental breakfast, lunch and an array of courses for employees to attend. The staff development coordinator stated that her original cost estimate for the function was \$3,500, but her budget was revised to \$1,800 in view of the budget constraints.

To increase opportunities for professional development, ACC permits employees to audit continuing education classes and receive professional development credit.

There is very little funding for outside speakers or trainers. The staff development coordinator solicits ACC employees who are considered subject matter experts to share their skills and knowledge by conducting a workshop in their area of specialty.

Exhibit 4-26 shows that in a TSPR survey, the ratings of professional development at ACC reflect that only a little better than half of the

participants agreed that their staff development improved their job performance.

Exhibit 4-26
TSPR Faculty, Staff and Administrator Survey
ACC Written Survey Results

Survey Questions	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
Staff development I have received has improved my job performance.	8%	11%	17%	43%	11%	10%
Technology-related staff development has helped me do my job better.	6%	12%	16%	39%	15%	12%

Source: TSPR Faculty, Staff and Administrator Survey.

On the other hand, verbatim comments expressed in the survey strongly suggest dissatisfaction with the professional development program. Verbatim responses are shown in **Exhibit 4-27**.

Exhibit 4-27
TSPR Faculty, Staff and Administrator Survey
Sample Verbatim Responses

- More training related to my field of work, not "feel good" training.
- Offering better professional development classes that are pertinent to our jobs. Too many touchy-feely classes, more technical training would help.
- Offer more courses and not the same ones all the time.
- Reduce the number of professional development hours required for classified.
- There needs to be better orientation and training for new employees, especially the classified staff.
- There is no higher-level technology-related staff development program.
- The required staff development hours I need to receive a pay raise mandated by HR are totally useless. A waste of time.
- Not enough technology-related staff development offered.
- Staff development at ACC doesn't really exist except as a "band-aid" approach to SACS requirements.
- Expand technology training opportunities particularly applications training. Offer more online training.

- Faculty development hours have not helped.
- Better professional development. Most of the classes are pretty lame.
- Staff and faculty development that I've attended have been rather mediocre. I understand budget restraints have limited external consultants and trainers, but the sessions I've attended have really been a waste of time.
- Fewer and longer workshops. Workshops need to have more content instruction and hands-on training. Need follow-up to evaluate use of training and expand or extend training to upgrade skills.
- There are not enough technology-related development classes for staff.

Source: TSPR Faculty, Staff and Administrator Survey Verbatim Responses.

The motivation to complete professional development requirements for salary increases and the lack of quality professional development opportunities may result in employees enrolling in meaningless classes just to satisfy the requirements.

Recommendation 39:

Reassess the effectiveness of the professional development requirements.

The HR Department should reassess the effectiveness of the professional development requirements. An analysis of class attendance trends and professional development goals attained would help ACC determine if the number of required professional development hours is meaningful and practical. The department will be able to recommend modifications to professional development requirements when appropriate. A review of the data would provide opportunities for ACC to offer classes that would contribute to employees' specific professional development goals and address skill gaps within the college.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of HR directs staff to compile and analyze data on class attendance trends and professional development goals attainments.	January 2003
2.	HR staff present findings to the associate vice president of HR.	February 2003
3.	The associate vice president of HR reviews the data with the ASC.	March 2003
4.	ASC reviews the data and recommends appropriate action to	March

	continue or modify the professional development requirements.	2003
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 5

FINANCIAL MANAGEMENT

This chapter reviews the financial operations of Austin Community College (ACC) in the following sections:

- A. Organization and Management
- B. Budgeting and Planning
- C. Tax Rate and Collections
- D. Internal and External Auditing
- E. Tuition and Fees
- F. Accounting Operations

As other public institutions, community colleges are being challenged to do more with less, manage change effectively and, at the same time, demonstrate accountability to a number of constituencies. In addition, community colleges are expected to meet the needs of diverse student populations while preparing them to successfully participate in an evolving, technologically sophisticated workforce. Whether working on a two-year degree in preparation for transfer to a four-year institution, obtaining a certification in a particular area of study or sharpening skills for career advancement, students expect community colleges to serve these purposes and more.

BACKGROUND

Financial management is critical for community colleges. It involves budgeting and planning; accounting operations; such as accounts payable, payroll, grant accounting and student receivables; tax rate and collections; and internal and external auditing. Effective financial management enables a community college to plan for the future, meet its goals with limited resources and manage its commitments. Sound financial management also ensures a community college's monetary resources are properly recorded, controlled and safeguarded so that its mission can be efficiently achieved.

Many entities influence and set standards for how financial management is done in community colleges today. ACC must follow the financial accounting policies required by the Texas Higher Education Coordinating Board (THECB). These requirements substantially conform to the requirements of the Government Accounting Standards Board (GASB); the American Institute of Certified Public Accountants' (AICPA) *Industry Guides for Colleges and Universities*; AICPA's generally accepted accounting principles; and the National Association of College and University Business Officer's *Financial Accounting and Reporting Manual for Higher Education*.

A major change in financial reporting for colleges and universities took place in 1999 when GASB issued two important rulings. In June 1999, the GASB issued Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments (GASB 34), which makes dramatic changes to the way state and local governments report their finances to the public. Originally, public colleges and universities were excluded from the scope of the statement. However, in November 1999, GASB issued Statement No. 35, Basic Financial Statements-and Management's Discussion and Analysis-for Public Colleges and Universities, which removed the exclusion and required public colleges and universities to follow the special-purpose government provisions of GASB 34. As special-purpose entities, most colleges and universities that charge tuition may elect to follow the requirements of GASB 34 related to special-purpose governments engaged in only business-type activities.

THECB requires colleges and universities to classify expenditures in the functional categories described in **Exhibit 5-1**. These categories make it possible to compare expenditures of all colleges and institutions of higher education in Texas.

Exhibit 5-1
THECB Functional Category Descriptions

Category	Description
Instruction	Includes expenditures for all activities related to an institution's instruction program. Includes expenditures for credit and non-credit courses, academic, vocational and technical instruction, for developmental and tutorial instruction, and for regular, special and extension sessions.
Research	Includes expenditures for research-related activities sponsored either internally or externally.
Public services	Includes the cost of activities designed primarily to serve the general public such as correspondence courses, adult study courses, public lectures, radio and television stations, workshops, demonstrations and similar activities.
Academic support services	Includes the cost to operate libraries, instructional administrative expense and faculty development leaves.
Student services	Includes cost to administer the activities such as admission and registration, student financial services and other activities for the benefit of students.
Institutional support services	Includes expenditures for central executive level management and long-range planning; fiscal operations; administrative data

	processing; space management; employee personnel and records; procurement; safety; printing and other services that support the institution.
Operational and maintenance of plant	Includes the cost for plant support services, building maintenance, custodial services, ground maintenance and utilities.
Scholarships and fellowships	Includes financial aid to students.
Auxiliary enterprise expenditures	Includes the operational cost of self-supporting activities for the benefit of students, faculty and staff such as on-campus bookstores and food services.

Source: Texas Higher Education Coordinating Board (THECB) Annual Financial Reporting Requirements for Texas Public Community Colleges.

ACC groups these accounts into funds. A fund is a self-balancing group of accounts established to provide separate accountability for assets, liabilities, fund balances, revenues and expenditures. Like most not-for-profit organizations, community colleges use fund accounting to enable them to comply with the legal and policy restrictions placed on their resources. **Exhibit 5-2** provides fund descriptions.

Exhibit 5-2 Fund Descriptions

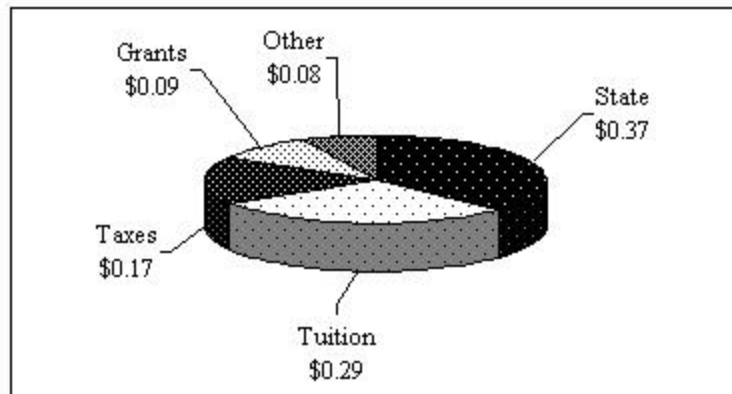
Fund Group	Description
Current Funds	Expendable for current operating purposes. They may be restricted or unrestricted and includes auxiliary enterprises.
Loan Funds	Available for loans to students, faculty and staff.
Endowment Funds	Funds for which a donor, external agency or governing board stipulates a particular use and for which only the income from investments may be spent unless stipulated otherwise by the donor, external agency or governing board.
Annuity Funds	Funds donated to an institution on condition that the institution pay a stipulated amount to the donor or designated individuals for a specified time or until the death of the annuitant.
Plant Funds	Funds for the construction, rehabilitation, acquisition, renewal and replacement of long-lived assets.
Agency Funds	Funds held as custodian or fiscal agent for others, for example student organizations, individual students or faculty members.

Source: THECB-Annual Financial Reporting Requirements for Texas Public Community Colleges.

ACC receives revenue from: state reimbursements, student tuition, local property taxes, grants and contracts. State revenues are allocated through a funding formula developed by THECB. The formula is based on a biennial cost study of all community colleges in the state. Each community college provides THECB the per-contact-hour cost of teaching and administering courses in specified academic and technical disciplines. The median cost for each discipline is then applied to the number of contact hours taught in each discipline during the "base year" immediately before the legislative session. Contact hours represent time spent with an instructor. The Legislature appropriates money directly to the community college - not to THECB - but THECB distributes the funds. Tuition and fees are collected from students at rates the board approves. Local property taxes are based on local property values and the community college district's tax rate. Contracts and grants are received from federal, state, local and private sources and are used for financial aid, student work-study programs, technology and other programs in keeping with the college's mission.

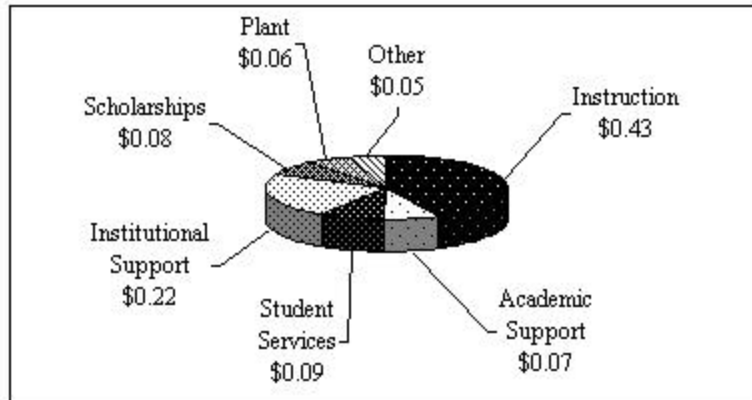
During fiscal 2001, ACC received 37 cents of every current fund dollar from state appropriations, 29 cents from tuition and fees, 17 cents from property taxes, 9 cents from contracts and grants and 8 cents from other sources. Instruction expenditures were 42 percent of total current fund expenditures during fiscal 2001, while expenditures for institutional support and student services were 22 and 9 percent, respectively. **Exhibits 5-3 and 5-4** depict graphically where the money comes from and where it goes.

Exhibit 5-3
Where the Money Comes From-Fiscal 2001



Source: ACC Audited Financial Statements, Fiscal 2001.

**Exhibit 5-4
Where the Money Goes-Fiscal 2001**



Source: ACC Audited Financial Statements, Fiscal 2001.

Exhibit 5-5 provides an overview of ACC revenues and expenses for fiscal 1999 through 2001. It includes all fund groups as well as restricted and non-restricted funds.

**Exhibit 5-5
ACC Financial Overview-Fiscal 1999 through 2001**

Description	1999	2000	2001
Revenue			
State Appropriations	\$41,678,680	\$41,661,283	\$44,375,340
Tuition and Fees	\$30,891,003	\$32,022,102	\$34,895,000
Property Taxes	\$15,255,032	\$17,558,001	\$20,314,271
Grants and Contracts	\$8,927,856	\$11,415,413	\$11,283,881
Other	\$6,562,832	\$5,481,779	\$8,325,154
Total Current Fund Revenues	\$103,315,403	\$108,138,578	\$119,193,646
Other Fund Revenues	\$13,076,092	\$8,844,002	\$12,215,884
Total Revenues	\$116,391,495	\$116,982,580	\$131,409,530
Expenditures			
Instruction	\$40,128,096	\$46,847,188	\$51,216,974
Public Service	\$1,815,523	\$2,085,477	\$3,689,151
Academic Support	\$10,821,705	\$9,653,793	\$8,463,409
Student Services	\$6,612,442	\$7,172,222	\$10,284,139

Institutional Support	\$18,554,827	\$22,073,081	\$26,731,607
Operation & Plant Maintenance	\$8,164,236	\$7,041,228	\$7,290,986
Scholarships & Fellowships	\$6,784,934	\$8,375,897	\$8,918,401
Auxiliary Enterprises	\$1,087,020	\$1,237,656	\$1,298,329
Other Expenditures	\$379,843	\$426,411	\$185,816
Total Current Fund Expenditures	\$94,348,626	\$104,912,953	\$118,078,812
Current Fund Transfers	\$7,932,207	\$3,469,202	\$3,911,576
Other Fund Expenditures-Net of Transfers	\$4,180,283	\$6,682,231	\$9,440,805
Total Expenditures	\$106,461,116	\$115,064,386	\$131,431,193
Changes in Fund Balance			
Net Increase (Decrease)-Current Funds	\$1,034,570	(\$243,577)	(\$2,796,742)
Net Increase (Decrease)-Other Funds	\$8,895,809	\$2,161,771	\$2,775,079
Net Increase (Decrease)-All Funds	\$9,930,379	\$1,918,194	(\$21,663)

Source: ACC Audited Financial Statements, Fiscal 1999 through 2001.

State appropriations account for 37 percent of ACC's revenue compared to the peer average of 35 percent. ACC obtains 29 percent of its revenue from tuition, which is higher than the peer average of 19 percent, reflecting ACC's high out-of-district tuition rates. Property taxes comprise 17 percent of ACC's revenues, compared to a 27 percent peer average, which reflects ACC's relatively low tax rate.

Academic support includes expenditures such as libraries, academic administration, computer and audio-visual resources and course and curriculum development that support the college in its primary mission - instruction, research and public service. Institutional support services include costs for central executive level management and long-range planning, fiscal operations, administrative data processing, space management, employee personnel and records, procurement, printing, transportation, community and alumni relations and other support costs.

ACC spent a lower percentage of its current expenditures on academic support and a higher percentage on institutional support during fiscal 2001 than its peers. On average, during fiscal 2001, ACC's peers spent 10

percent of current expenditures for academic support compared to 7 percent for ACC. Over the same period, the peers spent 15 percent of current expenditures for institutional support compared to 22 percent for ACC.

Business Services personnel said that over the past few years, the institutional support figure in the annual financial report has been overstated because employee benefits had not been allocated to other functions. If the allocations had been properly made, institutional support would represent 16 percent of total current fund expenditures instead of 22 percent, which is more comparable to the peer average of 15 percent.

Overall, ACC's total current expenditures of \$4,282 per student are slightly higher than the peer average of \$4,249 per student. **Exhibit 5-6** compares ACC's financial statistics to those of its peers.

Exhibit 5-6
Revenue and Expenditure Components- Current Funds By Function
ACC and Peer Colleges-Fiscal 2001

Description	North Harris Montgomery	Collin County	San Jacinto	Peer Average	ACC
Revenue					
State Appropriations	35%	31%	37%	35%	37%
Tuition and Fees	20%	16%	19%	19%	29%
Property Taxes	22%	40%	22%	27%	17%
Grants and Contracts	19%	4%	9%	12%	9%
Other	4%	9%	13%	7%	8%
Total Current Fund Revenues	100%	100%	100%	100%	100%
Expenditures					
Instruction	44%	42%	35%	40%	43%
Public Service	2%	1%	6%	3%	3%
Academic Support	13%	11%	6%	10%	7%
Student Services	9%	9%	8%	9%	9%
Institutional Support	13%	15%	17%	15%	22%

Operation & Plant Maintenance	7%	10%	9%	9%	6%
Scholarships & Fellowships	9%	4%	8%	8%	8%
Auxiliary Enterprises	3%	8%	11%	7%	2%
Total Current Fund Expenditures	100%	100%	100%	100%	100%
Enrollment -Fall 2001	29,503	14,239	22,747	22,163	27,577
Expenditures per Student	\$3,998	\$4,107	\$4,662	\$4,249	\$4,282

Source: ACC and Peer Audited Financial Statements, Fiscal 2001.

During fiscal 2001, ACC spent 62 percent of its current fund dollars for salaries and wages. By comparison, ACC's peer colleges spent 55 percent of their current fund dollars for salaries and wages. Other expenses comprised 26 percent of ACC's current fund expenditures, compared to an average of 34 percent for ACC's peers. **Exhibit 5-7** presents a comparison of fiscal 2001 current fund expenditure for ACC and its peers.

Exhibit 5-7
Current Expenditure Components-By Object
ACC and Peer Colleges-Fiscal 2001

Description	North Harris Montgomery	Collin County	San Jacinto	Peer Average	ACC
Salaries & wages	55%	55%	50%	55%	62%
Staff benefits	10%	8%	4%	8%	9%
Other expenses	32%	35%	43%	34%	26%
Capital outlay	3%	2%	3%	3%	3%
Total	100%	100%	100%	100%	100%

Source: ACC and Peer Audited Financial Statements, Fiscal 2001.

Chapter 5

A. ORGANIZATION AND MANAGEMENT

Instability and turnover have characterized ACC's financial organization in recent years. For example, *five individuals have occupied the vice president, Business Services position, the college's top financial post, in the past two years.* Moreover, the average tenure of managers and supervisors in financial areas, such as general ledger, grant accounting, cashier's office, payroll, accounts payable and budgeting, is less than two years in all except one case.

Exhibit 5-8 presents historical tenure patterns of key Business Service's positions and underscores the lack of continuity that frames the context in which the department operates today. For example, the lack of staff experience and continuity in Business Services contributed to the board's not being informed of the fiscal 2001 deficit until five months after yearend. The internal auditor position, though not a part of Business Services staff, is included in the chart because the position is so closely related to financial management.

**Exhibit 5-8
Business Services Staffing History and Tenure
Manager and Supervisor Positions**

Position and Incumbents	From	To	Reason for Leaving	Average Tenure
Vice President, Business Services				1.28 yrs
Incumbent 1	March-96	December-00	Other employment	
Incumbent 2	January-01	May-01	Interim	
Incumbent 3	June-01	January-02	Deceased	
Incumbent 4	February-02	June-02	Interim, also is budget director	
Incumbent 5	June-02	*Present	-	
Budget Director				1.98 yrs
Incumbent 1	September-92	January-99	To another department	
Incumbent 2	June-99	June-00	Other employment	
Incumbent 3	June-00	October-00	Dissatisfied; quit	

Incumbent 4	November-00	December-00	Became budget coordinator	
Incumbent 5	January-01	*Present	-	
Controller				.83 yrs
Position did not exist	March-96	January-00	-	
Incumbent 1	February-00	September-00	Moved out of state	
Incumbent 2	October-00	December-00	Interim, from Internal Audit	
Incumbent 3	January-01	*Present	-	
G/L and A/P Accounting Manager				1.75 yrs
Incumbent 1	May-97	September-98	To Internal Audit	
Incumbent 2	October-98	January-01	Retired	
Incumbent 3	February-01	*Present	-	
Student and Cashier Accounting Manager				2.46 yrs
Incumbent 1	May-97	September-98	To Internal Audit	
Vacant	October-98	December-98	-	
Incumbent 2	January-99	*Present	-	
Grants and Fixed Assets Manager				unknown
Incumbent 1	Unknown	April-97	Other employment	
Vacant	May-97	July-01	Managers shared duties	
Incumbent 2	August-01	*Present	-	
Payroll Manager				1.75 yrs
Incumbent 1	March-95	April-97	To accounting manager	
Vacant	May-97	August-97	-	
Incumbent 2	September-97	September-00	Involuntarily terminated	
Incumbent 3	October-00	November-00	Interim	
Incumbent 4	November-00	*Present	-	
Accounts Payable Supervisor				1.36 yrs

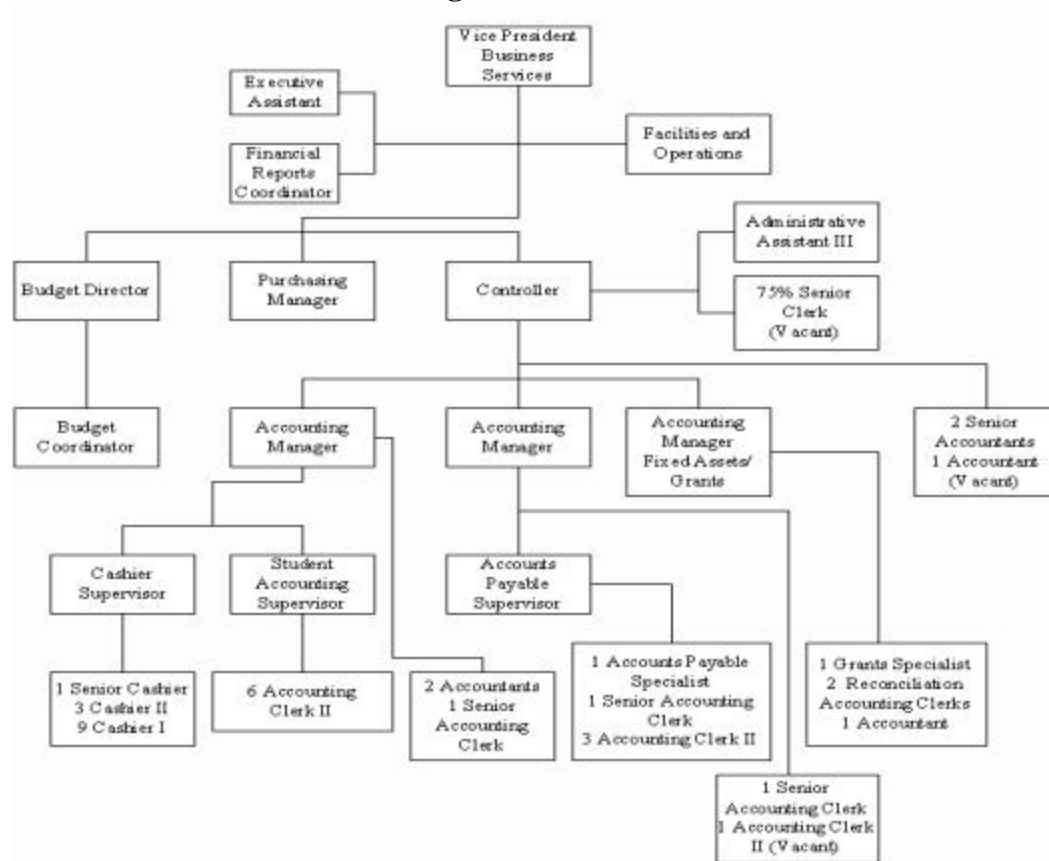
Incumbent 1	September-97	August-98	Moved out of area	
Vacant	September-98	December-98	-	
Incumbent 2	January-99	June-01	Involuntarily terminated	
Vacant	July-01	October-01	-	
Incumbent 3	November-01	*Present	-	
Student Accounting Supervisor				1.15 yrs
Incumbent 1	April-97	June-97	Other employment	
Vacant	July-97	February-98	-	
Incumbent 2	March-98	December-98	To accounting manager	
Incumbent 3	January-99	May-00	Moved out of area	
Incumbent 4	June-00	*Present	-	
Cashier Supervisor				.60 yrs
Incumbent 1	Not available	July-98	Other employment	
Vacant	August-98	October-98	-	
Incumbent 2	November-98	December-98	To Student Accounting	
Vacant	January-99	January-99	-	
Incumbent 3	February-99	May-99	Other employment	
Vacant	June-99	July-99	-	
Incumbent 4	August-99	January-01	Involuntarily terminated	
Vacant	February-01	February-01	-	
Incumbent 5	March-01	March-01	Dissatisfied; quit	
Vacant	April-01	April-01	-	
Incumbent 6	May-01	*Present	-	
Internal Audit Director (Not part of Business Services)				6.61 yrs
Incumbent 1	September-81	August-98	Retired	

Incumbent 2	September-98	September-00	Moved to controller then Budget	
Vacant	October-00	September-01	-	
Incumbent 3	October-01	*Present	-	

Source: ACC Business Services, Interim Vice President, Business Services.
 *Represents July 31, 2002.

On June 10, 2002, the fifth vice president, Business Services in two years started with the college. The position reports directly to the president and has five positions reporting directly to it. **Exhibit 5-9** presents the Business Services organization. Purchasing is discussed in a separate chapter; therefore, details of its organization are not presented in the exhibit. Excluding purchasing staff and three vacant positions, there are 47 staff positions in Business Services.

Exhibit 5-9 Business Services Organization August 2002



Source: ACC Organization Chart, August 2002.

Exhibit 5-10 presents a summary of Business Services' fiscal 2002 budgets. Four sub-budgets exist to improve budgetary oversight and control. Purchasing operations are discussed in a separate chapter, and so the budget for that section is not included in the exhibit.

**Exhibit 5-10
Business Services Fiscal 2002 Budget**

Description	Vice President, Business Services	Controller	Budget Office	Total Business Services
Salaries	\$149,152	\$1,515,005	\$100,301	\$1,764,458
Benefits	\$4,475	\$45,450	\$3,009	\$52,934
Supplies	\$3,250	\$25,135	\$1,800	\$30,185
Travel	\$12,464	\$10,200	\$1,800	\$24,464
Operating Costs	\$3,450	\$456,150	\$1,200	\$460,800
Duplication	\$400	\$9,000	\$2,600	\$12,000
Telephone	\$2,600	\$18,380	\$1,200	\$22,180
Equipment <\$500	\$5,250	\$55,201	\$900	\$61,351
Contingency	\$30,000	\$0	\$0	\$30,000
Total	\$211,041	\$2,134,521	\$112,810	\$2,458,372

Source: ACC Budget, Fiscal 2002.

FINDING

Three vacant Business Services positions are not required because existing staff have absorbed those positions' duties. The college does not plan to fill two of the positions; however, the costs have been included in the fiscal 2003 budget. Business Services employees have successfully absorbed the duties of the other position, which is an accounting clerk II position. Of the two positions that will not be filled, one is a part-time senior clerk position and the other is a full-time senior accountant position. The position the college plans to fill is an accounting clerk II position that had the following duties, which are being performed by other employees in Business Services:

- Organizes, transcribes and enters accounting data into the system;
- Maintains Texas Unclaimed Property database;

- Enters all journal entries into Datatel;
- Enters budgets for restricted accounts;
- Prints reports for journal and budgets;
- Verifies reports to actual source documents and makes necessary corrections;
- Maintains files for journal documents;
- Maintains, researches and reconciles stale dated accounts; and
- Enters voucher data for payroll and refunds for student accounting and financial aid.

Exhibit 5-11 presents general information about the vacant positions.

**Exhibit 5-11
Business Services Vacant Positions**

Position	Budgeted Salary for Position	Vacant Since	Will position be filled?	Projected Date to be filled	How duties are now being performed?
75% Senior Clerk	\$15,199	1/9/02	No	N/A	Admin III + shared duties
Senior Accountant	\$43,778	Never filled	No	N/A	Sr. Accountant/Accountant
Accounting Clerk II	\$26,219	1/12/02	Yes	ASAP - Interview Committee in process	Admin III + Accountant
Total	\$85,196				

Source: Business Services Department.

When compared to its peer colleges, ACC's Business Services' staffing ratios per 100 students and 100 employees is equal to one peer, higher than another peer and lower than a third peer. **Exhibit 5-12** presents the number of staff positions for ACC and its peers including vacant positions.

**Exhibit 5-12
ACC and Peer College Staffing Ratios**

Community College	Business Services Positions	Fall 2001 Enrollment	Total Employees	Business Services Staff per 100	Business Services Staff per 100

				Students	Employees
Collin County	32	14,239	2,173	0.22	1.47
ACC	50	27,577	3,330	0.18	1.50
North Harris Montgomery	30	29,503	3,589	0.10	0.84
San Jacinto	42	22,747	2,335	0.18	1.80

Source: ACC Business Services, Peer College Financial Organization Charts and Surveys, and State Auditor's Office Community College Database.

Recommendation 40:

Eliminate the three vacant positions in the Business Services Department.

ACC should eliminate the part-time clerk, senior accountant and accounting clerk II positions. Since other employees have been performing the duties of these positions since January 2002, the duties of the positions have been successfully absorbed, and the positions should be eliminated.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services instructs the controller to permanently reassign accounting clerk II duties to the administrative assistant III and the accountant and to update both job descriptions.	January 2003
2.	The controller reassesses the workload of the administrative assistant III and accountant, makes a reasonable allocation of accounting clerk II duties to these positions and updates the job descriptions.	January 2003
3.	The vice president, Business Services approves the new job descriptions.	January 2003
4.	The vice president, Business Services eliminates the 75-percent senior clerk, senior accountant and accounting clerk II positions in the budget.	January 2003

FISCAL IMPACT

Total compensation for the three positions is \$87,752, which is equal to base salary of \$85,196, plus 3 percent benefits of \$2,556. Assuming the positions were eliminated in January 2003, savings would be prorated for

seven months during fiscal 2003 and would equal \$51,189 (\$87,752 x 7/12). Savings in years 2004 through 2007 would be \$87,752 per year.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Eliminate the three vacant positions in the Business Services Department.	\$51,189	\$87,752	\$87,752	\$87,752	\$87,752

Chapter 5

B. BUDGETING AND PLANNING

Budgeting and planning are critical to effective financial management. A budget is essentially a spending plan that sets forth the goals and priorities of the board, college administrators and community. ACC's five-year master plan drives its annual budget. The college does not prepare multi-year operating budgets. Board planning directives, initiatives and priorities are contained in and communicated through the master plan. These include priorities for program and facilities development, resource enhancement initiatives and faculty hiring recommendations. Each year's budget reflects how the college is allocating resources to finance the mandates, initiatives and priorities expressed in the master plan.

The development of the annual budget is a collaborative effort that requires the input, participation and cooperation of various individuals across the organizational spectrum. For example, the Budget Office reports to the vice president, Business Services and is responsible for developing, implementing and maintaining the budget. The budget director and the budget coordinator have daily budget responsibilities.

In addition, 140 budget officers within the college have budget authority over specific accounts and are responsible for developing the supply, travel, operating cost and equipment under \$500 budgets for their area. Each organizational unit within the college is assigned specific account numbers and individuals who are designated as the budget officer for those account numbers. Budget officers include the president, executive vice president for academic, student and campus affairs, vice president, Business Services, provosts, executive deans, campus deans, associate vice presidents and managers/supervisors reporting to these individuals who have been assigned budgetary responsibility over specific accounts. **Exhibit 5-13** provides an example of budget officers for the organizational unit designated "Vice President, Business Services," which has four budget officers.

Exhibit 5-13
Example of Budget Authorities
Vice President, Business Services Organization

Account	Description	Budget Officer
10-7-12001-xxxx-00	Vice President, Business Services	Vice president, Business Services

10-7-13001-xxxx-00	Controller's Office	Controller
10-7-13002-xxxx-00	Purchasing Office	Purchasing manager
10-7-13003-xxxx-00	Inventory & Receiving	Purchasing manager
10-7-13006-xxxx-00	Budget Office	Budget director
10-7-19004-xxxx-00	Mail & Messenger Center	Purchasing manager
10-7-19005-xxxx-00	Fees & Expenses	Vice president, Business Services
10-7-19006-xxxx-00	Elections	Vice president, Business Services
10-7-45001-xxxx-00	Special Items-Miscellaneous	Vice president, Business Services
10-9-45002-xxxx-00	Scholarship/Tuition Exempt	Vice president, Business Services
10-7-47001-xxxx-00	Staff Benefits	Vice president, Business Services

Source: ACC Operating Budget Manual, 2002-03.

The Office of Institutional Effectiveness supports budget development by providing data to support strategic planning activities and decision-making. In addition, the budget committee, consisting of administrative, faculty, employee and student representatives, makes recommendations about spending priorities as well as improvements to the budget process itself.

Community participation in ACC's budget process is obtained through the Citizen's Advisory Committee, whose recommendations are incorporated into the five-year master plan. There is also a budget committee that reviews the budget development process annually and makes recommendations for improvement as well as suggestions to enhance revenue and fiscal accountability. Finally, the Board of Trustees is involved in the budget development process through discussions at regular meetings and special work sessions.

Fiscal 2003 budget development began with the distribution of operating budget manuals to all departments' budget officers. The manual provides

an overview of the budget process and gives instructions for current year budget development. For example, the fiscal 2003 budget manual indicates there will be no new staffing-table positions, no new initiatives, zero-based budgeting for supplies and non-capital expenditures, new budget transfer guidelines and a formula for travel allocation. The amounts budgeted for the prior year are the starting points for developing the current year's budget. The budget process allows budget officers to perform the following:

- Reallocate base money within and between their operating budget accounts;
- Justify money for zero-based budget accounts;
- Request new money for based budget accounts;
- Request facility modifications and technology & capital equipment; and
- Review next level supervisors' feedback and input.

Budget officers use ACC's online budget development system to enter the information on their budgets. Once their budgets are entered into the system, they are locked out from inputting or updating, although they can still monitor their input. Second-level supervisors (deans, managers, directors and coordinators) then review requests from all budget officers reporting to them and reprioritize the requests.

Second-level supervisors are then locked out of the system and third-level supervisors (associate vice presidents or provost/executive deans) review and reprioritize requests from all budget units reporting to them. After third-level supervisors complete their review, by a certain date, they are locked out of the system and the budget office correlates the budget data and provides it to the executive team who reviews and reprioritizes the budget and presents the final budget to the board for review and approval. All along the input/review/reprioritize chain, locked out areas can still monitor and review their requests as they move up the budget development chain. The Technology Committee and Facilities Task Force also review and prioritize requests in their respective areas and make spending recommendations, taking into consideration ACC's Comprehensive Master Plan. **Exhibit 5-14** presents ACC's fiscal 2003 budget calendar.

Exhibit 5-14
Budget Development Calendar for Fiscal 2003

Date-2002	Participants	Activity/Task
May 28- June 7	All budget units	Distribute budget manuals to all budget unit supervisors. Budget unit supervisors complete

		budget input, per budget manual instructions.
June 3	Board of Trustees	Revenue discussion at regular meeting.
June 7		Online budget process frozen for units. Units will no longer have input/update capability, but they may continue to monitor their accounts as the online budget process continues.
June 10-12	Managers, directors, coordinators, deans	Second-level supervisors (deans, managers, directors and coordinators) review requests from all units reporting to them and re-prioritize across the units per budget manual instructions.
June 12		Online budget process frozen to deans, managers, directors and coordinators. They will no longer have input/update capability, but they may continue to monitor their accounts as the online budget process continues.
June 13	Board of Trustees	Budget discussion.
June 13-17	Executive deans, provosts, associate vice presidents	Third-level supervisors (associate vice presidents, provosts, executive deans) review requests from all units reporting to them, reprioritize across the units per the budget manual.
June 17	Board of Trustees	Board work session/budget discussion. Online budget process frozen to associate vice presidents, provosts and executive deans. They will no longer have input/update capability, but they may continue to monitor their accounts as the online budget process continues.
June 17	Facilities Task Force and Technology Committee	-Technology Committee will prioritize technology requests, taking into consideration the Comprehensive Master Plan, and will make allocation recommendations. -Facilities Task Force will prioritize collegewide facility needs, taking into consideration campus priorities and the Comprehensive Master Plan and will calculate estimated costs.
June 18-21	Budget Office, Executive team	Budget Office correlates budget information and provides it to the executive team. The executive team will re-prioritize requests from the executive deans, provosts and associate vice

		presidents.
July 1	Board of Trustees	Regular board meeting/budget discussion.
July 8	Board of Trustees	Budget discussion.
July 18	Board of Trustees	Budget discussion.
July 20	Board of Trustees	Budget discussion.
July 22	Board of Trustees	Board work session/budget discussion.
July/August	Board of Trustees, president	President presents final budget to the Board for review/work session.

Source: ACC Operating Budget Manual, 2002-03.

ACC's interim budget report for May 2002 projects a balanced budget for fiscal 2002. As of May 2002, approximately 85 percent of budgeted current funds had been received. ACC projects current fund receipts to be approximately \$101.2 million, or 99 percent of budget. ACC had spent approximately 74 percent of its current fund budget as of May 2002. As of that date, revenues exceeded expenditures by approximately \$11 million. Current fund expenditure projections through year-end are on target with projected revenues of \$101.2 million.

Exhibit 5-15 presents an overview of the May 2002 interim budget report. The report does not include grants and contracts, which are restricted funds.

Exhibit 5-15
Budget-to-Actual Financial Report
As of May 2002

Description	Budget	Actual through May 2002	Projected to August 2002	Variance Over/(Under) Budget
Revenue				
State Appropriations	\$39,300,000	\$27,865,802	\$38,863,388	(\$436,612)
Tuition and Fees	\$26,986,173	\$25,589,461	\$26,070,177	(\$915,996)
Property Taxes	\$22,487,756	\$22,941,374	\$23,174,041	\$686,285
Auxiliary	\$878,471	\$758,024	\$1,100,000	\$221,529
Other	\$12,935,827	\$9,837,009	\$11,989,428	(\$946,399)
Total Current Fund	\$102,588,227	\$86,991,670	\$101,197,034	(\$1,391,193)

Revenues				
Expenditures				
Salaries & wages	\$71,517,704	\$57,744,342	\$74,521,155	\$3,003,451
Staff benefits	\$2,700,263	\$1,910,933	\$2,693,120	(\$7,143)
Utilities	\$2,088,953	\$1,605,999	\$2,424,524	\$335,571
Supplies	\$2,441,412	\$1,165,114	\$1,600,000	(\$841,412)
Travel	\$657,952	\$495,902	\$587,000	(\$70,952)
Other operating expenditures	\$9,854,779	\$6,504,490	\$8,694,704	(\$1,160,075)
Capital outlay	\$5,185,935	\$2,407,503	\$2,895,239	(\$2,290,696)
Auxiliary	\$878,471	\$878,324	\$1,100,000	\$221,529
Transfers	\$7,262,758	\$3,416,908	\$6,681,292	(\$581,466)
Total Current Fund Expenditures	\$102,588,227	\$76,129,515	\$101,197,034	(\$1,391,193)
Excess of Revenues over Expenditures	\$0	\$10,862,155	\$0	\$0

Source: ACC Business Services.

FINDING

ACC uses a Web-based budget development program that allows budget officers to enter their budget information online. The program highly automates budget development and compilation by eliminating manual budget forms and iterative duplicative processing. After budget officers enter their budget requests, the next level supervisor make appropriate changes that become available to the next level supervisor. This process continues until the budget is presented to the executive team and ultimately to the board for approval.

Budget officers and their supervisors access the program through the college's Web site. Detailed instructions on how to access and use the program are contained in the budget instruction manual. Once past the initial screen, which asks for the user name and password, budget officers are given four options:

- **Account options**- allows users to enter and display detailed account information about budgets, requests, reallocations and personnel;

- **Facilities options** - only facilities and the system administrator have access to this area;
- **Priority options** - allows users to prioritize requests; and
- **Report options** - provides some reports that can be used to see all requests or the total budget for an account.

For control purposes, only those accounts for which a budget officer is responsible are listed on the screen. The screen shows account number, prior-year beginning budget, prior-year budget adjustments and the amounts reallocated from other accounts. The screen also shows the beginning budget for the current year, along with the current-year funding requests and those requests that have been approved, the proposed budget and the approved budget for the current year. Budget officers also can review the staffing table for a given account to verify that all of the positions listed are correct. However, no changes can be made; only the Budget Office makes changes to the staffing table.

COMMENDATION

ACC develops its budget using an online budget program that is accessible over the Intranet for authorized personnel.

FINDING

ACC does not prepare a monthly balance sheet for the administration and the board to review. A balance sheet is defined by generally accepted accounting principles as a basic financial statement. It shows an organization's assets, liabilities and net assets at a given point, for example at the end of a month, quarter or year. A balance sheet is important because it presents the overall financial health and position of an organization. For example, the balance sheet shows how much cash the organization has and what its liabilities are. It also shows net assets, which is the difference between the organization's assets and its liabilities. Without an accurate balance sheet, organizations cannot gauge their financial health because they cannot measure assets against liabilities to determine how much would be remaining if all assets were liquidated and liabilities paid. A healthy organization has sufficient resources to pay all current and future liabilities and maintains adequate reserves to provide for contingencies and unforeseen circumstances.

Board Policy G-1 states "The President shall provide the board a monthly financial report detailing year-to-date expenditures and revenues against the budget and a monthly revised fiscal-year projection of expenditures and revenues." In response to this mandate, ACC prepares a summary of income items, expenditures and transfers and budget projections. This report is provided to the board monthly and is also published on the

college's Web site. Although the report is useful for monitoring the budget and necessary for measuring revenues against expenditures, it does not show the overall financial condition of the college. Therefore, it does not accomplish the objective of a balance sheet, which is to present the financial position of the district.

The importance of this knowledge is underscored by the fact that the board, in its January 2002 meeting, was surprised to learn that the college had a deficit for 2000-01. One of the reasons given as to why the board did not learn of the deficit earlier was because the external auditors had not completed their audit and that all audit adjustments were not known at year-end.

Accurately prepared balance sheets help prevent this timing problem and ensure that administrators keep abreast of potential adjustments as the year progresses. Therefore, at the end of the year, there are no major surprises. Regular preparation of balance sheets forces financial administrators to account for potentially unrecorded liabilities and assess their effect on expenditures and budget projections.

North Harris Montgomery Community College District (NHMC) includes a balance sheet in its monthly board packet. In addition to a statement of revenues and expenses and a summary of investments, a balance sheet is presented showing assets, liabilities and fund balance. This more comprehensive snapshot of the college's financial health provides board members with the information needed to properly gauge the financial health of the district as of the end of each month.

Recommendation 41:

Prepare balance sheets at the end of each month, and include them in the board's reporting packet.

ACC should prepare accurate balance sheets each month and use the information to help monitor the financial health of the district. Procedures should be developed to ensure that all potential liabilities are identified and included in the financial statement. Moreover, a review of the nature and purpose of the balance sheet should be provided to the board so the information may be used to guide and inform board financial decisions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services instructs the controller to determine what internal procedures are required to generate accurate monthly balance sheets.	January 2003
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2.	The controller assesses existing information and workflow in all accounting areas to ascertain the procedural changes necessary to produce monthly balance sheets.	January 2003
3.	The controller instructs accounting personnel to modify workloads, procedures, workpapers, reports and schedules as necessary to generate accurate, reliable monthly balance sheets.	February 2003
4.	Accounting department staff begin generating monthly balance sheets.	March 2003
5.	The controller ensures the balance sheets are posted on the Web site and included in the board's monthly reporting packet.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's budget document contains numbers but no narrative, which limits its usefulness as a communications device, policy document or financial plan. For example, there is no executive summary or overview, such as a discussion of goals, priorities, or objectives.

A budget document can and should be more than just a financial plan. A budget document has three major purposes: a communications device, a policy document and a financial plan. Budgets are most useful when used as a way for both the college staff and the community to understand the college's inner workings. The college has an opportunity to "tell its story" when the budget communicates what is behind and beyond the numbers.

The Government Finance Officers Association's (GFOA) is a national organization that promotes excellence in the form, content and presentation of budget documents through award programs. The GFOA's program is designed for any governmental entity. These programs establish a number of criteria for exemplary budget documents and provide certification awards to nonprofit entities whose budget documents meet the criteria. Many educational institutions across the country use the criteria to apply for the award, but some use them merely to improve their budget documents' content, format and presentation.

Other community colleges, including Onondago County Community College in New York, Oakton Community College in Illinois and Monterey Peninsula Community College in California have all received GFOA budget document awards.

Recommendation 42:

Produce a budget document that serves as a communications device, policy document and financial plan.

The college should use the GFOA criteria as a guide to enhancing the content, format and presentation of its budget document. Financial data should be clarified using charts, tables, larger fonts, written analyses and executive level summaries. In addition, the college should explore the possibility of using work-study students to produce a budget document that meets GFOA criteria. Students could, under the supervision of college personnel, conduct interviews, produce graphs, perform analyses, etc. The college and the students would derive mutual benefits from this collaborative effort.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services instructs the budget director and budget coordinator to establish an alternative budget format.	January 2003
2.	The budget director and budget coordinator enlists the assistance of accounting students interested in helping the college improve its budget document.	January 2003- March 2003
3.	The budget director and budget coordinator develop a work plan for college students participating in the budget improvement project.	May 2003
4.	Work begins on improving the budget document.	May 2003 - August 2003
5.	The Budget Office approves a draft of the improved budget document and incorporates the improvements into the 2003-04 budget document.	August 2003
6.	The Budget Office submits the college's 2004-05 budget document for GFOA certification.	August 2004

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Although budget officers can review their budget reports online in real time, the budget coordinator still sends them a hard copy of their budget report each month because some budget officers feel more comfortable

with paper reports. The report is a summary of actual and budgeted expenses by account that typically runs one or more pages depending on how many accounts are listed on the page. The issue is not that budget officers do not have access to detailed information about expenditures that hit their accounts; they do. This information is available in Datatel, which is ACC's financial accounting and budgeting system. The issue is that the hard copy report is an inefficient use of time and resources because the reports contain the same information as the online, real time report. The only exception is that the hard copy report includes an extra column that indicates whether the budget for a particular line item is over or under spent. Otherwise, the information on the reports is identical. Moreover, any budget officer who desires a hard copy can print the online report. Both reports include the following information:

- Allocated budget
- Actual expenditures
- Encumbrances
- Percentage committed
- Amount available

Also, although budget officers receive intense budget development training, they do not receive as much training in how to monitor their budgets and use online budget reports. Recently, the Purchasing Department conducted a workshop demonstrating how budget officers can research purchasing information in Datatel. This type of training improves budget officers' ability to monitor their budgets and maintain fiscal accountability.

Recommendation 43:

Eliminate the practice of distributing hard copies of monthly budget reports, and train budget officers on how to use the online budgeting system.

Budget officers who require additional training should be trained to use the online budget reports, and the budget coordinator should stop distributing hard copy reports every month. The reports contain the same information, and the online report can be printed, so it makes sense to use the online report exclusively to save paper and time.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Budget director instructs the Budget coordinator to develop training materials on accessing, interpreting, using and printing online budget reports.	January 2003
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2.	The Budget director and the Budget coordinator establish a date after which hard copy budget reports will no longer be distributed.	January 2003
3.	The Budget director instructs the Budget coordinator to organize and establish dates to conduct training on accessing, interpreting, using and printing online budget reports.	January 2003
4.	The Budget director instructs the Budget coordinator to inform budget officers of the date after which hard copy budget reports will not be distributed and also to inform them of training available on accessing, interpreting, using and printing online budget reports.	February 2003
5.	The Budget coordinator conducts the training.	February 2003 - May 2003
6.	The Budget coordinator stops distributing hard copy budget reports.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 5

C. TAX RATE AND COLLECTIONS

Property taxes are a major source of revenue for the college. During fiscal 2001, ACC received 17 cents of every current fund revenue dollar from property taxes. Property taxes are calculated based on assessed property value and the college's tax rate. The rate is applied to 1/100th of the assessed property value, to determine the total tax levy.

ACC's taxing jurisdiction includes certain properties in Travis and Williamson Counties and shares geographical boundaries with the Austin, Leander and Manor Independent School Districts. Williamson County appraises the value of properties in Williamson County, while Travis County appraises the value of all other properties in ACC's taxing jurisdiction. Other properties in Travis; Williamson; Gillespie; Blanco; Hays; Bastrop; Caldwell and Gonzales counties, though within ACC's service area, are outside of its taxing jurisdiction and are therefore not taxed.

On March 15, 1986 voters in ACC's taxing jurisdiction approved a maximum operations and maintenance tax rate of \$0.05 per \$100 of assessed valuation. Currently, the district is taxing property within its taxing jurisdiction at the maximum rate of \$0.05, nearly half the peer average.

Exhibit 5-16 provides a five-year history of ACC's maintenance and operations tax rate compared to its peers. The tax rates are rounded to two decimal places.

Exhibit 5-16
ACC and Peers Property Tax Rate History
Fiscal 1998 through 2002

Description	NHMC	Collin County	San Jacinto	Peer Average	ACC
1998					
M&O	\$0.07	\$0.08	\$0.10	\$0.08	\$0.05
Debt	\$0.05	\$0.02	\$0.01	\$0.03	\$0.00
Total	\$0.12	\$0.10	\$0.11	\$0.11	\$0.05
1999					

M&O	\$0.08	\$0.08	\$0.10	\$0.09	\$0.05
Debt	\$0.04	\$0.02	\$0.01	\$0.02	\$0.00
Total	\$0.12	\$0.10	\$0.11	\$0.11	\$0.05
2000					
M&O	\$0.08	\$0.08	\$0.10	\$0.09	\$0.05
Debt	\$0.04	\$0.01	\$0.01	\$0.02	\$0.00
Total	\$0.12	\$0.09	\$0.11	\$0.11	\$0.05
2001					
M&O	\$0.08	\$0.08	\$0.10	\$0.09	\$0.05
Debt	\$0.04	\$0.01	\$0.03	\$0.03	\$0.00
Total	\$0.12	\$0.09	\$0.13	\$0.12	\$0.05
2002					
M&O	\$0.08	\$0.08	\$0.10	\$0.09	\$0.05
Debt	\$0.03	\$0.01	\$0.03	\$0.02	\$0.00
Total	\$0.11	\$0.09	\$0.13	\$0.11	\$0.05

Source: ACC and Peer Audited Financial Statements, Fiscal 2001, ACC Business Services and Peer surveys.

The Travis and Williamson County tax offices collect property taxes for ACC and remit the funds to the college each month. The Williamson County Tax Office collects taxes from properties in Williamson County, and the Travis County Tax Office collects taxes from all other properties in the taxing district. Each county has a tax attorney who collects their county's portion of ACC's delinquent taxes. ACC's collection rates are equal to the peer average. Moreover, its delinquent tax balance as of August 31, 2001 is three percentage points higher than the peer average. **Exhibit 5-17** compares ACC's 2001 levy collection experience to its peers.

Exhibit 5-17
ACC and Peer College Tax Collection Comparison
Fiscal 2001

College	2001 Levy	Current Collections	Balance at 8/31/01	Current Rate	Delinquent Rate
NHMC	\$37,280,528	\$37,024,823	\$933,308	99%	3%

Collin County	\$34,709,032	\$34,121,654	\$16,410	98%	0%
San Jacinto	\$30,163,467	\$29,301,820	\$481,827	97%	2%
Peer Average	\$34,051,009	\$33,482,766	\$477,182	98%	1%
ACC	\$20,570,618	\$20,067,860	\$827,489	98%	4%

Source: ACC and Peer Audited Financial Statements, Fiscal 2001.

FINDING

Lack of private funding to support annexation efforts is one of the major challenges facing ACC's efforts to annex communities and expand its tax base. While ACC has aggressively tried to educate school districts and community members about the benefits of ACC, Section 255.003 of the Texas Election Code prohibits the college from using public funds for political campaigns for annexation. However, the college can provide information and materials about annexation and the educational benefits ACC provides. Section 255.003 of the Election Code states:

"An officer or employee of a political subdivision may not spend or authorize the spending of public funds for political advertising. This section does not apply to a communication that factually describes the purposes of a measure if the communication does not advocate passage or defeat of the measure."

Annexation is a process, defined in the Texas Education Code (TEC) Section 130 whereby communities within ACC's service area may become a part of its taxing jurisdiction. An important distinction must be made between a community college's service area and its taxing district. The Legislature has assigned each community college within the state a defined service area. The service areas are composed of and defined by the geographical boundaries of specific school districts within the service area. These school districts are either in-district or out-of-district. They are considered in-district if they have been annexed and the college taxes residents within the school district. If the college does not assess taxes, the school district is considered out-of-district even though it is still in the service area.

Another important point is that school districts cannot be forced to annex. Yet, the challenges of helping communities understand the value of a community college in terms of access to higher education, highly skilled workforce and sustained economic development is immense. The process, which is by nature complicated and politically sensitive, involves building relationships over long periods of time with community residents and civic

and business leaders. These stakeholders must be convinced that the college's value to the community outweighs the burden of taxation.

Out-of-district communities also must understand that they will not receive the same level of services as those communities within the taxing jurisdiction. In fact, ACC Board Policy A-5 requires the college to provide programs and services to residents of its service area with priority given to sites within the taxing district. Local tax funds may not be used to subsidize out-of-district activities. The board must approve any exceptions to the policy, otherwise; no specific commitments of facilities or services shall be made to communities considering annexation.

Communities must petition the Legislature to either join or leave the service area. For example, Marble Falls ISD received permission from the Legislature in 2001 to leave ACC's service area to join another community college district.

Marble Falls desired services that ACC provided, however; it left the service area because ACC's out-of-district tuition was too high. However, another community, Nixon-Smiley ISD, was attracted by ACC's Early College Start and Distance Learning programs and received permission from the Legislature to join ACC's service area.

While legislative approval must be obtained to join or leave a service area, state law provides three means of annexation to a community college's tax base. ACC's continuing challenge is to expand its tax base by appealing to communities that are candidates for annexation. **Exhibit 5-18** summarizes the three annexation options that state law provides.

**Exhibit 5-18
Annexation Options Provided in Texas Law**

Option	Requirements	TEC Section	Prospect for ACC
Annexation by Contract	All property owners in the territory proposed for annexation must petition the college's Board of Trustees. If the board approves, it may annex the territory by entering an order by contract and then entering a written agreement with all the property owners in the annexed territory.	130.064	Possible, but unlikely
Annexation by Election	A petition signed by 5 percent of the registered voters in the territory proposed for annexation must be filed with the County School Board or the County	130.065	Most likely option

	Commissioners Court, if there is no County School Board. The County School Board or the County Commissioners Court shall then issue an order for an election to be held in the territory proposed for annexation.		
Annexation Contiguous Territory by Election	Election is called for in both the college district and the territory proposed for annexation. A petition signed by 50 percent of the registered voters in the territory proposed for annexation, or a majority of voters, whichever is less, initiates the process. The petition must be submitted to the college district board. Majority votes must be received in both districts for annexation to become effective. If the vote succeeds, the college district is required to re-elect the entire board of trustees at the next regular election of the college district.	130.066	Not favored

Source: Texas Education Code and ACC Annexation Information Packet.

Of the 30 school districts in ACC's service area, only three, or 10 percent, are in the taxing jurisdiction. Property owners in the Austin, Leander and Manor Independent School districts are the only citizens in the service area who pay taxes to ACC. Austin ISD established ACC in 1972 and became the first annexed district. Subsequently, in 1985, voters of the Leander ISD voted to annex followed by Manor ISD voters in 1998. The assessed property value in these districts represents 54 percent of total assessed value in the service area. This percentage is low in comparison to ACC's peers. In fact, ACC has the lowest number of annexed communities and the lowest percentage of assessed property value in comparison to its peers. This situation exists even though ACC has the lowest tax rate in the state. **Exhibit 5-19** presents a comparison of ACC and peer 2001 assessed property values for in-district and out-of-district communities. The assessed property amounts are shown in thousands of dollars.

Exhibit 5-19
In-district versus Out-of-district Communities and 2001 Assessed
Property Values
ACC and Peer Colleges
(Dollar Amounts are in Thousands)

Description	ACC	North Harris Montgomery	Collin County	San Jacinto
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In-district communities	3	11	14	6
Out-of-district communities	27	5	3	1
Total communities	30	16	17	7
Percent Communities in-district	10%	69%	82%	86%
Percent Communities out-of-district	90%	31%	18%	14%
In-district 2001 assessed value	\$39,344,350	\$50,469,402	\$35,208,242	\$23,608,066
Out-of-district 2001 assessed value	\$33,551,691	\$2,852,365	\$14,248,906	\$8,670,548
Total assessed value	\$72,896,041	\$53,321,767	\$49,457,148	\$32,278,614
Percent Value in-district	54%	95%	71%	73%
Percent Value out-of-district	46%	5%	29%	27%

Source: Peer Surveys and Texas Education Agency's (TEA's) 2001-02 Texas School Directory, List of 2001 Assessed Property Values.

As part of its continuing efforts to encourage other communities within its service area to annex, ACC published information about annexation and its implications for ACC. The first publication is entitled *Annexation Information Packet* and was developed for the Manor ISD when the citizens of that community were considering annexation to ACC. This publication includes a map of ACC's service area; a detailed discussion about annexation, including its legal aspects; a question and answer section; a discussion of the value of ACC and other information helpful to Manor residents.

A second publication was prepared for the Board of Trustees and provides an annexation overview, ACC strategies and activities to encourage annexation and challenges the college faces in its efforts to annex out-of-district communities. **Exhibits 5-20** through **5-23** provide an overview of the strategies, activities, annexation benefits and challenges from the second publication.

**Exhibit 5-20
Annexation Strategies**

- District-wide promotions of ACC's mission, comprehensiveness and uniqueness; delivering a coordinated, consistent message about the value of ACC;
- Stressing the regional geographic area, not just "Austin" or Austin-area;
- Multiple approaches to promoting the value of ACC and the programs and services offered;
- Consistent involvement with local ISDs and workforce initiatives throughout the service area;
- Multiple delivery methods of ACC programs and services;
- Commitment and promotion from the board, administration, faculty and staff;
- Support, consistently expressed, from local business and industry leaders, local organizations, such as workforce boards, chambers of commerce and the media; and,
- Single point of contact (executive vice president, Campus Operations, Student Affairs and School Relations) for out-of-district communities exploring annexation.

Source: Office of Academic, Student & Campus Affairs, Service Area Annexation Overview.

**Exhibit 5-21
Annexation Activities**

Activity	Description
Working through school districts	<ul style="list-style-type: none"> • Working with over 44 high schools in the service area through the Early College Start program, which provides free dual credit, co-enrollment and credit-in-escrow courses to eligible juniors and seniors. • The college president and executive vice president, Academics, Student and Campus Affairs and School Relations meet with all new superintendents in the service area as well as host two annual meetings with superintendents and principals. In addition, the associate vice president, Instructional Support Services, visits each school district superintendent at least once each academic year. • A significant portion of the duties of associate vice president, Instructional Support Services is to serve as ACC's single-point-of-contact for program growth and increased services to area school district superintendents, principals and central office staff.

Establishment of extension centers	<ul style="list-style-type: none"> • Extension Centers operate in the evening at local high schools throughout the service area offering credit classes to the general public and college credit classes during the day for high school students taking Early College Start classes. These centers expand access to higher education in the service area.
Distance Education	<ul style="list-style-type: none"> • ACC works closely with Region XIII and local school districts to promote Distance Education technology. Distance Education is an important link for out-of-district areas. The Licensed Vocational Nurse program in Fredericksburg offered via interactive televised courses is a successful example of this program.
Community and Civic Organizations	<ul style="list-style-type: none"> • ACC is a member of every chamber of commerce in its service area and has a designated representative participate in local activities. • An in-house team is assigned to make contact on a regular basis to assess the relationship of the college and the chamber. • Provosts and Executive Dean job duties require 40 percent of their time to be spent on community relationship building. • ACC is involved with the Capital Area Tech-Prep Consortium (fiscal agent), Capital Area Education to careers Partnership, Capital Area Workforce Development Board and Capital Area Training Foundation.
Legislative Initiatives	<ul style="list-style-type: none"> • ACC drafted the legislation that resulted in changes to annexation law. The change allows out-of-district communities that are not contiguous to an in-district community to annex. • ACC drafted legislation that made tuition and fee waivers for initiatives like the Early College Start program broader than the original legislation.
Media	<ul style="list-style-type: none"> • Publishes college courses in local newspapers each semester. • Promotes college courses and services though mail inserts to out-of-district communities.

Source: Office of Academic, Student & Campus Affairs, Service Area Annexation Overview.

Exhibit 5-22 Annexation Benefits

- Lower, in-district tuition rates.
- Expanded access to higher education (at the lower tuition rate.)
- Strengthened economic development efforts in the community.
- Expanded curriculum and training opportunities.
- Potential for expanded facilities.
- Increased tax base, which helps with maintenance and operations and with maintaining lower tuition rates.
- Increased enrollments in newly annexed area.

Source: Office of Academic, Student & Campus Affairs, Service Area Annexation Overview.

Exhibit 5-23 Annexation Challenges

- Public misunderstanding of the differences between and the need for both two and four-year higher education institutions.
- Concern in out-of-district communities about more taxes.
- Lukewarm public support from elected officials regarding annexation and tax increases.
- "Austin phobia": Out-of-district residents don't identify with the Austin mystique and feel they will be slighted in favor of Austin residents.
- High out-of-district tuition makes it difficult for ACC to compete with other colleges in the region.
- Early College Start is affected by superintendent and principal turnover, high school faculty and staff resistance and limited ACC resources that make expansion into out-of-district areas difficult.
- Limited staff and financial resources devoted to annexation efforts and activities.
- Difficulty delivering services and program in out-of-district areas.

Source: Office of Academic, Student & Campus Affairs, Service Area Annexation Overview.

The executive vice president, Academic, Student & Campus Affairs spearheads ACC's annexation efforts. **Exhibit 5-24** presents an overview of the types of initiatives implemented in the out-of-district areas to promote the college and raise its visibility within the communities.

**Exhibit 5-24
Overview of Status of Annexation Efforts**

District Fiscal 2001 Assessed Value (In Thousands)		Strategies, Programs and Activities to Promote ACC					
		ACC & ISD Board Dialog	Distance Learning Program	Early College Start Program	Faculty Development Initiatives	Grant Initiatives	Tech Prep Initiatives
Round Rock	\$10,073,717		X	X	X		X
Eanes	\$4,856,418			X			X
Pflugerville	\$3,035,571			X			X
Lake Travis	\$2,265,730		X	X			
Georgetown	\$2,206,454			X	X	X	X
Del Valle	\$2,004,724	X		X	X	X	X
San Marcos	\$1,618,293		X	X		X	X
Bastrop	\$1,058,084		X	X		X	X
Hays Consolidated	\$1,042,563			X			X
Fredericksburg	\$887,728		X	X	X	X	X
Dripping Springs	\$856,503	X	X	X			
Wimberley	\$594,281	X	X	X			
Lago Vista	\$491,429			X			
Lockhart	\$451,283	X	X	X			X
Elgin	\$405,323	X		X			X
Smithville	\$299,404			X			
Liberty Hill	\$292,042			X			
Blanco	\$235,134			X			
Johnson City	\$220,111			X			
Jarrell	\$171,074		X	X			
Luling	\$154,100	X		X			
Harper	\$120,502			X			
Nixon-Smiley	\$95,420		X	X	X		

Prairie Lea	\$37,670			X			
*McDade	\$35,103						
*Coupland	\$30,140						
*Doss Consolidated	\$12,890						
Total Out-of-District	\$33,551,691						
Austin	\$33,900,418						
Leander	\$3,852,576						
Manor	\$1,591,356						
Total In-District	\$39,344,350						
Grand Total Valuation	\$72,896,041						
In-district Percentage	54%						
Out-of-district Percentage	46%						

Source: TEA Texas School Directory, Appraised Property Valuation, and Office of Academic, Student & Campus Affairs.

*Although within the ACC service area, these districts do not provide high school level courses.

During the public forums, out-of-district students told members of the review team that they could not understand why ACC was not making a greater effort to annex their communities because there were large numbers of students from their communities enrolled in the program. In fact, approximately 20 percent of all ACC students pay the much higher tuition because they are not in the taxing district. Yet, when school superintendents and board members from neighboring districts like Del Valle were asked why they would not consider placing this issue on the ballot for the community to decide, they indicated that placing a proposition on the ballot that could potentially raise taxes for the entire community was politically unpopular, whether or not the school district and the community would benefit tremendously from being a part of the community college district.

Some community colleges have benefited from the formation of citizens groups comprised of civic and business leaders who spearhead efforts to educate the public about various issues. Private interests often form political action committees to support a particular candidate or issue. Although ACC is prohibited from using public funds for this purpose, private citizens are not. Such groups commonly form to promote school district bond elections. The success of Austin Independent School District's 1996 \$369 million bond election was due, at least in part, to the efforts of such a group. Most community colleges in Ohio must have their taxing authority approved by voters every five years. These colleges must raise private money for advertisements, handouts, mailings and other promotional material. Private groups in Cleveland Ohio have been successful in raising money to get out the vote on reauthorized taxing authority for Cuyahoga County Community College.

Recommendation 44:

Encourage out-of-district business and community leaders to educate their communities about the benefits of joining the Austin Community College district.

External political action committees, composed of representatives from the communities targeted for annexation, would raise money to encourage and fund local elections, enhance awareness of ACC in the community and assist in developing community-based strategies to promote annexation. Although ACC has developed a number of strategies to encourage communities to annex, both funding and state law limits what the college can do. Suggesting that business, student and community leaders spearhead independent efforts through political action committees or similar privately funded citizens groups would not only provide additional support for annexation efforts but would also allow for a broader grassroots campaign. A political action committee would allow ACC's administration to remain in the background while the community-based group promotes the college's benefits to communities the college hopes to annex.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Board of Trustees, president and key administration employees identify business and community leaders who might be interested in forming a political action committee to spearhead annexation education efforts.	March 2003
2.	The Board of Trustees, president and key administration employees provide information to out-of-district community leaders about the benefits of political action committees and how	March 2003 - May 2003

	they can be formed and operated.	
3.	Private citizens in out-of-district communities form political action committees and begin activities that promote annexation.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 5

D. INTERNAL AND EXTERNAL AUDITING

An independent accounting firm audits ACC annually. The district has consistently received unqualified opinions on its financial statements. According to ACC Board Policy E-4, "the same firm will not be chosen as auditor for more than 5 out of any 10 years." The contract with the current auditors was issued June 2000 for three years with a two-year renewal option. Fiscal 2002 is the last year on the contract, which will need to be renewed for fiscal years 2003 and 2004. ACC will bid the external auditing contract again in 2004.

Each year, in connection with the annual audit, the auditors issue a "Management Letter," which reports on internal control weaknesses noted during the audit. The report also discloses prior year comments that the college did not resolve satisfactorily. **Exhibit 5-25** presents an overview of the fiscal 2001 Management Letter comments. No prior-year comments were noted in the 2001 Management Letter because the items had been addressed to the auditor's satisfaction.

Exhibit 5-25
Summary of Fiscal 2001 Management Comments

Area	Auditor's Comment	Management's Response	Current Status
Payroll	The college has not reconciled payroll expenses to federal payroll reports that must be filed with the Internal Revenue Service.	The college has hired a payroll accountant during fiscal 2002 who is responsible for regularly reconciling payroll expenses to the liability accounts and federal reports.	Reconciling the payroll accounts is a continuing challenge due to the fact that there are so many liability accounts that require significant time to reconcile.
GASB Statement #35	The new standard issued by the Government Accounting Standards Board establishes an entirely new financial reporting model for	The controller's office plans to generate pro forma reports during May 2002 after Business Services completes its	Plans to generate pro forma reports were postponed until July 2002 to allow the new vice president, Business Services to arrive. Meanwhile. ACC has

	colleges and universities. The college should generate pro forma financial reports and have them independently reviewed to ensure the college will be able to meet the reporting requirements of GASB #35.	relocation to the new service center building.	implemented Datatel's fixed asset module to comply with GASB's fixed asset depreciation requirements. In addition, controller staff have attended training seminars to prepare for GASB #35 implementation. Moreover, the new vice president, Business Services served on the GASB implementation committee sponsored by The Higher Education Coordinating Board, and conducted training seminars for the Texas Higher Education Coordinating Board in October 2001 for Texas Community College Business Officers.
Accounts Receivable	An aged accounts receivable ledger was not being provided to the Continuing Education Department. As a result, the department could not effectively manage outstanding receivable balances.	Business Services implemented a new procedure in November 2001 to forward a monthly aging report as well as invoice copies to Continuing Education.	Issue resolved, except Continuing Education neither requires nor receives invoice copies.

Source: Management Letter, Fiscal 2001.

The purpose of an internal audit function is to review and appraise the reliability and integrity of internal control systems, evaluate the accuracy and reliability of accounting and reporting systems, and determine the extent to which resources are employed economically and efficiently.

FINDING

The Internal Audit Department's reporting relationships are not properly aligned. Reporting relationships are important for internal auditors to maintain their independence. Independence is the ability of an auditor to remain impartial and free of influences that might impair professional judgment. If an auditor's independence is damaged, audit quality will suffer and the purposes of the audit function will not be achieved.

ACC's internal auditor reports functionally to the president and administratively to the associate vice president, Institutional Effectiveness. The most effective internal auditor reporting relationships require the auditor to report administratively to the president and functionally to the Board of Trustees. The intent is to ensure the auditor is as independent from senior management as possible. This structure means, among other things, that internal auditors must have direct access to top management and to the Board of Trustees. Otherwise, the auditor has no recourse where there are sensitive findings involving senior management itself. For example, the internal auditor might feel pressured, with or without cause, when conducting an audit of Institutional Effectiveness because the auditor reports administratively to the associate vice president of the department.

The Institute of Internal Auditors (IIA) Independence and Objectivity Standards 1110 and 1110.A1 state, *"The chief audit executive should report to a level within the organization that allows the internal audit activity to fulfill its responsibilities. ...The internal audit activity should be free from interference in determining the scope of internal auditing, performing work and communicating results."*

Typically, an organization's internal audit charter will include a statement on independence that defines the appropriate reporting relationship. For example, the IIA's Sample Internal Audit Department Charter states, *"To provide for the independence of the internal auditing department, its personnel report to the chief audit executive, who reports functionally to the audit committee and administratively to the chief executive officer ..."*

Recommendation 45:

Require the internal auditor to report administratively to the president and functionally to the Board of Trustees.

ACC should modify the internal auditor's reporting relationship to strengthen the auditor's independence. The auditor should always have unfettered access to upper management and the governing body. Such access should be in form as well as in fact to ensure that the auditor's independence is not impaired. ACC should also ensure that this reporting relationship is clearly expressed in the internal audit charter.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president recommends to the board that the internal auditor report to the board functionally and to the president administratively.	January 2003
2.	The board approves the revised internal auditor reporting structure.	March 2003
3.	The president informs the associate vice president, Institutional Effectiveness of the change in the internal auditor's reporting relationships.	March 2003
4.	The internal auditor begins reporting to the board functionally and the president administratively.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's Internal Audit Department is understaffed. The department's fiscal 2002 budget is \$70,346, which represents one person plus supplies and other operating expenses. Historically, ACC has had an internal audit function; however, in 1998, the staff was reduced from one audit director and three staff auditors to one audit director and has remained at that level ever since. The current internal auditor began working with the college in October 2001. **Exhibit 5-26** presents a staffing history of the department and shows that during 1998, the director and three staff auditors left, and the department continued operating with a new audit director but no staff auditors.

Exhibit 5-26
Internal Audit Staffing History

Position	Starting Date	Termination Date
Staff #1	9/80	8/98
Director #1	9/81	8/98
Staff #2	10/89	7/98
Staff #3	12/89	2/98
Staff #4	2/95	9/96
Director #2	9/98	9/2001

Director #3	10/01	Present
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Source: Internal Audit Department.

Since fiscal 1998, ACC has had only one internal auditor. The incumbent audit director began in October 2001. The following is a sample of projects the auditor is either working on or has completed:

- Payroll process and reconciliation review;
- Follow-up on external auditor and consultant recommendations;
- Reconciliation of Employee's Retirement System and Datatel employee benefit information;
- Adult Basic Education Department grants;
- Cashier Office procedures; and
- Riverside Golf Course cost analysis and contract compliance.

Nevertheless, it is impossible for one internal auditor to provide the depth and breadth of audit coverage required by an organization as vast and complex as ACC. The college has a budget of more than \$101 million, not including restricted funds, which added another \$21 million in expenditures during fiscal 2001, six campuses and two administrative facilities, more than 140 budget centers and a multitude of departments with varied, complex processes. Without sufficient staff, the Internal Audit Department will not be able to accomplish its mission, which, according to the IIA is to function as:

"...an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal auditing reviews the reliability and integrity of information, compliance with policies and regulations, the safeguarding of assets, the economical and efficient use of resources, and established operational goals and objectives. Internal audits encompass financial activities and operations including systems, production, engineering, marketing, and human resources."

IIA Standard 2030 states, *"The chief audit executive should ensure that internal audit resources are appropriate, sufficient and effectively deployed to achieve the approved plan."*

Standard 2230 continues, *"Internal auditors should determine appropriate resources to achieve engagement objectives. Staffing should be based on*

an evaluation of the nature and complexity of each engagement, time constraints and available resources."

Effective internal audit functions recognize the need for qualified, experienced auditors. The two largest of ACC's peers have one auditor plus one assistant. North Harris Montgomery, which has approximately 1,900 more students than ACC, based on Fall 2001 enrollment, added one staff auditor for fiscal 2003. **Exhibit 5-27** presents the internal audit staffing of ACC's peer colleges. Internal audit department budget amounts include salaries, supplies, equipment and other operating costs.

**Exhibit 5-27
Internal Audit Staff
ACC and Peer Colleges**

Community College	Number of Audit Staff	Internal Audit Fiscal 2002 Budget	Reporting Relationship	Fiscal 2002 Current Funds Budget	Fall 2001 Enrollment
ACC	1 Director	\$70,346	President	\$101,709,756	27,577
North Harris Montgomery	1 Director *1 Staff Auditor	*\$48,962	Chief financial officer	\$96,638,635	29,503
Collin County	1 Senior Internal Auditor	\$59,929	President	\$87,886,072	14,239
San Jacinto	1 full-time 2 part-time	\$60,756	Board and vice Chancellor for Fiscal Affairs	\$111,429,725	22,747

Source: Peer College Surveys.

**This position was added for fiscal 2003. The fiscal 2003 budget is \$95,823.*

Recommendation 46:

Hire one staff auditor for the Internal Audit Department.

The college should hire a staff auditor to assist the Internal Audit director in conducting audits throughout the college. The auditor should have the necessary qualifications and experience to conduct complex financial and

performance audits and reviews. To ensure effective management controls and processes, ACC must use a professionally competent internal auditing staff with sufficient resources to provide essential services.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president instructs the internal auditor to request one internal audit staff position in the 2003-04 budget and to develop a job description for the position.	April 2003
2.	The internal auditor requests one staff position in the budget.	May 2003
3.	The internal auditor in cooperation with appropriate Human Resources staff, develops or reviews and revises the internal audit staff job description.	May 2003
4.	The Board of Trustees approves the 2003-04 budget.	August 2003
5.	The associate vice president, Human Resources posts the internal auditor position.	August 2003
6.	The Internal Audit director interviews candidates for the position.	August 2003 - October 2003
7.	Appropriate personnel in Human Resources process the successful candidate who begins their job duties.	November 2003

FISCAL IMPACT

Based on Robert Half International Inc.'s 2002 salary guide, the average salary for a staff auditor with one to three years experience working in Austin is approximately \$43,000. Adding 3 percent benefits results in total annual compensation of \$44,290 ($\$43,000 \times 1.03 = \$44,290$). Since the position would not be filled until November 2003, there would be no fiscal impact during fiscal 2003, 10 months during fiscal 2004 ($\$44,290 \times 10/12 = \$36,908$) and a full year during fiscal years 2005 through 2007.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Hire one staff auditor for the Internal Audit Department.	\$0	(\$36,908)	(\$44,290)	(\$44,290)	(\$44,290)

FINDING

ACC does not have an internal audit charter. A properly executed charter approved by the Board of Trustees is important because it defines the

purpose, authority and responsibility of the internal audit function. It establishes the internal audit activity's position within the organization; authorizes access to records, personnel and physical properties and defines the scope of internal audit activities. Essentially, a charter is the foundation of an internal audit function's effectiveness.

If an internal audit function is established without a charter, then its role in the organization might not be accepted or understood. Management and employees might not recognize the internal auditor's value or importance to the organization. Moreover, internal audit activities might not be elevated to a position of visibility within the organization. As a result, audit recommendations may not be seriously considered or implemented.

IIA is the primary national professional organization for internal auditors with more than 75,000 members in more than 100 countries. In December 2000, the IIA approved new standards for the internal auditing profession. Standards 1000 and 1000.A1 state, *"The purpose, authority and responsibility of the internal audit activity should be formally defined in a charter, consistent with the 'Standards', and approved by the board. ...The nature of assurance services provided to the organization should be defined in the audit charter. If assurances are to be provided to parties outside the organization, the nature of these assurances should also be defined in a charter."*

The IIA provides a best practice example of an internal audit charter consistent with the standards, the elements of which are summarized in **Exhibit 5-28**.

Exhibit 5-28
Elements of a Best Practice Internal Audit Charter

Element	Description
Mission and Scope of Work	<ul style="list-style-type: none"> • Defines the mission of the internal audit function, which is to provide independent, objective assurance and consulting services designed to add value and improve the organization's operations. • Defines the scope of work broadly enough so that the internal audit function can determine if the organization's internal controls, risk management strategies and governance processes are in place and functioning adequately.
Accountability	<ul style="list-style-type: none"> • Establishes that the audit director will be accountable to management and the board to provide annual assessments of the organization's internal controls and

	processes; provides results and updates of audit projects; provides recommendations to improve internal controls and processes.
Independence	<ul style="list-style-type: none"> Establishes the reporting responsibility of the internal audit function to ensure that it maintains both visibility and independence within the organization.
Responsibility	<ul style="list-style-type: none"> Defines various responsibilities of the internal auditor, such as developing and implementing an audit plan; maintaining a professional staff; evaluating new and existing processes; issuing periodic reports; investigating suspicious activities and keeping the board apprised of the audit function's activities.
Authority	<ul style="list-style-type: none"> Defines the authority of the internal auditor, such as having unrestricted access to all functions, records, property and personnel; having full access to the board and obtaining the necessary assistance of auditees within the organization.
Standard of Audit Practice	<ul style="list-style-type: none"> States that the internal audit function will meet or exceed the <i>Standards for the Professional Practice of Internal Auditing</i> of the IIA.

Source: The Institute of Internal Auditor's Web site. <www.theiia.org>.

Recommendation 47:

Adopt an internal audit charter consistent with standards issued by The Institute of Internal Auditors.

ACC should adopt an internal audit charter that contains all of the elements of the IIA's sample charter to ensure that the charter complies with IIA standard. An actual copy of the charter can be obtained from the IIA's Web site. Once the charter is written and adopted, it should be posted on ACC's Web site so that the role and purpose of the internal audit function can be clearly communicated throughout the organization.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The internal auditor obtains a copy of the IIA's sample charter.	January
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		2003
2.	The internal auditor obtains copies of charters from other colleges, universities and school districts.	January 2003
3.	The internal auditor combines the best elements of all the charters collected and drafts a charter for ACC's internal audit function.	February 2003
4.	The president and Board of Trustees review and approve the internal audit charter.	March 2003
5.	The internal auditor posts the charter on ACC's Intranet and Internet site.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Internal Audit Department's audit plan does not contain the elements of a well-constructed audit plan and is not based on a comprehensive risk assessment. An audit plan is the internal auditor's road map. It points where the auditor plans to spend effort during the audit cycle. A well-constructed plan is important for the same reasons a good map is important. A poorly constructed plan may lead to confusion and unfulfilled expectations. If the plan is unclear and poorly designed, the auditor may not reach the intended goal or destination.

ACC's fiscal 2002 audit plan is simply a chart that shows the department to be audited, the section, objectives and timeline. **Exhibit 5-29** presents excerpts from the plan.

Exhibit 5-29 Excerpts from ACC's Fiscal 2002 Audit Plan

Department	Section	Objectives	Timeline
Grants	Adult Basic Education	<ul style="list-style-type: none"> • Compliance with administrative policies and rules; • Compliance with the funding agencies requirements; • Budget monitoring • Subcontractors 	2/15/02

		agreements assessment; <ul style="list-style-type: none"> • Risk assessment; • Procedures assessment; and • Financial situation summary and evaluation. 	
Business Services	Cash and cash equivalent	<ul style="list-style-type: none"> • Compliance with administrative policies and rules; • Segregation of duties assessment; • Fraud risk assessment; • Cash safeguarding, access and deposits process; • Bank and general ledger reconciliation; and • Risk assessment. 	Continuous over the year
Institutional Effectiveness	State Appropriation Reports	<ul style="list-style-type: none"> • Compliance with administrative policies and rules; • Compliance with state reporting requirements; • Accuracy of reports; • Reconciliation process assessment; and • Risk assessment. 	Early in May 2002

Source: ACC Internal Audit Plan, Fiscal 2002.

Perhaps the most important element in the audit plan is the risk assessment. If an audit plan is not based on a comprehensive risk assessment, the auditor may waste effort auditing the wrong areas. Auditors do not have unlimited resources. Therefore, a risk assessment allows them to place more audit effort on areas with greater risk. The best audit plans are linked to a risk assessment. In fact, IIA Standards 2010 and 2010.A1 state, *"the chief audit executive should establish risk-based plans to determine the priorities of the internal audit activity, consistent with the*

organization's goals.... The internal audit activity's plan of engagements should be based on a risk assessment, undertaken at least annually. The input of senior management and the board should be considered in this process."

In addition, the alignment of the Internal Audit Department's audit plan to the college's strategic plan provides management with valuable information about the effectiveness of the organization's controls and processes. Such information is useful for decision-making. The best value for an organization is attained when it links risk assessments to the audit plan and then links the audit plan to the organization's strategic plan. This process focuses audit effort on the most important areas and aligns the Internal Audit Department's goals with those of the organization. The outcome is a more effective auditing function. **Exhibit 5-30** presents the characteristics of a best practice audit plan.

Exhibit 5-30
Characteristics of a Best Practice Audit Plan

Characteristic	Description
The plan's projects are selected based on risk assessment and include a discussion of overall audit objectives.	More resources are allocated to areas of higher risk. The risk assessment and audit objectives for each project are included in the audit plan. Audit objectives explain how their accomplishment will benefit the organization.
The plan is subject to modification to meet the needs of the organization.	Changes should not be made at the request of auditees who simply want audits postponed for their convenience; however, flexibility should be built into the plan to accommodate the needs of the organization.
The plan allows for input from senior management about their assessment of risk and exposure before the plan is finalized.	When management has had input into the audit plan, there is more likely to be cooperation from auditees and a shared sense of ownership of the final product.
The plan shows how staff resources will be allocated to audit projects.	An important standard of audit fieldwork is that staff be assigned to projects that match their skill and experience level. Allocation of staff resources in the plan also provides assurance that audits will be properly staffed and supervised.
The audit plan is linked to the organization's strategic plan.	The alignment of the audit plan to the agency strategic plan provides management with pertinent information that can be used in decision-making.

	When the strategic plan is also linked to the budget, it becomes more likely that the internal audit department's initiatives will receive the necessary funding.
The plan has estimated start and completion dates.	Estimated timelines prevent projects from being delayed and to keep projects that have started on track.

Source: Compiled by review team from several audit plans containing various elements of a well-defined plan.

Several organizations have incorporated various elements of a well-constructed audit plan into their documents. For example, the Florida Department of Juvenile Justice has a plan that is risk-based driven and incorporates most of the other elements of a well-defined plan such as explanations of audit objectives and timelines. The Georgia Institute of Technology's audit plan contains predetermined risk factor values that are assigned based upon the type of audit planned. Corpus Christi Independent School District's audit plan shows the allocation of staff hours by project. Finally, Dallas Independent School District's audit plan lists the anticipated benefits of accomplishing the audit objectives.

Recommendation 48:

Improve the audit plan by incorporating elements of a well-constructed audit plan, including a comprehensive risk assessment.

According to the IIA, audit plans should be established to carry out an internal audit department's responsibilities. ACC's Internal Audit Department should incorporate best practices into its audit plan not just to meet professional standards but because a well-constructed audit plan is a valuable resource. Moreover, the college should ensure that its audit plan is based on a comprehensive risk assessment that focuses audit effort on areas with the most risk.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The internal auditor contacts other colleges, universities, school districts and other organizations to request a copy of their audit plans.	January 2003 - February 2003
2.	The internal auditor combines the best elements of the plans in keeping with a best practice audit plan.	March 2003
3.	The internal auditor improves the current year audit plan using elements compiled from other best-in-class audit	March 2003

	plans.	
4.	The internal auditor submits the revised audit plan to the president for review and feedback and to the board for approval.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 5

E. TUITION AND FEES

Tuition and fees represent a major source of funds for community colleges. Between fiscal 1999 and 2001, 30 percent of each revenue dollar ACC received came from tuition and fees. During fiscal 2001, tuition and fees comprised 29 percent of ACC's total revenues.

State law establishes the framework for determining tuition for Texas community colleges. Chapter 54.051 (n) of the TEC confers tuition-setting authority on the governing board and establishes minimum in-district, out-of-district and non-resident tuition rates that community colleges may charge. There are no upper limits on community college tuition. The law specifically states: "*tuition rates provided by ... this chapter are minimum rates.*" The term "resident" as defined by the TEC means resident of the state. The TEC states:

"Tuition for a resident student registered in a public junior college is determined by the governing board of each institution, but the tuition may not be less than \$8 for each semester credit hour and may not total less than \$25 for a semester. Tuition for a nonresident student is determined by the governing board of each institution but the tuition may not be less than \$200 for each semester."

Community colleges charge different tuition rates depending on a student's residency. Typically, students residing within a college's taxing district pay less because their tuition is supplemented by tax dollars. Students living outside of the taxing district but within the state pay higher rates than in-district students, while out-of-state students pay the highest rates of all. The cost per credit hour is determined by the address on file in the student's permanent record and residency status as defined by the TEC. ACC's fall 2002 tuition rates are shown below:

- In-state and in-district (\$32 per credit hour);
- In-state and out-of-district (\$81 per credit hour); and
- Out-of-state and International (\$171 per credit hour with a \$200 minimum required if student takes a one-credit course.)

In addition to the above tuition rates, ACC charges the following student fees:

- Building Fee, \$12 per credit hour;
- Student Services Fee, \$3 per term;
- Parking Fee, \$10 per year (optional);

- Lab Fee, Varies with course (Listed in ACC Catalog); and
- Insurance Fee, Varies with course (Listed in ACC Catalog).

FINDING

ACC's high out-of-district tuition rates are not based on the cost of education and has caused a decrease in out-of-district enrollment and a corresponding reduction in state funding, according to ACC administration. Typically, prices for goods and services are based on the cost to provide them. Although not-for-profit institutions are dedicated to providing effective programs, costs also must be considered in determining how much to appropriately charge for services. **Exhibit 5-31** presents the increase in out-of-district tuition and its impact on enrollment, contact hours and state revenues from 1996-97 through 2000-01.

**Exhibit 5-31
Out-of-District Tuition, Enrollment, Contact Hours and State Revenue Lost
1996-97 through 2000-01**

Fiscal Year	Tuition Rate	Out-of-District Enrollment	Contact Hours	State Revenue Lost Based on Decline of Contact Hours from 1996-97
1996-97	\$51	7,602	265,3776	
1997-98	\$57	7,077	2,564,624	\$445,760
1998-99	\$63	5,742	2,467,672	\$930,520
1999-2000	\$78	5,339	1,950,520	\$3,516,280
2000-01	\$81	5,537	1,990,568	\$3,316,040
Total				\$8,208,600

Source: ACC Fact Book, 2001-02, Board Agenda Packet, June 3, 2002 and ACC president.

State appropriations per full time student equivalent have declined since fiscal 1999. Full time student equivalent equals semester credit hours divided by 30. This decline results because increases in state funding have not kept pace with increases in student enrollment and contact hours. In addition, ACC's tax rate has been capped at five cents per \$100 of property valuation since 1986, which was the year taxpayers approved ACC's tax rate. The rate cannot be raised without voter approval. As a result, the ongoing challenge for ACC has been to balance tuition with other funding sources. ACC's in-district tuition is significantly higher than

peer and state averages. ACC's tuition policy, for out-of-district students, which has contributed to high tuition rates, makes no provision for the cost of education. It is a revenue-based model focused on property taxes and in-district contact hours.

Board Policy A-4 establishes the method for calculating out-of-district tuition. Since out-of-district residents do not pay college taxes, ACC believes that it would be unfair to subsidize their education with in-district tax dollars. Board Policy A-4 [2] states:

"In order to maintain a tuition differential that is fair both to ACC taxpayers and to Texas-resident ACC students who live outside the taxing district, the credit-hour differential for such students shall reflect the local tax effort in support of in-district students. It shall thus be the ratio of annual property-tax revenues to annual in-district credit hours, except that any year-to-year increase in the differential shall be no more than \$3 per credit hour. The President is authorized and encouraged to use any available method to lessen the impact of this tuition differential on economically-disadvantaged students."

In effect, the difference between in-district and out-of-district tuition must equal property tax revenues divided by in-district credit hours. Under this policy, this charge is set whether or not it actually costs that higher differential to instruct out-of-district students. To illustrate, **Exhibit 5-32** shows how the 2002 out-of-district tuition rate was calculated under current board policy. The board later decided to freeze the out-of-district rate at \$81, not including building and student service fees.

Exhibit 5-32
Calculation of 2002 Tuition under Board Policy A-4

Budgeted property taxes- fiscal 2001	\$19,615,678
In-district credit hours	366,822
Ratio (\$19,615,678/366,822)	\$53.47
In-district tuition	\$32.00
Ratio plus in-district rate	\$85.47
Calculated out-of-district tuition rate	\$85
Actual out-of-district tuition rate	\$81

Source: Board Work Session Information Packet, May 20, 2002.

Since its adoption in 1996, the tuition policy has led to disproportionately higher out-of-district rates. ACC's 2002 out-of-district tuition was 150 percent higher than its peers and 204 percent higher than the state average. In addition, the difference between ACC's in- and out-of-district tuition is high compared to peer and state averages. ACC's 2002 out-of-district rate is 166 percent higher than its in-district rate. By comparison, peer and state out-of-district tuition rates are 36 and 27 percent higher, respectively, than their in-district rates. **Exhibit 5-33** compares ACC, peer and state average 2002 tuition rates per semester credit hour.

Exhibit 5-33
Comparison of 2002 Tuition per Semester Credit Hour
ACC, Selected Peers, Other Colleges and State Averages

College	*In-District Tuition Per SCH	*Out-of-District Tuition Per SCH	Difference	Percentage Difference
Alamo	\$30	\$56	\$26	87%
Collin County	\$19	\$27	\$8	42%
El Paso	\$33	\$51	\$18	55%
Houston	\$19	\$19	\$0	0%
North Harris Montgomery	\$26	\$26	\$0	0%
San Jacinto	\$18	\$18	\$0	0%
Tarrant	\$29	\$41	\$12	41%
Peer Average	\$25	\$34	\$9	36%
State Average	\$22	\$28	\$6	27%
ACC	\$32	**\$85	\$53	166%
ACC Percentage over Peers	28%	150%		
ACC Percentage over State	45%	204%		

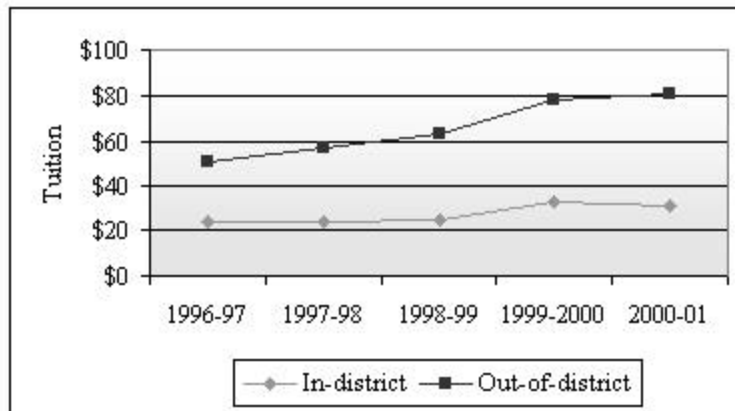
Source: Texas Association of Community Colleges.

*SCH=Semester Credit Hour.

**Actual rate set by the board was \$81.

Exhibit 5-34 presents a history of ACC's in-district and out-of-district tuition rates from fiscal 1997 through 2001 and shows that out-of-district tuition is steadily increasing, and the gap between in-district and out-of-district tuition is gradually widening.

Exhibit 5-34
History of In-district and Out-of-District Tuition
Fiscal 1997 through 2001



Source: History of Tuition and Fees-Schedule from June 3, 2002 Board Packet.

The growth in out-of-district tuition has had a negative effect on out-of-district enrollment and contact hours. Contact hours are the number of hours students spend with an instructor in the classroom and in laboratories. For example, a student taking a 3-hour course that meets for 16 weeks will generate 48 contact hours. Since fiscal 1997, out-of-district tuition has grown at an average annual rate of 12 percent, while contact hours and headcount have declined at average annual rates of 8 and 5 percent, respectively. Based on information provided by the president of ACC, the college has experienced a 25 percent reduction in out-of-district enrollment since 1977 and as a result of lost contract hours has received less state reimbursement of approximately \$8 million.

Recognizing that unusually high out-of-district tuition rates were having a negative effect on out-of-district enrollment and state reimbursement, ACC's Board of Trustees authorized a study of out-of-district tuition in spring 2002. The objectives of the study were to:

- Analyze the impact of current board policies on out-of-district enrollment;
- Determine the actual cost of instruction for out-of-district students;
- Create a model for setting out-of-district tuition; and
- Survey out-of-district students to determine why they no longer attend ACC.

The key recommendation in the study was to revise Board Policy A-4 to base out-of-district tuition on the cost of education. The study recognized this method as a best practice among many community colleges across the nation. In fact, according to the study, *"ACC's policy on out-of-district is the only policy based on a revenue model." ... ten states used the cost of instruction in the tuition setting process. Each of these states defined the cost of instruction somewhat differently, but typically relate tuition and fee charges to the cost of education by setting tuition as a specified percentage of the cost of education.*" The report estimated the fiscal 2001 cost of education for out-of-district students to be approximately \$73 per credit hour, which is \$8 less than the current rate of \$81, not including building and student services fees.

ACC's administration presented the report's recommendations to the board on May 20, 2002. Extensive discussions were held throughout the summer of 2002. The board, however, did not adopt the recommendation to calculate out-of-district tuition based on cost. The administration offered several scenarios, one of which would have reduced out-of-district tuition by nine dollars to \$72 per credit hour, the amount calculated in the study. The result would have been a reduction in out-of-district tuition revenue of \$321,365. This scenario assumed enrollment growth of 3 to 5 percent due to lower tuition, which would have resulted in increased state appropriations of about \$200,000 in fiscal 2005. The net effect would have been a loss of more than \$100,000 to the college.

ACC has not totally rejected the idea of using a cost model to determine out-of-district tuition rates. College officials, however, believe that lowering out-of-district tuition at this time is not an option due to declining state reimbursements and ACC's low tax rate. If additional sources of revenue are generated in the future, however, through a growth in the tax base or an increase in the tax rate, two options would be considered: (1) maintain the freeze on out-of-district tuition until the in-district rate catches up, or (2) slowly reduce out-of-district tuition using a phased-in approach. Using the second option, the rate could be set at an amount that would be revenue neutral to a slight gain after state reimbursement is factored into the equation.

Recommendation 49:

Revise board policy by adding a cost-of-education pricing model as an additional method for determining out-of-district tuition.

Board Policy A-4 should be revised so that the cost of education is included as a factor in setting the out-of-district rate. The revenue-based model should not be eliminated because its intent at fairness is a noble goal. However, that goal is being defeated in the policy's application

because of the high rates out-of-district students pay, which do not reflect the true costs of education. Incorporating cost of education information in rate setting deliberations widens options, makes the policy more flexible and provides possible alternatives to the revenue-based model. One model could be used to determine a ceiling and the other a floor. For example, the fiscal 2002 rate of \$85 calculated using the revenue-based model could have been the ceiling for fiscal 2002, while the \$72 rate calculated using the cost model could have been the floor. Other considerations, such as available funding sources, board policy and enrollment patterns would influence where the rate actually settles within the range. Revising the policy in this manner would give ACC additional options and flexibility in setting the rate while providing guidelines reflecting both fairness and pricing best practices.

The college should consider a number of scenarios when developing tuition rate models that include all projected cost and revenue factors. Although lowering out-of-district tuition would result in reduced tuition fees, the higher enrollment that should result would generate significant state reimbursements. While the college would incur additional costs to provide instruction to more students, the costs would not necessarily exceed the net increase in revenues. The college should realize some economies of scale by seeing its overall cost-per-student decrease as students per class increase. Factoring in the estimated costs of providing instruction to the additional students with the increased state reimbursements could possibly result in numbers that would offset the reduced out-of-district tuition revenue.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president and vice president, Business Services draft a recommendation to the board to revise Board Policy A-4 to include the cost of education as an additional pricing model for setting the out-of-district tuition rate.	February 2003
2.	The president places the recommendation on the board agenda for discussion and approval.	March 2003
3.	The board votes on and approves the recommendation.	March 2003
4.	The revised policy is adopted and incorporated into board policy.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 5

F. ACCOUNTING OPERATIONS

Accounting operations include payroll, accounts payable, student accounting and grant accounting. These are critical functions in any organization, including community colleges. Payroll represents the largest operating expenditure of community colleges. For example, ACC's fiscal 2001 payroll costs were 62 percent of current expenditures; the average for ACC's peer colleges was 55 percent. Legal mandates must be fulfilled for payroll tax withholding and filing of grant information with various governmental agencies.

Employees must be paid accurately and promptly. Goods and services must be purchased and paid for if the college is to continue supporting the educational goals of the community. Vendors, particularly local vendors, expect to be paid on time and the correct amount. The college must properly account for student tuition and other payments and must collect these funds on a timely basis. Grants are obtained from federal, state and local sources to support and promote educational programs and other activities. These funds must be properly accounted for so that accurate, timely financial reports are submitted to funding agencies that will verify whether grant requirements and objectives are being met.

FINDING

ACC engaged the services of two outside collection agencies to collect past due accounts. ACC contracted with the collection agencies, beginning in fall 2001 and in spring 2002, to help ACC recover delinquent tuition, parking fees and late fees that were more than 90 days past due. ACC had approximately \$434,000 in student receivables more than 90 days past due during 2000, which prompted ACC to seek alternative solutions to collecting money due the college.

For balances due to the college, ACC sends statements of accounts to students after the reporting date of the longest teaching period in each term. Before the end of the fall, spring and summer terms, a positive balance report is run and verified. Students with positive balances will have a hold placed on their account to bar future registration. The Admissions Office notifies students by mail of any type of hold on their account before registration starts for the next term. After the add/drop period of the term following the delinquency, students with a balance of \$25 and above are sent another notification. They are alerted that they have two weeks to settle their account or they will be sent for collection.

Accounts are reviewed after the two weeks and past due amounts are placed with the collection agency.

One collection agency handles delinquent student installments and non-sufficient funds for the 1996 through spring 2001 period. The other collection agency handles delinquent student installments and non-sufficient funds for the fall 2001 and spring 2002. Survey of ACC's peer colleges reveal that only one of the peers uses a collection agency to collect past due student balances. ACC transferred approximately \$1.1 million in delinquent student accounts to the collection agencies, of which 16 percent has been collected through May 2002 in a five-month period.

Exhibit 5-35 shows the student account balances transferred to the collection agencies.

Exhibit 5-35
ACC Delinquent Student Accounts Receivable Balances
Transferred to Collection Agencies

Period	Total Amount Transferred	Total Amount Collected	Total Percentage Collected
Spring 2001 and prior	\$915,277	\$129,219	14%
Fall 2001	\$208,472	\$49,204	24%
Total	\$1,123,749	\$178,423	16%

Source: Student Accounting Department and collection agency reports.

COMMENDATION

ACC uses collection agencies to speed collection of delinquent student accounts.

FINDING

ACC developed an in-house electronic timesheet reporting system, known as "eTime," to provide an efficient way to process employees' time records. The initial pilot program started July 2001 with a test group of three departments. The system streamlines processing of paper timesheets, which took a considerable amount of payroll staff time. Information Technology staff works closely with Payroll employees to correct any programming issues.

As of June 2002, ACC placed all departments, with the exception of work-study students, interpreters, full-time faculty and continuing and adult education instructors, on the system. As with the implementation of any new system, ACC experienced systems programming problems, but has identified and corrected those problems as they have occurred. The electronic time reporting system will be fully implemented by October 1, 2002 for the entire college staff.

COMMENDATION

ACC implemented an electronic time reporting system to make its payroll processing more efficient.

FINDING

Although the college purchased Datatel's grant accounting module in 1997, ACC has not implemented the software. Consequently, grant accountants use cumbersome spreadsheets to monitor, track and reconcile grant expenditures to the Datatel system. These spreadsheets are also necessary to track expenditures for grants that straddle ACC's fiscal year. The Datatel system requires all grant accounts to be closed at year's end. Therefore, grant accountants must close grant accounts at year's end and reopen them at the beginning of the fiscal year. This process is inefficient and increases the probability of errors and makes grant accounting and reporting more difficult.

The spreadsheets that grant accountants use to reconcile grant expenditures represent a significant improvement over the grant accounting process that existed before the grant manager was hired in July 2001. Between 1997 and July 2001, the grant accounting area lacked proper supervision and oversight, which resulted in poor accounting, weak internal controls and misunderstanding or misapplication of grant requirements. As a result, ACC failed to receive a net of \$206,724 in unreimbursed grant funds over the period. The net loss also included overpayments, which are represented as negative amounts in **Exhibit 5-36**. The losses resulted primarily from unbudgeted matching funds, funds that were not invoiced and inaccurate and/or late final report filings. **Exhibit 5-36** presents a summary of grant funds that were not received.

**Exhibit 5-36
Summary of Grant Funds Not Received**

Cause of Loss	*Net Funds Not Received
Expenses not included in budget	\$181,129

Funds never invoiced to granting agency	\$69,216
Expenses charged after final report submitted	\$26,810
Reimbursements never received	\$24,338
Billing and calculation errors	(\$62,318)
Funds not used	(\$30,356)
Other	(\$2,095)
Total	\$206,724

Source: ACC Business Services, Grant Accounting.

*Negative amounts represent overpayments.

Despite past problems in the grant accounting area, the following improvements have been made under the new grant accounting manager:

- Implemented reconciliation spreadsheets for all existing grant accounts;
- Streamlined Excel workbooks for multi-grants (Perkins formula grants);
- Created monthly close schedule to reconcile all grant accounts;
- Created a checklist process to better track all grants and contracts;
- Created the Restricted Accounting Report Calendar to better supervise grant reports in a timely manner;
- Created a "Pub-share" drive for Restricted Accounting and Fixed Assets to better communicate and serve employees. (When someone is out of the office, staff has access to files);
- Created a Financial Request Report (Aging report) to better keep track of all outstanding revenue;
- Updated all procedures and processes;
- Resolved outstanding variances from 1997-2001; and
- Performs a monthly analysis to monitor current grants and contracts.

In spite of these improvements, ACC's grant accountants rely heavily on spreadsheets and cannot track, on the Datatel system, projects that span the college's fiscal year. The college's Datatel system, however, has a grant accounting module designed specifically for higher education, which allows a grant or project to start and end at any time, even crossing fiscal years. The module also allows grant accountants to associate any combination of general ledger account numbers with one or more projects simultaneously. It also provides both fiscal year and inception-to-date accounting and reporting for the life of the grant or project.

Recommendation 50:

Use the grant accounting module of ACC's computer system.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services instructs the controller and accounting manager responsible for Grants/Fixed grants and fixed assets to implement the grant accounting module.	January 2003
2.	The controller and the accounting manager for grants and fixed assets work with the associate vice president, Information Technology to understand the requirements for implementing the grants module.	January 2003
3.	The controller, accounting manager and appropriate Information Technology personnel develop an implementation timeline that includes set-up, parallel testing, training and final implementation.	March 2003
4.	The controller, accounting manager and appropriate Information Technology personnel monitor program usage and troubleshoot problems during the post implementation phase.	After Final Implementation

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's accounting system, Datatel, is incapable of generating information for the Internal Revenue Service (IRS) Form 1098-T. As a result, Business Service's accounting staff spend an inordinate amount of time between January and April processing student requests for 1098-T information, which the students need to complete their tax returns. Information Technology staff have been working to identify and correct the problems in Datatel, with limited success.

The Taxpayer Relief Act of 1997 (the Act) provides the Hope Scholarship Credit and the Lifetime Learning Credit to taxpayers who pay qualified tuition and related expenses to eligible educational institutions. Section 6050S of the Internal Revenue Code requires eligible educational institutions who receive payment of qualified tuition and related expenses to file a form 1098-T, which is an information return that helps taxpayers and the IRS determine any education tax credit allowable under the tax law. The law, while not requiring eligible institutions to actually provide qualified tuition and related expense information on the 1098-T, calls for

the institution to provide a phone number so that the taxpayer can request the information if desired. **Exhibit 5-37** presents a copy of the IRS 1098-T form.

**Exhibit 5-37
Internal Revenue Service 1098-T Form**

8383 <input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED				OMB No. 1545-1574		Tuition Payments Statement
FILER'S name, street address, city, state, ZIP code, and telephone number		1 Payments received for qualified tuition and related expenses	2002		Form 1098-T	
		\$				
FILER'S Federal identification no. STUDENT'S social security number		2 Amounts billed for qualified tuition and related expenses	2002		Form 1098-T	
		\$				
STUDENT'S name		3 Adjustments made for a prior year	4 Scholarships or grants		Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the 2002 General Instructions for Forms 1099, 1098, 5498, and W-2G.	
Street address (including apt. no.)		5 Adjustments to scholarships or grants for a prior year				
City, state, and ZIP code		6 Check this box if the amount in box 1 or 2 includes amounts for an academic period beginning January-March 2003 <input type="checkbox"/>	7 Reimbursements or refunds of qualified tuition and related expenses from insurance contract			
Account number (optional)		8 Check if at least half-time student <input type="checkbox"/>	9 Check if a graduate student <input type="checkbox"/>			
Form 1098-T		Cat. No. 25087J		Department of the Treasury - Internal Revenue Service		
Do Not Cut or Separate Forms on This Page		— Do Not Cut or Separate Forms on This Page				

Source: Internal Revenue Service-1098-T Form.

Datatel produces standard reports that are supposed to provide student tuition amounts, but the information on the reports is not reliable. Business Services staff tested the report by examining 29 1098-T transactions - 23 out of 29 were incorrect, which is an error rate of 79 percent.

The Dallas County Community College District (DCCCD) uses a tax credit reporting service to process and mail their 1098Ts. The service relieves DCCCD of the burden of printing, mailing and reporting 1098-Ts and enables the college to focus on its core function - education, while helping students benefit from the education tax credits. One company quoted ACC a price of \$1.54 per record the first year and \$2.04 per record thereafter for its full service option.

ACC has contracted with a company to mail 1098-Ts. Annual costs to mail 1098-Ts from 1998 through 2001 are presented in **Exhibit 5-38**. Total costs include start up, processing, postage and other fees.

**Exhibit 5-38
Annual Cost to Mail 1098-Ts**

Tax Year	Total Cost	Number of Records	Average Cost per Record
1998	\$30,206	44,448	\$0.68
1999	\$22,983	44,390	\$0.52
2000	\$23,994	49,975	\$0.48
2001	\$27,489	52,873	\$0.52
Total	\$104,672	191,686	
Growth Rate		6%	

Source: ACC Business Services Analysis.

ACC plans to upgrade to the next version of Datatel in fiscal 2003, but without assurance that the standard reports used to produce the 1098-T will work in the upgraded version, problems will continue.

Recommendation 51:

Develop a solution for accurate 1098-T processing prior to ACC's computer system upgrade.

Business Services and Information Technology should work together with the vendor to determine a solution for producing accurate 1098-T forms.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president, Business Services and the associate vice president, Information Technology, discuss the barriers to accurate 1098-T forms being produced from the Datatel system.	January 2003
2.	The associate vice president, Business Services and the associate vice president, Information Technology develop a plan to address the deficiencies.	February 2003 - March 2003
3.	The vice president, Information Technology, contacts Datatel to determine additional system-specific barriers.	March 2003
4.	The associate vice president, Business Services and the associate vice president, Information Technology, implement changes to the Datatel system to ensure accurate 1098-T reporting.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's Payroll Department processes excessive supplemental payrolls each month. Each week, sometimes several times a week, the Payroll Department generates supplemental payroll runs, which are caused by late timesheets, late new hire and termination notifications and other departmental transactions. The Payroll Department receives timesheet information electronically based on the published payroll schedule for payment for each employee classification. The Human Resources Department also receives various data from the campuses based on the published schedule, which is required to be in the payroll computerized system prior to Payroll Department's processing deadline.

There are various reasons for these delays. A typical reason employees give for late timesheets, for example, is that they were lost. Generally, this reason cannot be proved or disproved. **Exhibit 5-40** presents reasons for supplemental payrolls.

Exhibit 5-40
Reasons for Supplemental Payrolls
February 2002 through June 2002

Description	Number of Times Error Occurred*
Faculty assignment or overload not approved	9
Timesheet not submitted, lost, late, misplaced	11
Key punch or input error	3
Direct deposit error	3
Software system error	1
Performance appraisal not approved, not entered/missing	8
Incorrect social security number	1
Employee submitted both paper and electronic timesheets	1
eTime system error	1

Source: Human Resources Department.

**From February 2002 through June 2002.*

A late timesheet also occurred when a supervisor allowed employees to avoid using the "eTime" reporting system simply because the employee did not want to use it. In addition, the vice president's or president's office has on some occasions instructed the Payroll Department to process the manual timesheet in a supplemental payroll run. In essence, Payroll has the responsibility, but does not always have the authority to enforce payroll procedures.

Another reason for supplemental payrolls is late submission of new hire salary data- for adjunct, classified and hourly employees. Employees in the dean's office (program coordinator, task force chair or dean) are responsible for ensuring all faculty class assignments are entered in the student module of Datatel; the dean approves the assignments in the system; the data is transmitted to Human Resources-Records. When the information is missing or submitted after the payroll processing deadline, supplemental payroll runs are generated.

Consistent use of supplemental payrolls is inefficient and generally requires that the Payroll staff work overtime on a regular basis, which lowers employee morale and productivity. ACC's procedure for supplemental payroll checks requires employees to pickup their payroll check at the cashier's office, show identification and sign for their check. The Payroll Department generates approximately 4,600 payroll checks monthly.

Exhibit 5-41 summarizes the supplemental payroll activity for September 2001 through June 2002.

**Exhibit 5-41
Supplemental Payroll Activity
September 2001 through June 2002**

	Number of Payrolls Processed	2001-02 Total Number of Checks**
Regular Payrolls	53	46,260
Supplemental Payrolls	47	1,287
Total Payrolls Processed	100	47,547
Percentage of Supplemental Runs Processed	47%	

Source: Payroll Department.

***Includes advices for direct deposits.*

One of ACC's peers processes only one monthly supplemental payroll and generated only 108 supplemental paychecks during 2000-01. Controlling the number of supplemental payrolls improves operational efficiency.

Payroll's primary responsibility is to ensure employee paychecks are processed timely and accurately. To fulfill its role, Payroll must rely on other departments within the college to submit timely, accurate information, such as hours worked, leave taken, benefit changes, new hires, terminations and other changes in employee records that affect their pay. Clear, comprehensive procedures ensure that the payroll process runs smoothly and that exceptions are handled accurately, timely and in accordance with established payroll procedures.

Recommendation 52:

Enforce payroll procedures, and hold budget authorities accountable for compliance.

The Payroll Department should have the authority with the responsibility to enforce consistent compliance with ACC's payroll procedures by all employees for efficiency and accuracy of payroll activity. The goal should be to reduce supplemental payrolls to one run per month for processing efficiency.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president reinforces the responsibility and authority for processing and handling payroll activities to the associate vice president, Human Resources and Payroll manager and holds department heads accountable for ensuring cooperation between their departments and Payroll.	January 2003
2.	The president instructs the associate vice president, Human Resources to reduce supplemental payrolls to one per month.	January 2003
3.	The associate vice president, Human Resources prepares and issue notice to all employees, with emphasis to budget authorities and supervisors, of the change to one supplemental payroll run, the requirements, procedures and accountability.	February 2003
4.	The associate vice president, Human Resources instructs the Payroll manager to track and report exception transactions and departments to identify and eliminate recurring exceptions.	February 2003
5.	The Payroll manager implements the policy permitting only one supplemental payroll each month.	March 2003
6.	The payroll manager tracks and reports progress of improved	March 2003

processing to the vice president, Human Resources.	and Monthly
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's Payroll Department has a backlog of unreconciled payroll liability and expense accounts. Payroll liability accounts are accounts maintained in ACC's general ledger where various deductions or withholdings from employees' paychecks, for items such as federal taxes, insurance, retirement or child support, are recorded. The reconciliations include reconciling the liability (insurance, retirement, taxes, garnishments, etc.) accounts with related payroll payments; expense accounts with related payroll liabilities accounts; and expense accounts with related federal and state reports. None of the payroll expense accounts have been reconciled to the related payroll liabilities accounts.

In addition, payroll expense accounts have not been reconciled with federal and state reports. Internal Audit's March 2002 Payroll Reconciliation Report noted that 46 of 120 or 38 percent of the payroll liability accounts were reconciled to the related payments through February 2002. **Exhibit 5-42** shows the status of accounts that have not been reconciled.

Exhibit 5-42
ACC Unreconciled Payroll Liability Accounts
As of July 2002

Liability Account	Number of Accounts	Reconciliation Status
Teacher Retirement System	1	Reconciled through 10/2001
Savings Bonds	2	Reconciled through 10/2001
State Employee Charitable Contributions	26	Reconciled through 10/2001
Parking Permits	1	Reconciled through 10/2001

Total	30
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Source: ACC Payroll Manager.

Reconciling the payroll accounts is a continuing challenge because there are so many accounts and they require a significant amount of time to reconcile. ACC has hired temporary workers at least twice in the past to reconcile these accounts. However, the reconciliations are still not completed. ACC had not been able to keep a full time payroll accountant position filled. This position was created in September 2001 and has been vacant since April 2002. Effective September 2, 2002, ACC filled this position, which will allow ACC to establish a long term solution to reconciling the payroll accounts.

ACC does not have the manpower to bring the backlog of reconciliations current in a timely manner. The payroll manager directs the Payroll Department with support staff that includes a supervisor and three payroll clerks (as of July 2002). Only the payroll supervisor has been in the department for more than two years. **Exhibit 5-43** shows the comparison of ACC's Payroll Department to its peers relative to number of payroll staff, total employees and total payroll budget.

**Exhibit 5-43
ACC and Peer Colleges
2000-01 Budgeted Payroll Costs**

College	Payroll Staff	Total Employees	Total Payroll Budget
ACC	5	***2,267	\$65,561,382
Collin County	3	1,971	\$31,716,580
North Harris Montgomery	N/A	3,589	N/A
San Jacinto	N/A	2,335	N/A

Source: ACC and peer colleges survey data.

***Does not include hourly employees; not provided by ACC.

N/A - Information not available or received from peer.

The Payroll manager said that all payroll liability accounts have been reconciled through August 31, 2002; however, there are approximately 700 active payroll expense accounts that have not been reconciled to payroll records and Internal Revenue Service reports.

Errors are prone to happen because of the large volume of payroll checks processed-approximately 4,600 monthly. Timely reconciliation of these

accounts is vital to ensure accuracy of account activity and balances, proper payments of all liabilities, proper allocation to the appropriate expense accounts and timely identification and disposition of any adjustments that are found. Federal and state government agencies can assess penalties for non-payment of full liabilities; ACC employees could experience interruption in benefit services if insurance premiums have not been received by the provider; or employees could lose earnings if all monies intended for investments are not submitted accurately and timely.

One situation occurred in which the health care premiums liability account was in a deficit balance for fiscal 2001, which means that ACC's liability for health care premiums exceeded the state reimbursement amount, which the Legislature appropriates each biennium. Without proper and timely reconciliations being prepared consistently, ACC did not recognize the potential shortfall.

Recommendation 53:

Contract with an external accounting firm to bring payroll reconciliations current and develop internal reconciliation and monitoring procedures.

ACC should issue a purchase order to contract with an external audit firm with payroll expertise to reconcile total payrolls to the total payroll recorded in the general ledger and Internal Revenue Service filings. ACC should start with the balances as of January 1, 2001 and make appropriate adjustments to the accounts in the general ledger.

The Payroll manager should then ensure that internal procedures are developed for accurate monthly reconciliations, and the manager should monitor and review the reconciliations for timeliness, reasonableness and completeness.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president, Human Resources instructs the Payroll manager to initiate request for professional services to reconcile all payroll accounts and develop payroll reconciliation procedures.	December 2002
2.	The Payroll manager develops request for professional services and submits for approval to the vice president, Human Resources, executive vice president, Academic, Student & Campus Affairs, the president and board, according to standard procedures.	January 2003
3.	The Payroll manager develops reconciliation procedures to	February

	ensure timely, accurate and complete reconciliations are performed.	2003
4.	The Payroll manger obtains professional services, executes the contract, including monitoring of reconciliation status and resolution of reconciling items and makes provision for full time staff.	February - March 2003
5.	The Payroll manager submits a status report upon conclusion of the professional services contract, hires full time staff to prepare payroll reconciliations (with other duties) and ensures procedures are operating effectively.	April 2003

FISCAL IMPACT

In order to bring reconciliations current, assuming the most complex, time consuming accounts to be contracted externally and ACC obtains a negotiated rate below normal rate, the cost of hiring an external audit firm to reconcile these accounts is estimated at \$6,000. The estimate is based on the following:

- One staff - 100 hours x \$55 per hour = \$5,500
- One supervisor - 5 hours x \$100 per hour = \$500

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Contract with an external accounting firm to bring payroll reconciliations current and develop internal reconciliation and monitoring procedures.	(\$6,000)	\$0	\$0	\$0	\$0

FINDING

ACC offers direct deposit to its employees but has a relatively low participation rate of 58 percent. Direct deposit is a win-win situation for ACC and the employees because it makes payroll processing more efficient for the college and more convenient for the employee. Although many employees may not understand the benefits of direct deposit or trust the process, employees benefit in the following ways by having their paychecks directly deposited:

- Saves time;
- Eliminates trips to the bank;
- Pay is deposited even while employee is out of town or on leave;

- Direct deposit is safe; eliminates lost, stolen or forged paychecks; and
- Eliminates potential for paycheck fraud.

ACC's direct deposit efforts have included enrollment fairs on professional development days, which occurred infrequently at the college and are no longer offered. During employee orientation, the employee is offered direct deposit and given forms to complete, but no payroll staff is available to give a presentation of the benefits. ACC also offers direct deposit information on ACC's Intranet and Web site. **Exhibit 5-44** compares ACC's direct deposit participation rate to its peers.

Exhibit 5-44
Direct Deposit Participation
By ACC and Peers 2002

College	Percentage
ACC	58%
Collin County	65%
North Harris Montgomery	N/A
San Jacinto	N/A

*Source: ACC Payroll Department and Peer Surveys.
 N/A - Information not available or received from peer.*

Many employers boost direct deposit participation through increased, focused marketing efforts. Some effective methods have included sending employees frequent direct deposit reminders, placing messages on paychecks, training office managers to present direct deposit information to employees and partnering with a local teachers credit union to offer direct deposit when employees open an account.

In addition to the above benefits, increased direct deposit for employees can help reduce the number of unclaimed paychecks that are not picked up by employees. ACC has approximately 500 checks totaling more than \$97,000 as of July 2, 2002 in custody of the Cashier's office, waiting to be picked up by employees or former employees.

Recommendation 54:

Expand direct deposit marketing efforts through use of the Intranet, weekly publications, incentives, partnerships with banking institutions and a direct deposit week campaign.

Surveys are effective tools that would help the college understand why employees do not favor direct deposit. Using survey results, the college should focus its marketing efforts towards specific employee attitudes and populations. For example, safety should be emphasized if survey results show that most employees don't use direct deposit because they don't trust the process. Also, efforts should be directed towards classified workers if survey results show high percentages of non-users in this group.

Finally, the college should consider implementing a direct deposit week. During this week, employees who have direct deposit and understand its benefits would be asked to wear badges that read "Ask Me About Direct Deposit" or "Ask Me Why I Use Direct Deposit." Flyers promoting the benefits of the program should be posted at strategic locations throughout the college campuses, such as break rooms, students' and teachers' lounges. Each campus and department location should set up an area where refreshments are served and where employees could sign up for direct deposit or obtain more information about the program, periodically.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Human Resources instructs the payroll manager to use more innovative ways to market ACC's direct deposit program to employees.	January 2003
2.	The payroll manager conducts a survey to determine why employees do not use direct deposit.	January 2003
3.	The vice president, Human Resources solicits the assistance of the Business Services Department to develop a financial institution partnering program and to identify and contact area financial institutions that might be interested in partnering with the district in marketing its direct deposit program.	January 2003
4.	The vice president, Human Resources and the payroll manager work in conjunction with ACC's technology personnel to offer direct deposit information, including signup forms on the college's Intranet and Web site.	February 2003 - April 2003
5.	The vice president, Human Resources and payroll manger establish a task force to organize and implement direct deposit week throughout the college campuses.	February 2003
6.	The vice president, Human Resources instructs the payroll manager to advertise the benefits of direct deposits in all of ACC's publications and to continue traditional efforts to market the program.	February 2003 and Ongoing
7.	The payroll manger uses the survey information to focus and fine-tune ACC's direct deposit marketing efforts.	February 2003 and

	Ongoing
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 6

ASSET AND RISK MANAGEMENT

This chapter of the report reviews the asset and risk management functions of Austin Community College (ACC) in five areas:

- A. Cash and Investment Management
- B. Employee Benefits
- C. Insurance Programs
- D. Fixed Assets
- E. Bond Issuance and Indebtedness

Community colleges face a variety of risks. A community college's most valuable assets must be protected if the college is to adequately fulfill its mission, goals and objectives. Cash, employees, fixed assets and borrowing capacity are among a college's most important assets. The goal of asset and risk management is to protect these assets from financial losses resulting from unforeseen events.

Risk management employs various strategies to minimize risks. These strategies may include avoiding risks through proper planning and training, transferring risks through insurance and retaining risks through self-insurance. Effective asset and risk management involves employing the most beneficial strategy or combination of strategies to protect assets.

Asset and risk management also involves investing idle cash to achieve optimum rates of return after board policy, principal preservation and liquidity considerations are met; providing affordable health and workers' compensation insurance to employees; safeguarding property from loss through damage, theft and unexpected events; and managing debt through timely principal and interest payments while seizing opportunities to reduce interest costs.

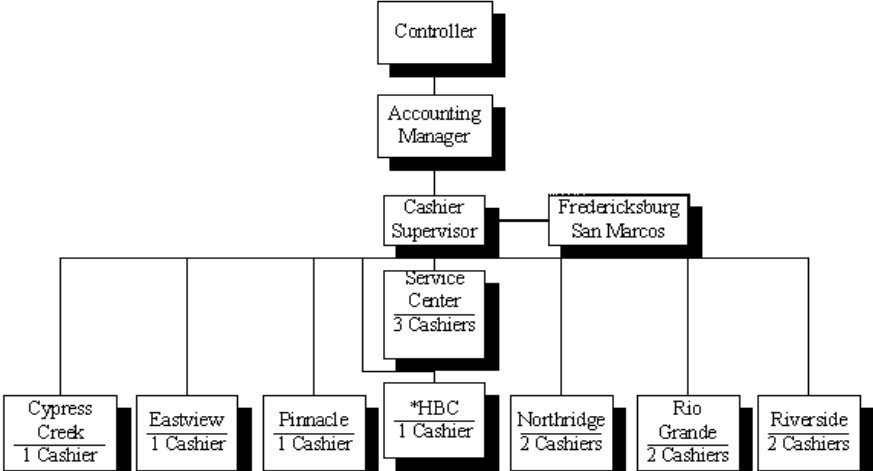
Chapter 6

A. CASH AND INVESTMENT MANAGEMENT

For a community college to achieve its instructional goals and objectives, cash and investments must be managed daily. Effective cash and investment management involves establishing and maintaining beneficial banking relationships; forecasting cash requirements timely and accurately so that funds are available when needed; and maximizing returns on assets deposited in appropriate, approved and safe investment vehicles. A community college's investments may also include endowments that donors establish to fund scholarships, instructional programs, special projects or other activities that benefit the college. The donor defines how the college may use income generated from endowments; however, the original principal or body must be preserved in perpetuity or until the donor's objectives are met.

Known as the Bursar's office in most higher education settings, ACC's Cashier's Office serves as the focal point for cash collection, handling, management and safekeeping. The accounting manager for the Cashier's Office and Student Accounting (accounting manager) reports to the college's controller and is responsible for overseeing the Cashier's Office. The controller reports to the vice president of Business Services. Fourteen employees assist the accounting manager in conducting day-to-day operations of the Cashier's Office. **Exhibit 6-1** presents an overview of the Cashier's Office organization. The line between the cashier supervisor and the Fredericksburg and San Marcos cashier's offices is dotted because cashiers at these locations make their own deposits.

Exhibit 6-1
ACC Cashier's Office Organization
2002



Source: ACC Organization Chart, June 2002.
*Highland Business Center.

ACC's main cashier's office is located at the Service Center. In addition, there is an office at each of the six campuses and one at the Highland Business Center (HBC). The accounting manager, cashier supervisor and three staff work at the Service Center. Each of the large campuses employs two cashiers, while one cashier is assigned to the HBC and each of the small campuses employ one cashier. The college also operates small cashier's offices in Fredericksburg and San Marcos where the college operates extension centers. These centers extend the college's services to communities outside of the taxing district. They operate in the evenings at local high schools and offer credit classes to the general public. The centers also offer college credit classes for high school students taking Early College Start classes. Staff at these locations report to the director of the Early College Start program but also perform cashier and admission functions. Unlike cashiers housed at the campuses, cashiers at these centers make their own deposits and then send their paperwork to the Service Center for review and further processing.

Cashiers take in cash using daily sessions. Each day, cashiers open a new session represented by a unique number. Cashiers record all of the day's collections in the session, and the accounting manager monitors the activity in real time through a software program known as Session Manager (SEMA). SEMA shows the total of cash transactions processed in a session by a given cashier throughout the day. At the end of each day, cashiers close out their sessions and prepare a bank deposit, which an armored car service picks up twice a week at the large campuses and once a week at the small campuses and the HBC. The armored car service picks up twice per day at all campuses during arena registration, which is when students register enmasse. Cashiers submit the following session paperwork to the main cashier's office for review and verification:

- Reconciliation sheet for cashiers-reconciliation of deposit and report totals;
- Copy of deposit slip and credit card terminal report;
- Session reconciliation report-detailed receipts by student;
- Cash receipt session control report-breakdown by cash, check and credit card; and
- Deposit log-Log of armored car pickups-shows date, deposit amount, teller, session number, number of receipts and bank bag number.

In addition, the Cashier's Office receives a daily confirmation report from the bank showing, by campus, the deposits declared by the armored car service and verified by the bank. **Exhibit 6-2** presents an overview of campus cash receipts for September 1, 2001 through April 30, 2002. Between September 1, 2001, and May 21, 2002, cash shortages were \$2,080.94 while cash overages were \$3,145.86 for a net overage of \$1,064.92, which is less than one hundredth of 1 percent of all total cash receipts.

Exhibit 6-2
Cash Receipts by Campus
September 1, 2001 through April 30, 2002

Campus	Amount	Percentage
Telephone Registration	\$5,752,553	34%
Highland Business Center	2,706,813	16%

Northridge	2,240,590	13%
Riverside	1,602,460	10%
Rio Grande	1,420,925	8%
Service Center	856,347	5%
Pinnacle	809,681	5%
Cypress Creek	741,352	4%
Eastview	508,501	3%
Fredericksburg	73,092	0%
Downtown Center	66,793	0%
San Marcos Center	7,259	0%
Grand Total	\$16,786,366	100%

Source: ACC Cashier's Office, 2002.

Note*: Totals may not add to 100 percent due to rounding.

Approved by the Texas Legislature in 1987, the Public Funds Investment Act (PFIA), as amended, establishes rules for investing public funds in the state. Generally, the PFIA requires investing governmental entities to adopt a written investment policy; conduct an annual review of the policy, revising it if necessary; designate an investment officer; conduct an annual review of compliance and management controls; disclose ethical and conflict of interest issues; obtain broker/dealer acknowledgement of investment policies; and provide a list of authorized investments. In addition, state agency and higher education board members and investment officers must attend investment training and the investment officer must prepare and submit a report of investment transactions to the governing board at least quarterly. State agencies, universities and community colleges must also submit an investment report to the State Auditor's Office (SAO) by January 1 of every even-numbered year. Every two years, SAO issues a statewide report of state entity compliance with the provisions of the PFIA. ACC's external auditors noted in the August 31, 2001, financial statements that the college was *"in compliance with all respects to the PFIA."*

Board policy E-6 is ACC's investment policy. It states that *"Austin Community College shall manage the investment of and reporting on its financial assets in accordance with the Texas Public Funds Investment Act."* The board last reviewed the investment policy during fiscal 2002, and the policy is current through May 2002. The board has designated the vice president for Business Services and the controller as ACC's investment officers. The controller reports to the vice president for Business Services. The accounting manager over the Cashier's Office and Student Accounting reports to the controller and is responsible for the day-to-day management of ACC's investment portfolio.

ACC's entire portfolio is invested in Texpool, which is an investment fund for cities, counties, school districts and other local government entities in Texas. The State Comptroller of Public

Accounts (the Comptroller) oversees the administration of Texpool, and Lehman Brothers and Federated Investors manage the daily operations of the pool under contract with the Comptroller. Lehman Brothers administers the pool providing participant and marketing services, while Federated Investors is the investment manager and custodian of the securities.

ACC's investment policy emphasizes safety as its most important objective. According to the policy, diversification is to be attained by investing in eligible investment pools or investments guaranteed by U.S. or Texas governments. TexPool's investments consist exclusively of U.S. Government securities, investments backed by U.S. Government securities and AAA-rated money market mutual funds. These investments are designed to provide Texas governments safe, efficient and liquid investment alternatives. Standard & Poor's rates TexPool AAA, the highest rating a local government investment pool can achieve. ACC's investment policy establishes the college's investment priorities and strategies, which are summarized in **Exhibit 6-3**.

Exhibit 6-3
Investment Policy Priorities and Strategies

Investment Priorities	Investment Strategy
<p>Safety: This is the most important objective of the ACC investment policy. Investments of the College shall be undertaken in a manner that ensures the preservation of capital in the overall portfolio. In order to minimize any potential losses on individual securities, diversification (attained by investment in eligible investment pools) or guarantee (by U.S. or Texas governments) is required.</p>	<p>The general investment strategy of ACC shall be to make maximal use of investment pools...that offer high safety, immediate liquidity and yield commensurate with such investment. Securities of the type listed in the Authorized Investment section of the policy may be used when closely matched in maturity to college debt obligations. This strategy shall be used for all college funds.</p>
<p>Liquidity: The ACC investment portfolio will remain sufficiently liquid to enable the college to meet all operating requirements that can be reasonably anticipated.</p>	
<p>Authorized Investments: Only the following securities are authorized investments under this policy:</p> <ul style="list-style-type: none"> a. Obligations of the U.S. Government or State of Texas; b. Diversified investment pools; c. Mutual funds that contain 100 percent U.S. Treasury securities and these to be used only in conjunction with overnight sweep activities. 	

Source: ACC Board Policy, E-6 Investments, May 2002.

ACC issues quarterly investment reports in accordance with its fiscal year. The May 2002 report shows investments with a market value of \$36,378,720. **Exhibit 6-4** provides an overview of ACC's investment portfolio as of May 31, 2002.

Exhibit 6-4
Quarterly Investment Portfolio Balances
August 31, 2002 through May 31, 2002

Date	General Fund	Interest and Sinking and Unexpended Plant Fund Investments	Total Market Value	*Rate
August 31, 2001	\$22,953,078	\$26,387,946	\$49,341,024	3.8843%
November 30, 2001	\$11,183,098	\$26,585,439	\$37,768,537	2.6291%
February 28, 2002	\$11,120,109	\$30,632,563	\$41,752,672	1.8577%
May 31, 2002	\$8,919,414	\$27,459,306	\$36,378,720	1.8223%
Average	\$13,543,925	\$27,766,314	\$41,310,238	

Source: Investment Report, August 31, 2001 through May 31, 2002.

*Represents average rate of return for indicated month.

Exhibit 6-5 compares ACC's investment portfolio diversification with that of its peers as of August 31, 2001.

Exhibit 6-5
Portfolio Diversification-ACC and Peers
As of August 31, 2001

College	Investments	Percentage Invested
ACC	Investment pools-Texpool only	100%
Collin County	Investment pools-Texpool only	100%
North Harris Montgomery	Commercial paper	18%
	Agency securities	60%
	Investment pools (LOGIC, Lonestar and Texpool)	22%
San Jacinto	U.S. Government securities	32%
	Repurchase agreements	21%
	Investment pools (Texpool and Lonestar)	42%
	Cash and other	5%

Source: ACC and Peer Audited Financial Statements, August 2001.

FINDING

ACC's banking structure creates an efficient flow of funds, facilitates transaction reporting and bank reconciliations and maximizes available funds for investment. A viable banking structure is a key component of effective cash management. Funds flow into ACC's accounts from a variety of sources and flow out to a variety of recipients. Almost all of the college's transactions flow through an integrated, interrelated account structure, the center of which is a single account known as the concentration account because it is designed to concentrate and direct the flow of funds. Other accounts, known as zero-balance accounts (ZBAs), both support and are supported by the concentration account.

The general account at Chase Bank, a TexPool investment fund and a money market fund form the foundation of ACC's cash-management infrastructure. The Chase account is the concentration account. State, federal and local entities electronically deposit state appropriations, grant funds, property taxes, sponsored tuition payments and other receipts directly into ACC's TexPool account. The accounting manager monitors daily cash requirements and transfers funds to the concentration account as needed. Most funds in the concentration account are automatically swept nightly into the money market account to earn interest then automatically swept back into the concentration account the next morning. The payroll and accounts payable accounts are ZBA accounts, meaning they maintain a zero balance - sufficient cash from the concentration account is automatically transferred to these accounts to cover checks as they are presented for payment. **Exhibit 6-6** provides a summary of the college's bank accounts.

Exhibit 6-6
ACC Bank Accounts as of April 2002

Account Name/ Purpose	Balance April 30, 2002	Interest Bearing	Average Interest Rate	For the Period September 2001 through April 2002		
				Average Balance	Average number of Deposits Monthly	Average number of Checks Monthly
Operating/ General Operating	\$21,803	Balance swept nightly	N/A	\$65,728	536	156
Accounts payable/Vendor payments	\$118	ZBA	N/A	(\$50)	24	3,114
Payroll/Pay employees	\$0	ZBA	N/A	\$0	24	2,215
Automatic Investment	\$3,567,953	Yes	Varies -	\$2,808,545	Numerous	Numerous

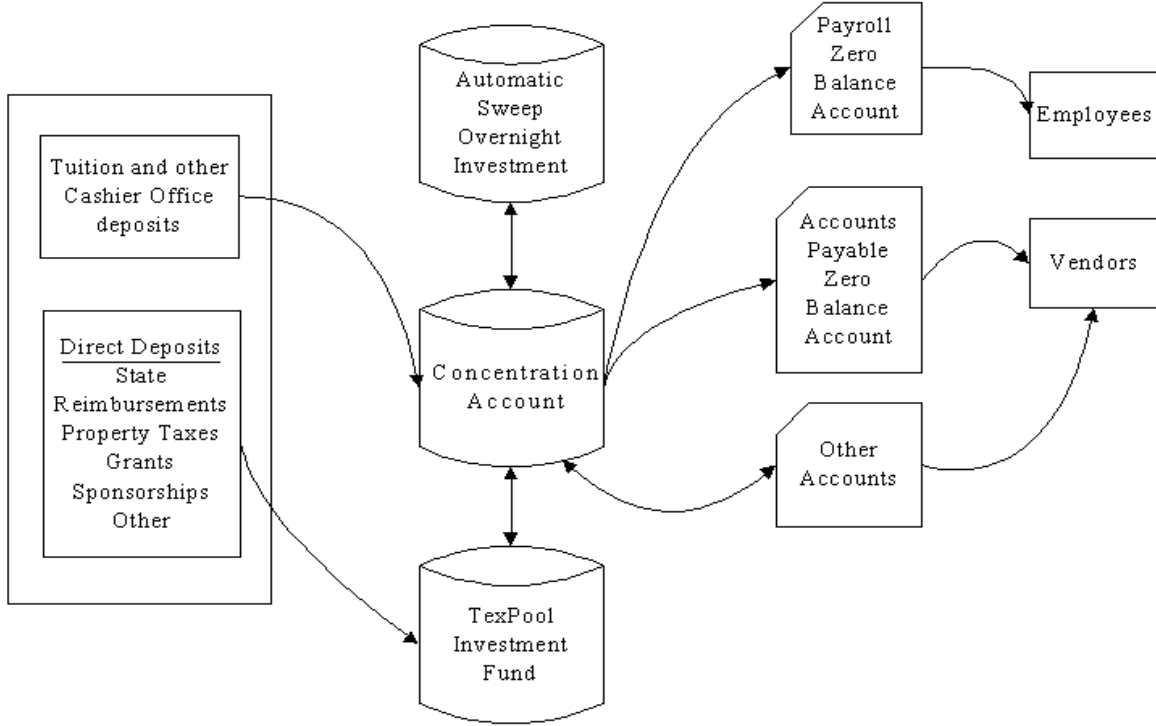
Program/Sweep account for earning interest on a daily basis			1.3017% for April 2002			
Workers' Compensation/Pay workers' compensation claims	\$0	No	N/A	\$0	10	21
Interest & Sinking/Pay long term debt	\$0	No	N/A	\$0	<1	<1
*NDSL/Perkins/Pass through for students to pay back Perkins loans.	\$31,828	No	N/A	\$29,060	10	0
Deposit bank for Fredericksburg. There is no Chase bank in Fredericksburg	\$18,815	No	N/A	\$90,728	5	2
Deposit bank for San Marcos. There is no Chase bank in San Marcos	\$48,942	No	N/A	\$45,757	1	0

Source: ACC Business Services Office.

*National Direct Student Loan Program.

Exhibit 6-7 provides an overview of the flow of funds and illustrates how ACC's operating, ZBA and sweep accounts all work together to streamline and expedite receipt, disbursement and investment of cash.

**Exhibit 6-7
ACC Banking Structure and Flow of Funds**



Source: Bank statements and interviews with Business Services staff.

COMMENDATION

ACC uses a banking structure that promotes efficient cash management.

FINDING

The Cashier's Office modified small campus cashier work schedules to save ACC money. The change did not seriously affect service to students. Prior to March 2002, all campuses were open from 8:00 am to 7:00 pm Monday through Thursday and 8:00 am to 5:00 pm on Friday. Cashiers at the small campuses worked according to the schedule shown in **Exhibit 6-8**.

**Exhibit 6-8
Small Campus Cashier's Office Schedules-Prior to March 2002**

Eastview	8:00 am-5:00 pm with hourly employees working 10:00 am-7:00 pm.
Pinnacle	8:00 am-5:00 pm with campus night manager working 4:30 pm-7:00 pm.
Cypress	8:00 am-5:00 pm with campus night manager and hourly help for lunch hour and after 5:00 pm.

Source: ACC Cashier's Office.

Hourly employees were used to minimize overtime and to provide coverage in the event of unplanned absences or vacations by salaried employees. This schedule was expensive and inefficient. In response to calls for budget cuts and a more efficient service delivery system, the Cashier's Office changed small campus cashier work schedules. Now, one cashier staffs the office from 10:00 am to 7:00 pm with no assistance. The cashier's office closes for breaks and for lunch. Under the current structure, hourly employees are no longer used since it is not necessary to provide 11-hour service at small campuses to meet the needs of a majority of students.

Although there have been a few complaints that the office is not open from 8:00 am to 10:00 am, the 10:00 am to 7:00 pm schedule from Monday through Thursday meets the needs of the majority of students and is more efficient and cost effective. Moreover, ACC has saved nearly \$15,000 as a result of these changes.

At the large campuses, two cashiers continue to work staggered schedules from 8:00 am to 7:00 pm Monday through Thursday and 8:00 am to 5:00 pm on Friday. Hourly employees were used to provide coverage so that the cashier's office could remain open in the event of unplanned absences or vacations. They were also used to minimize overtime.

COMMENDATION

ACC changed cashier work schedules at the small campuses, saving nearly \$15,000 without sacrificing service to students.

FINDING

Business Services has not implemented cash handling policies, procedures and controls for miscellaneous receipts collected and processed by departments outside of the Cashier's Office. Moreover, neither the Cashier's Office nor Internal Audit has ever audited the cash handling procedures and controls of those departments outside of the Cashier's Office. Best cash handling practices require that procedures and controls exist for cash handling wherever it is collected and processed within an organization. Best practices also require these procedures and controls to be reviewed on a regular basis to prevent misappropriation of funds.

The Cashier's Office verifies cash deposits of departments responsible for processing miscellaneous receipts; however, there is no assurance that cash submitted to the Cashier's Office for verification represents all the cash that should have been submitted. For example, ACC operates a daycare at the Eastview campus. The daycare has its own cash collection procedure, but the Cashier's Office has not reviewed or approved that procedure.

Tuition payments made directly to the Cashier's Office comprise the bulk of the cash that cashiers handle. Strong internal controls exist over these funds, and the office's procedures are well documented. For example, the Cashier's Office monitors cashier activity daily, in real time, using a program called Session Manager. Moreover, the cashier supervisor conducts written

surveys of cashier operations and surprise cash counts. Recently, an employee was fired due to irregularities noted with their daily deposits.

Exhibit 6-9 presents an overview of miscellaneous revenue and the amount and types of miscellaneous revenue received and processed outside of the Cashier's Office for the period September 2001 through May 2002. Controls and procedures have not been implemented for approximately 18 percent of the funds collected outside the Cashier's Office.

Exhibit 6-9
Miscellaneous Revenue
For the Period September 2001 through May 2002

Description	Total	Collected Outside Cashier's Office
Parking fees	\$376,218	\$0
Student identification card fees	227,106	0
Property rental	168,993	0
Catalog and copy fees	145,114	0
Installment fees	133,840	0
Child development school	86,129	86,129
Contract testing fees	38,799	38,799
Library fees	36,379	36,379
*Exam fees	34,064	34,064
Culinary art fees	22,060	22,060
Conference revenue	19,354	19,354
Adult vocational fees	10,610	0
Financial aid	6,000	0
Special population revenue	5,015	0
Over and short	4,562	0
Welding fees	1,684	1,684
Automobile fees	1,533	1,533
Check reprocessing fees	1,475	0
Building trade fees	1,318	1,318
Air conditioning fees	798	798

Other	1,197	0
Total	\$1,322,248	\$242,118
Percentage		18%

Source: ACC Cashier's Office.

*Some exam fees are collected by the Cashier's Office.

A recent event underscores the need for strong internal controls over cash received outside of the Cashier's Office. Before January 2002, ACC had an agreement with Xerox Corporation to collect coinage from duplication machines on each campus. Xerox collected and counted the coins, made the deposit into ACC's account and collected a fee. In January, ACC entered into a new contract with Xerox whereby ACC now collects, counts and deposits the coinage. On June 5, 2002, \$7,337.60, consisting of \$3,174.60 in coins and \$4,163.00 in currency, was collected from the Northridge, Rio Grande and Riverside campuses. These funds had accumulated in the copier machines from January 2002 to June 2002. The Cashier's Office and Support Services, where duplication operations are housed, have not resolved when and how copier coinage will be collected, how it will be safely transported to the Service Center for verification and processing and how it will be safely transported to the bank.

Another example relates to vending machine revenue. ACC has vending machines at each of the six campuses, HBC and the Service Center. However, there are no procedures to ensure that the college is receiving all the revenue it should from vending contracts. The same applies to bookstore revenues; no procedures are in place to validate bookstore sales and verify ACC's commission from such sales.

Recognizing the importance of cash receipt procedures and controls, the accounting manager wrote cash handling policies and procedures in December 2001; however, the document has not been approved and implemented. It contains the following elements:

- Defines income as any payment to the college;
- Requires all college organizations involved in collecting or disbursing cash to develop and maintain a controller-approved Cash Control Plan;
- Establishes procedures for receiving and depositing cash, including deposit overages and shortages; and
- Establishes petty cash procedures, including changing petty cash custodians;

The Cash Control Plan requires departments to describe the purpose of their cash handling activities, source of revenues, purpose of expenditures and type of facility for safeguarding cash. It also requires departments to list the amount of any petty cash funds, describe their purpose and provide the name of the fund custodian. Finally, the employee responsible for administering the plan must acknowledge that they will adhere to the cash handling procedures.

The City of Houston has multiple cash collection points throughout the city; the Planning and Development Department alone has six cash collection sites. Accordingly, the city has

implemented cash handling policies and procedures that standardize the collection, safeguarding, depositing and recording of cash receipts throughout the city.

Recommendation 55:

Approve and implement cash handling policies and procedures for miscellaneous cash receipts processed outside of the Cashier's Office.

ACC should implement cash handling procedures for miscellaneous cash receipts. The Cashier's Office should identify all cash collection points throughout ACC and conduct a review of their existing policies and procedures. Moreover, the Cashier's Office and Internal Audit should cooperate to conduct a periodic review of all cash collection points to ensure that cash handling procedures exist and that internal controls over cash are strong and operating effectively.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The controller instructs the accounting manager of the Cashier's Office to review and update the draft miscellaneous cash receipt procedures.	January 2003
2.	The accounting manager of the Cashier's Office reviews the draft miscellaneous cash receipt procedures and makes any necessary changes based on current conditions.	January 2003
3.	The controller reviews and approves the draft cash receipt procedures and submits them to the vice president for Business Services for review and approval.	February 2003
4.	The vice president for Business Services reviews and approves the draft miscellaneous cash receipt procedures.	February 2003
5.	The vice president for Business Services instructs the controller to make the procedures a part of the department's administrative rules and to disseminate them throughout the college via the Intranet and interoffice mail.	February 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The National Direct Student Loan/Perkins (NDSL), Fredericksburg and San Marcos bank accounts do not bear interest. Effective cash management seeks to maximize interest earnings without negatively affecting liquidity or safety. Leaving idle cash in non-interest bearing accounts forfeits risk-free interest earnings.

ACC uses the NDSL account to administer student loans initiated through the Perkins program. It is a holding account for repayments of these loans. A Perkins student loan is a low-interest loan for both undergraduate and graduate students with exceptional financial needs. Both ACC and the federal government provide funds for the loan, and students repay the loan to the college.

ACC deposits student payments into the NDSL account throughout the year. Once per year, ACC withdraws the money and sends it to the government. ACC stopped handling these loans in 1999, but is obligated to administer payback of those loans made prior to 1999.

Federal law - 34 CFR 668.163(c)(3) and (4) - requires educational institutions to maintain Perkins funds in interest-bearing accounts. However, ACC falls under one of the exceptions to this rule because ACC uses the "just-in-time method" to repay the funds. Under this method, the funds do not remain in the account for long periods of time. Federal law requires interest above \$250 to be remitted back into the program; however, institutions may keep interest earned up to \$250 per year.

The Fredericksburg and San Marcos bank accounts exist because ACC operates extension centers in these locations. Small cashier's offices that exist at these locations make their own deposits and send their paperwork to the Service Center for review and further processing. ACC's depository does not have branches in Fredericksburg and San Marcos, so the cashier's offices at these locations use a different bank than ACC.

During fiscal 2001, the average balances maintained in the National Direct Student Loan/Perkins, (NDSL) Fredericksburg and San Marcos accounts were \$29,060, \$90,728 and \$45,757, respectively. Current interest rates for interest-bearing accounts offered by the banks holding these funds ranged from 0.25 to 1.37 percent per year.

Organizations that manage cash effectively do so by ensuring that all available cash, including cash held in regular checking accounts, bears interest continuously.

Recommendation 56:

Transfer all bank balances to interest-bearing checking accounts.

ACC should place all funds in the NDSL/Perkins, Fredericksburg and San Marcos bank accounts into interest-bearing accounts to maximize investment earnings on the funds. Most banks offer interest-free checking services on corporate operating accounts, and the "investment" is essentially risk free, since the average balances in these accounts does not exceed the Federal Deposit Insurance Corporation's threshold of \$100,000 insurance on bank balances.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services instructs the controller to ensure that all of the college's bank accounts are interest-bearing.	January 2003
2.	The controller instructs the accounting manager, Cashier's Office to contact the bank to open interest-bearing accounts for NDSL/Perkins, Fredericksburg and San Marcos account funds.	January 2003
3.	The accounting manager, Cashier's Office opens three interest-bearing accounts.	January 2003
4.	The accounting manager, Cashier's Office leaves the non-interest bearing accounts	February 2003 -

	open until all checks and deposits have cleared the accounts.	April 2003
5.	The accounting manager, Cashier's Office transfers NDSL/Perkins, Fredericksburg and San Marcos funds into the new interest-bearing accounts.	May 2003
6.	The controller approves the closing of the non-interest bearing accounts.	June 2003

FISCAL IMPACT

During fiscal 2001, the combined average balance of the National Direct Student Loan/Perkins, (NDSL) Fredericksburg and San Marcos was \$165,545. According to a phone survey of the banks holding these funds, the rates paid on corporate interest-bearing accounts ranged from 0.25 percent, for regular interest-bearing checking, to 1.37 percent, for money market checking, which limits the number of checks that can be written per account cycle. The most common rate quoted based on account type and average balance was about 0.65 percent. Assuming this rate is earned and the average balance is \$165,545, the fiscal impact of implementing this recommendation would be \$1,076 per year ($\$165,545 \times 0.0065 = \$1,076$). If the recommendation were implemented in May 2003, the fiscal impact during fiscal 2003 would be \$359 ($\$1,076 \times 4/12 = \359) and \$1,076 in future years, through fiscal 2007.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Transfer all bank balances to interest-bearing checking accounts.	\$359	\$1,076	\$1,076	\$1,076	\$1,076

FINDING

ACC does not prepare cash flow projections. The accounting manager over cashiers and student accounting monitors cash on a daily basis using various software tools provided by the banks such as:

- Micro Link-used to check bank balances and transfer funds to TexPool;
- Quick Search-used to issue stop payments on checks;
- CD Search-Used for reconciliations and to research and print checks;
- Chase Link-software to inquire on specific check information; and
- FDMS Link (First Data Merchant Services)-software to reconcile credit card deposits or to confirm a specific credit card transaction.

However, there are no projections of cash beyond one day. Cash flow projections are useful planning tools businesses use to predict future cash requirements. Accurate cash flow projections are critical to effective cash management because shortfalls in cash needs can be readily identified and addressed

before the actual need arises. In addition, cash forecasts allow organizations to maximize the time idle funds are invested in interest-bearing accounts. Without cash flow projections, cash shortfalls might be overlooked. Although it is unlikely that ACC would ever run out of cash, and

the lack of cash flow projections had nothing to do with the fiscal 2001 budget deficit, cash flow projections are a necessary component of effective financial management.

The best cash forecasting models separate cash flow by major revenue and expenditure source and forecast cash flows on at least a monthly basis. Effective cash flow projections are also constantly updated as actual amounts become available. In this way, cash flow projections remain dynamic and fluid. **Exhibit 6-10** presents a model cash flow forecast that is useful as a cash management tool. The amounts are for illustrative purposes only.

Exhibit 6-10
Cash Flow Forecast Model

Month	State Aid Payments	Tax Collections	Other Collections	Total In Flows	Payroll Costs	Operational Costs	Total Out Flows	Monthly Net Flow	Net Cash Position
September	-	-	-	-	-	-	-	-	\$2,892,802
October	\$711,036	-	\$28,500	\$739,536	(\$501,442)	(\$342,813)	(\$844,255)	(\$104,719)	\$2,788,083
November	\$582,542	\$148,480	\$23,500	\$754,522	(\$501,442)	(\$185,022)	(\$686,464)	\$68,058	\$2,856,141
October	\$306,940	\$214,823	\$22,500	\$544,263	(\$501,442)	(\$254,712)	(\$756,154)	(\$211,891)	\$2,644,250

Source: TSPR.

Recommendation 57:

Develop cash flow forecasts to use as a cash management tool.

ACC should use receipt and disbursement information available through its accounting system and bank to develop a cash flow projection model. Cash forecasts should be made on at least a monthly and annual basis; although, more frequent forecasts should also be considered. This information would enable the college to establish historical patterns of the amount and timing of cash receipts and disbursements. The college could use this information to make future projections of cash flow requirements based on present conditions.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services instructs the controller to develop a format for cash flow projections that allows projections to be made on a weekly, monthly and annual basis.	January 2003
2.	The controller develops a model and submits it to the vice president of Business Services for review and approval.	February 2003
3.	The controller instructs the accounting manager to determine the type and source of information required to complete the cash flow projections on a weekly, monthly and annual basis.	February 2003
4.	The accounting manager completes a cash flow projection using available information from bank statements, as well as payroll and accounts payable reports.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 6

B. EMPLOYEE BENEFITS

ACC's insurance programs consist of medical, dental, disability, accidental death and dismemberment and life insurance programs as well as an employee assistance program. ACC's Benefits supervisor has overall responsibility for employee benefits and reports to the associate vice president, Human Resources. Three employees report to the Benefits supervisor.

ACC employees are covered under the state's health care program known as the Employees Retirement System of Texas (ERS). All of the health plans available to state agency employees and eligible higher education employees offer comprehensive coverage including preventive care, prescription drugs, vision exams, maternity coverage and other benefits.

ERS pays the cost of health and basic term life coverage for eligible higher education employees, as well as one-half the cost of health premiums for their eligible dependents. Eligible employees pay for the other half of dependent care coverage. The Legislature appropriates health care funds to state agencies and higher education institutions for each year of the coming biennium. This is known as a health care supplement. Each month, ERS bills ACC for health care premiums based on the cost of coverage for employees and their dependents. The State Comptroller pays ERS directly each month for one-twelfth of each year's legislative appropriation, and ACC sends ERS a payment for the remainder. **Exhibit 6-11** provides an overview of the ERS benefits package, including who pays for coverage. The summary includes only health-related benefits not leave, tuition reimbursement, workers' compensation or retirement benefits.

Exhibit 6-11
Summary of ACC Employee Benefits

Benefit Description	Explanation	Payment	*Enrollment
Medical (plus \$5,000 life insurance)	Employee selects from one of four plans: -HealthSelect -HealthSelect Plus -Pacificare -Scott & White	ACC pays for employee plus 50 percent of employee dependent premium; employee pays the	1,315

		other 50 percent.	
Dental	Employee selects from one of two plans: -Prudential DMO -Dental Choice	ACC pays employee premium; employee pays for dependents.	1,254
Life Insurance	Employee can elect coverage equal to from one to four times salary. Dependent and permanent life coverage is also available. Permanent life follows the employee if they leave ACC.	ACC pays for one times salary; employee pays from two to four times salary. Employee pays for dependent and permanent life coverage.	1,669
Disability	Short-term disability pays a monthly benefit for up to five months; long-term pays up to age 65 if totally disabled. Employee may elect coverage under the state's long-term disability plan.	The employee pays for short-term coverage; ACC pays for long-term coverage, unless employee opts for state plan.	1,718
Accidental Death & Dismemberment	Blue Cross Blue Shield coverage protects against accidental death & dismemberment.	Employee pays premium.	1,245
Employee Assistance Program	Short-term counseling (eight sessions) for employee or family for personal and work-related problems or career work issues.	ACC pays employee premium.	-
Texflex dependent and health care reimbursement accounts	An account that allows employees to set aside pre-tax dollars to pay for eligible dependent and health care expenses.	Employee pays cost.	-

Source: ACC Benefits Brochures.

* As of June 7, 2002.

A comprehensive summary of benefits is available on the ERS Web site at www.ers.state.tx.us. **Exhibit 6-12** presents an overview of premium rates for the health care plans.

**Exhibit 6-12
Health Plan Rates**

Coverage Category	Total Premium	State Contribution	Employee Cost
Healthselect			
Employee	\$276.02	\$276.02	\$0.00
Employee/Child	\$486.84	\$381.43	\$105.41
Employee/Spouse	\$590.88	\$433.45	\$157.43
Employee/Family	\$801.70	\$538.86	\$262.84
Healthselect Plus			
Employee	\$273.85	\$273.85	\$0.00
Employee and Child	\$483.00	\$378.43	\$104.57
Employee and Spouse	\$586.21	\$430.03	\$156.18
Employee and Family	\$795.36	\$534.61	\$260.75
Scott and White			
Employee	\$251.75	\$251.75	\$0.00
Employee and Child	\$443.88	\$347.82	\$96.06
Employee and Spouse	\$538.70	\$395.23	\$143.47
Employee and Family	\$730.83	\$491.29	\$239.54
Pacificare			
Employee	\$234.96	\$234.96	\$0.00
Employee and Child	\$414.16	\$324.56	\$89.60
Employee and Spouse	\$502.60	\$368.78	\$133.82
Employee and Family	\$681.80	\$458.38	\$223.42

Source: ACC Benefits Department.

FINDING

The Benefits Department realized savings by changing the hire date for new employees and providing advice to them regarding dependent care coverage. The savings were possible because of the way ERS invoices ACC for health coverage for new employees and their dependents. ERS does not prorate premiums based on an employee's hire date. Instead, ERS invoices for the entire month no matter what day a new hire starts working. For example, if an employee starts on May 29, 2002, ERS invoices ACC for the entire month of May. In this example, ERS would charge for 28 days of coverage when the employee only worked three days.

Prior to fiscal 2001, ACC's hiring process allowed employees to start work on any day of the month. Two process changes resulted in estimated savings of about \$61,000 per year. First, the Benefits Department began advising employees hired during the last 10 days of the month to add dependent coverage effective the first of the following month. This suggestion, if taken, benefited both the employee and the college because neither would have to pay their share of dependent coverage for the month the employee was hired. Continuing the previous example, if the employee were hired on May 29, 2002, and chose, upon the Benefit Department's advice, to make dependent coverage effective on June 1, 2002, instead of May 29, 2002, both the employee and ACC would save 50 percent of the dependent care premium for May. However, under this scenario, ACC would still have to pay the employee's May premium.

In fiscal 2001, the Benefits Department recommended that ACC hire employees only on the first and third Monday of the month. This change prevented employees from being hired during the final days of the month allowing ACC to recover one week or more of a full month's premium.

The Benefits Department estimates that the first process improvement saves the college approximately \$21,000, while the second saves \$40,000 for a total of \$61,000 per year.

COMMENDATION

The Benefits Department implemented changes in dependent care coverage dates and new employee hire dates that saved the college an estimated \$61,000 per year.

FINDING

The Benefits Department maintains two databases of employee benefit information, Datatel and the ERS database, but does not reconcile the two databases to each other. As a result, the Benefits Department cannot be sure that ERS's monthly premium invoices are correct. Significant

overpayments or underpayments could be occurring that are not being detected. ERS allows a five-year look-back period to submit corrections; however, this rule is beneficial only if the errors are discovered.

The Benefits Department maintains two databases of employee benefit information. One database is the Datatel system in the Human Resources module. This database contains the employee name; type of health plan, for example Health Select or Pacificare; type of benefit, for example, dental or long-term disability; and the employee and employer shares of the premium. The other is the PeopleSoft database, which interfaces with the actual state insurance database, referred to as the ERS database. It contains essentially the same information but in a different format. Employees complete and submit a Texas State Insurance Multi-purpose form to enroll in benefit programs or initiate changes. Information from this form is entered into the ERS and Datatel systems separately. Benefit Department employees verify changes to ensure information has been correctly entered on both databases.

In June 2002, ACC's internal auditor performed a manual reconciliation of September and October 2001 employee benefit amounts from the ERS and Datatel systems. These reconciliations were the beginning of what are now ongoing efforts to develop and refine a manual reconciliation procedure. In September 2002, ERS implemented a new database system and has been resolving various faults with the system and the errors they generate. ACC's Benefits Department and internal auditor have been monitoring these errors to determine their nature and the implications they will have on ACC's manual reconciliation process once it is fully underway. The Benefits Office plans to use a Business Services employee to reconcile the databases; however, as of August 26, 2002, the office had not identified which employee would perform the reconciliations, and reconciliations were planned but not being performed.

The Benefits Department verifies information on each individual database, but never truly reconciles information between the two databases. There is a report that compares the total premium for each employee on ERS and Datatel. However, the report is only reviewed periodically and then only the total premium is reviewed, not the detail of each employee's deductions. In addition, each pay period the department receives a report from the Datatel system called the, "Payroll Benefits & Deductions Exception Report." Any change in an employee's deductions that occurred since the previous pay period will show up on this report. Benefit clerks painstakingly review each entry on this report to verify that all benefit changes are valid and supported by a personnel action form or other documentation. This review provides limited assurance that benefit changes made to the Datatel database are correct. The process is reiterative - three or four edit runs are reviewed each pay period, tedious - each edit

report contains 60 to 186 pages with multiple employees on each page, and time consuming - the Benefits supervisor estimates that it takes 90 to 120 minutes per edit report to resolve all discrepancies.

The Benefits specialist performs a separate review for the ERS database. The specialist downloads daily work files from the ERS server and verifies the information in the files against ERS's monthly invoice. This review tells the specialist whether ERS billed what they said they were going to bill. Both of these reviews fall short of reconciling Datatel benefit information to ERS benefit information.

Difficulty reconciling independent databases containing essentially the same information is not uncommon, particularly when the reconciliation must be performed manually. Many organizations resolve this problem by providing their insurance companies with a monthly computer tape consisting of employee insurance information. Throughout the month, the information is updated to reflect new employees, changes in coverage and deductions, employee terminations, employee leave and other changes. The insurance company performs edits on the data, resolves differences with the employer and requires payment based on the revised information. This method eliminates several problems. First, only one database is maintained. Second, changes to the database are posted throughout the month during normal processing. Third, although editing errors must be resolved, laborious reconciliations are unnecessary. Finally, payment is based on the organization's information rather than on the insurance company's information.

Other organizations resolve the issue by developing a software interface that allows the databases to communicate with each other. As changes are made to one database, they are automatically uploaded to the other. Periodically, an automated process runs that compares information on the two databases and generates a discrepancy report, which is reviewed so that errors can be researched and resolved. This alternative provides the same benefits as the first alternative except that it has an added benefit. In the first alternative, the insurance company processes the organization's information from the tape. The second alternative does not require a tape but allows each database to remain independent while creating a link between them.

The Benefits supervisor is a member of ACC's Human Resources Task Force. Two of the functions of the task force are to, "identify processes which need to be automated and assist in developing appropriate planning parameters" and to "review/develop procedures to promote efficient, effective human resources operations".

Recommendation 58:

Form a task force to develop an automated solution for reconciling the Datatel and Employees Retirement System databases.

The Benefits supervisor, working through the Human Resources Task Force, and ACC's Information Technology Department should establish a joint task force to determine the feasibility of automatically reconciling the Datatel and ERS databases. It may even be feasible to link the databases so that reconciliations become unnecessary. Although ACC has begun to reconcile the databases manually, it is a laborious, time-consuming process that could be eliminated if a feasible, automated solution can be found.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president instructs the Human Resources Task Force, the Benefits supervisor and the Information Technology Department to form a joint task force to develop a technological solution to the college's benefit reconciliation problems.	January 2003
2.	The benefits reconciliation task force contacts representatives from ERS to set up a meeting to discuss the college's reconciliation needs.	January 2003
3.	The benefits reconciliation task force and ERS representatives determine whether an automated reconciliation process is feasible.	February 2003
4.	Appropriate personnel from the college's benefits reconciliation task force and the ERS system collaborate to develop a technological solution to the benefits reconciliation problem if it is deemed feasible.	March 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources. A fiscal impact would result if the project were determined to be feasible and were implemented; however, it is not possible to determine the costs at this time.

FINDING

ACC does not have a method of estimating the amount of local dollars needed to pay healthcare premiums for its employees. As a result, the college cannot predict how long its ERS supplement will last or how many employees the money will cover. The lack of a projection model contributed to the fiscal 2001 budget deficit, which resulted largely from insurance payments ACC paid in excess of state allocations. ACC had not

planned for the additional cost of health care coverage and therefore did not include the excess in the fiscal 2001 budget.

The state health insurance appropriation is a fixed amount. The State Comptroller pays 1/12th of the appropriation to ERS each month to supplement ACC's health care costs. ACC is responsible for premiums in excess of the supplement. During fiscal 2001, ACC hired additional staff, converted part-time positions, which were not eligible for benefits, to full-time positions, which were eligible, and implemented an early retirement program. Each of these moves raised monthly health care premiums, which depleted the fiscal 2001 state health care supplement faster than ACC had anticipated. As a result, ACC had to pay ERS an additional \$1,032,259 in excess of the fiscal 2001 supplement of \$3,422,354. This amount represents a 169 percent increase over fiscal 2000 additional payments of \$383,796. **Exhibit 6-13** presents an overview of ACC's health care costs and state supplements and shows that ACC's costs increased significantly between fiscal 2000 and 2001.

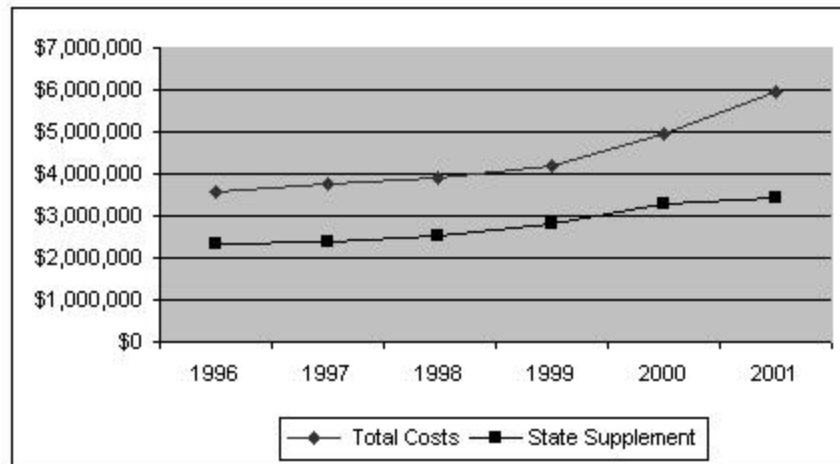
Exhibit 6-13
Overview of Health Care Costs and State Supplement

Fiscal Year	ACC Costs	Employee Cost	State Supplement	Total Cost	Percentage of Supplement to Total Costs
1996	\$86,900	\$1,116,842	\$2,347,102	\$3,550,844	66%
1997	\$151,049	\$1,205,965	\$2,396,944	\$3,753,958	64%
1998	\$101,774	\$1,248,343	\$2,538,701	\$3,888,818	65%
1999	\$251,767	\$1,131,811	\$2,818,362	\$4,201,940	67%
2000	\$383,796	\$1,275,199	\$3,296,535	\$4,955,530	67%
2001	\$1,032,259	\$1,488,345	\$3,422,354	\$5,942,958	58%
2002	N/A	N/A	\$5,939,061	N/A	N/A
2003	N/A	N/A	\$6,676,692	N/A	N/A

Source: Employees Retirement System of Texas, Uniform Group Insurance Contributions.

Exhibit 6-14 illustrates the growth in health care costs in terms of total cost and state supplement. ACC and its employees pay the difference between total costs and the state supplement.

Exhibit 6-14 Health Care Cost Trend



Source: Employees Retirement System of Texas, Uniform Group Insurance Contributions.

Many organizations use predictive models to project expenses. Organizations use these models to budget and plan more effectively. ACC's Business Services Department, for example, has developed a series of predictive models called "The Value of One." Business Services uses these models to project state appropriations, tuition, property taxes and funding from annexation and bond sales. For example, a 1-percent increase in state appropriations equals approximately \$393,000, and a 1-cent increase in the tax rate equals \$4.5 million in additional property tax revenue. Business Services developed these tools using historical data, and the college updates them.

Recommendation 59:

Develop a model to project healthcare costs and to better budget for healthcare for ACC's employees.

The Benefits Department should use existing historical information to develop a model similar to Business Service's "Value of One" tool. Cost and state supplement data is available as far back as 1996, and employee data can be obtained from the Payroll or Human Resources Departments. This data should be used to develop a model that answers the following questions:

- What is the additional cost in health care to add one employee to the benefit rolls?
- What is the additional cost in health care to add one employee with dependents to the benefit rolls?

- How many employees can be covered for every 1-percent increase in state health care supplement?
- How many employees with dependent coverage can be covered for every 1-percent increase in state health care supplement?

After the base year is identified, the model must be constantly reviewed and updated with actual data. This kind of predictive tool will enable the Benefits Department to provide early warning to college administrators and the board to avoid overspending the state health care supplement.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Human Resources director instructs the Benefits supervisor to identify a correlation between the number of employees and total benefits costs.	January 2003
2.	The Human Resources director instructs the Benefits supervisor to develop a model for projecting benefits cost based on historical costs, number of employees and the benefit cost structure.	February 2003
3.	The Benefits supervisor develops a model to calculate the value of one employee's benefits and uses it to project when the state benefits supplement will be depleted based on current and projected employee levels.	March 2003 - April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC deducts the employee share of benefits from employee paychecks over multiple periods. As a result, the Benefits Department, which is already bogged down with manually intensive procedures, finds it difficult to ensure that the correct benefit amount is being deducted from employee paychecks. The problem exists because employees have multiple options for deducting benefit costs from their paychecks.

The standard pay period is 10.5 months. Other pay period options include a nine-month period and a 12-month period. Employees with nine-month pay periods may have their benefits deducted over nine months or 12 months. Employees with 10.5-month pay periods may elect to have benefits deducted over nine, 11 or 12 months. Employees with 12-month pay periods must have benefits deducted over 12 months. These options complicate ACC's review of deductions for accuracy and completeness

and will make the Datatel/ERS reconciliation, whenever and however performed, more difficult.

Recommendation 60:

Deduct employee benefits over nine or 12 months only.

Multiple benefit deduction periods create havoc for the Benefits Department and have zero net effect on the amount of money employees receive. It is simply a timing issue. The number of periods over which deductions can be taken should be reduced to either nine months or 12 months.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Human Resources instructs the Benefits and Payroll supervisors to review the implications of deducting benefits over only nine or 12 months.	January 2003
2.	The Benefits and Payroll supervisors review the implications of deducting benefits over only nine or 12 months and report their findings to the director of Human Resources.	February 2003
3.	The director of Human Resources instructs the Benefits and Payroll supervisors to develop a plan to implement the change in procedure.	March 2003
4.	The Benefits and Payroll supervisors develop a plan and submit it to the director of Human Resources for review and approval.	June 2003
5.	The approved plan is implemented.	September 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 6

C. INSURANCE PROGRAMS

Community colleges are faced with many risks and uncertainties that could lead to catastrophic financial losses. Since the safe, efficient operation of the college is a vital public interest, these risks must be managed effectively to reduce the risk of loss. Effective risk management involves the following:

- Identifying risk exposures;
- Classifying identified risk exposures;
- Evaluating identified risk exposures in terms of frequency and severity;
- Managing risk exposure through avoidance, reduction, deductibles or insurance; and
- Developing, maintaining and monitoring loss prevention programs and practices.

ACC's insurance programs consist of workers' compensation insurance, property/casualty and general liability insurance. ACC's risk management and insurance coordinator has overall responsibility for workers' compensation insurance, property casualty insurance and safety programs, including hazardous waste and life safety. The risk management and insurance coordinator reports to the associate vice president for Facilities and Operations and has no one who directly reports to him.

Worker's Compensation

Prior to December 1999, ACC's workers' compensation program was self-insured meaning the college assumed the risk of losses from workers' compensation claims and paid all claims rather than paying premiums to an insurance company to assume the risk. Some organizations find self-insurance more cost-effective than carrying workers' compensation insurance with a commercial carrier. Typically, organizations that self-insure hire a third-party administrator (TPA) to administer workers' compensation claims and act as agents in all matters pertaining to processing and handling the claims. These organizations also purchase excess workers' compensation insurance to protect themselves against catastrophic claims. ACC used a TPA and carried excess workers' compensation insurance of \$250,000 per occurrence during the time the college was self-insured.

In December 1998-99, ACC fully insured its worker's compensation program through Liberty Mutual, who remained the insurer until February 2002 when Deep East Texas became the current insurer.

ACC has two open claims from 1998-99 or prior. Losses from one claim has exceeded ACC's catastrophic loss limit, and the excess loss insurance company is absorbing future costs. ACC has sufficient reserved funds on the remaining two claims to absorb future costs up to the catastrophic loss limit.

Exhibit 6-15 presents ACC's workers' compensation claims and losses for fiscal years 1997 through 2001 and through May 1, 2002.

**Exhibit 6-15
History of Workers' Compensation Losses**

Fiscal Year	Claims	Amount Paid	Amount Reserved	Estimated Incurred Losses	Estimated Losses per Claim
1997	23	\$435,708	\$119,116	\$554,824	\$24,123
1998	24	\$54,546	\$0	\$54,546	\$2,273
1999	17	\$213,267	\$7,410	\$220,677	\$12,981
2000	34	\$132,202	\$31,488	\$163,690	\$4,814
2001	20	\$28,511	\$5,714	\$34,225	\$1,711
*2002	13	\$12,001	\$34,071	\$46,072	\$3,544

*Source: ACC Workers' Compensation Loss Runs.
Through May 1, 2002.

Compared to its peers, ACC's workers' compensation losses are not excessive. In fact, during fiscal 2001, ACC had the second lowest number of claims per 100 employees - 0.88, and the second lowest cost per claim - \$15. In addition, ACC's cost per claim fell from \$104 per claim in fiscal 1999 to \$15 in 2001. **Exhibit 6-16** compares ACC's losses to those of its peers for fiscal years 1999 through 2001.

**Exhibit 6-16
ACC and Peers
Per Employee Workers' Compensation Comparisons**

Description	1999	2000	2001
ACC			

Incurred losses per employee	\$104	\$75	\$15
Claims per 100 employees	0.80	1.55	0.88
North Harris Montgomery			
Incurred losses per employee	\$29	\$82	\$76
Claims per 100 employees	1.31	2.92	1.28
San Jacinto			
Incurred losses per employee	\$119	\$184	\$13
Claims per 100 employees	2.37	2.29	1.20
Collin County			
Incurred losses per employee	\$15	\$7	\$37
Claims per 100 employees	0.93	0.68	0.61

Source: ACC Workers' Compensation Loss Runs and Peer Surveys.

Property, Casualty and General Liability

Property and casualty insurance includes coverage for facilities, vehicles, equipment, personal injury, professional and general liability and student injury. **Exhibit 6-17** provides a detail of property, casualty and general liability policies in force.

Exhibit 6-17 Summary of Property, Casualty and General Liability Insurance

Type of Coverage	Insurance Carrier	Term	Deductibles	Limits of Coverage	Annual Premium
Property	Federal Ins. Co.	12/01-12/02	\$25,000	\$148,666,988	\$213,149
Inland Marine	Federal Ins. Co.	12/01-12/02	\$25,000	\$10,676,768 (other property)	Included in property
Crime	Federal Ins. Co.	12/01-12/02	\$5,000	\$350,000	\$1,900
General Liability	Texas Assoc. of Public Schools	12/01-9/01/02	\$2,500	\$1,000,000	\$15,138

Educators Liability	Texas Assoc. of Public Schools	12/01-9/02	\$1,000	\$1,000,000	\$10,920
Police Liability	Texas Assoc. of Public Schools	12/01-9/02	\$2,500	\$1,000,000	Included in general liability
Automobile Liability/Damage	Texas Assoc. of Public Schools	12/01-9/02	\$500/\$1,000	\$1,000,000	\$35,607
Workers' Compensation	Deep East Texas Self Insurance Fund	2/02-2/05	None	None	FY 2003-\$280,000 FY 2004-\$288,000 FY 2005-\$297,000
International Travel Medical Ins.	Specialty Risk Insurance	12/01-12/02	None	\$50,000	\$2,100
Student Travel Accident	National Accident Insurance Underwriters	6/01-6/02 Renewed for 6/02-6/03	None	\$25,000 aggregate	\$500
*Student Vocational/Technical	National Accident Insurance Underwriters	8/01-8/02	\$25.00 (student pays)	\$100,000 aggregate \$10,000/student	\$16,450
**Student Blanket Medical	Chicago Insurance Carrier	9/01-9/02	None	\$3,000,000 aggregate \$1,000,000/student	\$34,553
Accident Children Daycare	The Hartford	10/01-10/02	None	Death \$5,000.00 Dismemberment \$10,000 Medical \$25,000 Catastrophe \$35,000	\$535

Source: ACC Risk Management and Insurance Coordinator.

*Student Vocational/Technical Accident is determined by insurance fee for a particular

class and the number of students enrolled in that class.

**Student Medical Professional Liability is based on number of students enrolled in classes that required this coverage.

FINDING

ACC used a professional insurance consultant to assess insurance bids and evaluate deductibles and achieved significant savings on its insurance programs. In November 2001, ACC's workers' compensation carrier notified the college that its premiums were going to increase approximately 288 percent to \$449,326 per year. ACC issued an RFP and hired an insurance consultant to assist with the process. Four carriers responded providing 13 options from which to choose. The winning bid provided a three-year rate guarantee at the costs shown in **Exhibit 6-18**, which represents a significant savings for the college:

Exhibit 6-18 Workers' Compensation Premiums Guarantee

Description	Amount
Year 1 2002	\$280,000
Year 2 2003	\$288,000
Year 3 2004	\$297,000

Source: ACC Risk Management and Insurance Coordinator, Workers' Compensation Bid Comparisons.

Also in November 2001, ACC's property casualty carrier notified the college that the college's policy would not be renewed because it was getting out of the education insurance business. Again, ACC issued an RFP and used an insurance consultant to evaluate the bids and conduct an analysis of deductibles. The consultant reviewed ACC's claims history from 1996 through 2000 and discovered that ACC could have saved nearly \$203,000 over the period if its deductibles had been \$10,000 instead of \$1,000. ACC used this information to increase the deductible in the new policies to \$10,000, which is expected to lower costs over the next few years assuming claims are low.

COMMENDATION

ACC lowered the costs of workers' compensation and property casualty insurance by going out for bid and by using an insurance consultant to assess RFP responses, review claims history and reevaluate policy deductibles.

FINDING

The risk management function is understaffed. One individual is responsible for developing, implementing and managing the college's risk management program, which includes insurance programs, life safety and environmental health and safety. The risk management and insurance coordinator does not have a staff, yet is responsible for overseeing all of the college's insurance programs as well as its workers' compensation program. This includes safety training, investigating accidents, filing claims, monitoring insurance coverage and issuing RFPs for insurance coverage. The college has more than 27,500 students, almost 2,500 employees, not counting hourly employees, six campuses, two administrative facilities and more than 40 teaching facilities.

One individual cannot adequately oversee the risk management program of such a large organization. As a result of understaffing, ACC does not have a back-to-work or light-duty program for injured workers. These programs are necessary to ensure that injured employees return to work as quickly and safely as possible to minimize the cost of lost-time injuries. Another result of understaffing is that ACC's risk management and insurance coordinator is not able to implement a best practice safety program, which involves:

- Reviewing and revising workers' compensation guidelines and procedures;
- Shifting authority and responsibility for safety to supervisors and supporting them with training;
- Involving employees in safety initiatives;
- Conducting periodic case meetings to discuss and troubleshoot difficult cases;
- Revising job descriptions for injury-prone positions to describe the position's physical requirements;
- Conducting injury investigations;
- Developing a light-duty program and back-to-work program;
- Conducting employee morale surveys designed to measure morale before and after training;
- Training supervisors using Dupont's Safety Training Observation Program (STOP), a program designed to enable supervisors to recognize and eliminate unsafe behavior and conditions;
- Conducting post-offer pre-employment physical ability exams;
- Implementing Progressive Discipline Program, a program designed to train supervisors in progressive discipline techniques;
- Conducting claim audits; and
- Monitoring workers' compensation claims closure rates. Claims that are managed and closed quickly do not usually develop into more serious, expensive claims.

Exhibit 6-19 compares ACC's risk management staffing to that of its peers.

**Exhibit 6-19
Risk Management Staffing
ACC and Peer Colleges**

College	Fiscal 2002 Current Funds Budget	Fall 2001 Enrollment	Risk Management Staffing	Staff Responsibilities
Collin County	\$87,886,072	14,239	1 Director of Risk Management 1 Director of Safety and Security	Develops and implements college-wide risk management programs. Administers state and college guidelines and regulations to provide safety to college personnel, students and others using college grounds and facilities.
ACC	\$101,709,756	27,577	1 Risk Manager	Develops, implements and manages the college's risk management program, which includes insurance programs, life safety and environmental health and safety.
North Harris Montgomery	\$103,606,780	29,503	1 Risk Management Director	Administers workers' compensation, property & casualty, claims, nonertrv nrotection

				and loss control.
San Jacinto	\$111,429,725	22,747	1 safety director/workers' compensation coordinator 1 Insurance Specialist	Administers safety and workers' compensation programs Procures property/casualty and workers' compensation insurance products.

Source: Peer College Surveys, Web site or Audited Financial Statements.

Recommendation 61:

Add one additional employee to expand and improve the risk management program.

The risk management and insurance coordinator should have at least one additional staff member to implement safety programs that the college needs. ACC should ensure that individuals hired to assist the risk management and insurance coordinator are qualified in worker safety.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director of Facilities and Operations requests one additional risk management position in the departmental budget.	May 2003
2.	The Board of Trustees approves the college budget and the position is approved.	August 2003
3.	The director of Facilities and Operations instructs Human Resources to post the risk management position.	September 2003
4.	The director of Facilities and Operations and the risk management and insurance coordinator interview candidates for the risk management position.	September 2003 - October 2003
5.	The director of Facilities and Operations selects a candidate for the risk management position.	October 2003
6.	The risk management position is filled and the new employee begins work.	November 2003

FISCAL IMPACT

The salary for an insurance specialist at one of the peer colleges is \$31,000, which is a reasonable salary range for an individual to assist ACC's risk management and insurance coordinator whose salary is nearly \$42,000. Assuming 3 percent benefits, annual compensation for one assistant would be \$31,930 ($\$31,000 \times 1.03\%$). Assuming the position is approved during fiscal 2003 and filled in November 2003, the fiscal impact would be zero during fiscal 2003, \$29,269 during fiscal 2004 ($\$31,930 \times 11/12 = \$29,269$) and \$31,930 thereafter.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Add one additional employee to expand and improve the risk management program.	\$0	(\$29,269)	(\$31,930)	(\$31,930)	(\$31,930)

FINDING

ACC does not offer student accident insurance to all of its students. Travel, vocational/technical accident and medical professional liability coverage is available and required for students in certain courses, such as welding, automotive, biology, chemistry, dance and drama. However, students not enrolled in potentially hazardous courses do not have the option to purchase the insurance. The risk management and insurance coordinator said some educational institutions offer student accident insurance to all students, which students pay for directly or through student fees. Two of ACC's peers make such insurance available to their students. **Exhibit 6-20** presents peer colleges that offer student accident insurance.

Exhibit 6-20 ACC and Peer Colleges Offering Student Accident Insurance

College	Hazardous Course Insurance?	All Student Insurance?
ACC	Yes	No
North Harris Montgomery	No	No
San Jacinto	Yes	Yes
Collin County	Yes	Yes

Source: ACC Interviews and Peer Surveys.

Providing access to such insurance is considered a service to many students, particularly those who do not have accident or medical insurance yet face the risk of injury while on campus or other school property.

Exhibit 6-21 provides a summary of student accidents occurring between November 2001 and May 2002.

**Exhibit 6-21
Summary of Student Accidents**

Month	Insurance Claim Filed	No Insurance Claim Filed	Total Accidents
November 2001	1	-	1
January 2002	1	-	1
February 2002	3	4	7
March 2002	-	2	2
April 2002	5	6	11
May 2002	-	2	2
Total	10	14	24

Source: ACC Student Accident Reports Fiscal 2002 through May 31, 2002.

Note: ACC is still investigating one accident. Claim may be filed pending results of investigation.*

*Note**: No accidents occurred in December 2001.*

Recommendation 62:

Offer accident insurance as an option to all students.

ACC should issue an RFP to student accident carriers and offer student accident insurance as an option to all students. To provide students with a choice, the college should select several companies and introduce those companies' products to students during registration. The school should make clear that students would bear the cost of the insurance. Offering affordable, comprehensive accident insurance to students who otherwise might not have insurance is another way ACC can demonstrate its commitment to customer service as well as concern for the welfare of its students.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The risk management and insurance coordinator in cooperation	January
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	with the Purchasing Department, solicits bids from insurance companies to offer student accident coverage to ACC students.	2003
2.	The Purchasing Department receives and tabulates the bids and selections are made.	February 2003
3.	The risk management and insurance coordinator makes students aware of the availability of student accident insurance during registration, through college publications, billboard notices, classroom announcements and ACC's Web site.	March 2003 - May 2003
4.	The risk management and insurance coordinator develops a quality assurance process to monitor the program's success, student satisfaction and vendor responsiveness.	May 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources since students would pay the cost of coverage obtained through the RFP process.

Chapter 6

D. FIXED ASSETS

Generally accepted accounting principles (GAAP) define fixed assets as items that are tangible in nature, have a useful life of one year or longer and are reasonably identifiable and controllable. They may include land, buildings, machinery, furniture and other equipment that are held or used over a long time. "Fixed" does not mean immobile, although some assets such as land and buildings are basically immobile. Instead, "fixed" denotes that the item is not consumable like material and supplies.

Fixed assets may be either capital or expendable. Capital assets, with the exception of land, are depreciated over time. Depreciation means that the costs of capital assets are charged against income over their useful lives. The costs of expendable fixed assets are charged to income in the year of purchase. Items above a certain value are considered capital assets, and those below are considered expendable. GAAP does not provide a guideline for what that value should be. Rather, organizations establish their own capitalization policy appropriate to their circumstances and industry guidelines.

The Government Accounting Standards Board (GASB) issues accounting and financial reporting rules for state and local governments throughout the United States. GASB statement 34, issued June 1999, requires that capital assets be reported in the financial statement's net of depreciation. Governments with total annual revenues of \$100 million or more must adhere to GASB 34 in fiscal years beginning after June 15, 2001. This means that fiscal 2002 will be ACC's first year of compliance with the provisions of the statement. To ensure compliance, ACC implemented the fixed asset module of Datatel to streamline recorded accountability for fixed assets, tighten identification, track controls over both capitalized and controlled assets and begin recording depreciation on a quarterly basis.

ACC capitalizes furniture, equipment, computers and other fixed assets with a cost of \$5,000 or more. Fixed assets costing between \$500 and \$4,999.99 are expensed and controlled. Items costing less than \$500 are expensed but not controlled. All land is capitalized, as are buildings with a value of \$100,000 or more.

At ACC, fixed asset management is a responsibility that is shared among those who have physical custody of fixed assets and those responsible for day-to-day fixed asset identification, processing and accounting. There are many individuals throughout the college who have physical custody of fixed assets. However, only two manage fixed assets as part of their daily

job duties: the fixed asset accountant, who reports to the accounting manager over fixed assets and grants, and the technical office assistant II, who works in the warehouse and reports to the Purchasing manager. The fixed asset accountant's duties relate primarily to maintaining records for fixed assets.

Each month the fixed asset accountant receives a general ledger report from the Datatel system showing fixed assets purchased during the month and a warehouse report showing fixed assets that were received through the warehouse and tagged that month. The accountant sends the technical assistant showing assets purchased but not tagged. The technical assistant uses the report to find and tag the asset. The fixed asset accountant is also responsible for calculating monthly depreciation on capitalized fixed assets.

The technical assistant is responsible for affixing bar-coded tags on fixed assets received at the warehouse and entering assets into the fixed asset system. Any asset delivered directly to the campus will be identified on the fixed asset accountant's monthly report, located and tagged by the technician. **Exhibit 6-22** summarizes capital assets as of August 31, 2001. Totals do not include controllable fixed assets.

Exhibit 6-22
Capitalized Fixed Assets as of August 31, 2001

Description	Amount
Land	\$9,703,412
Buildings	66,571,946
Equipment	31,576,985
Library Books	3,354,278
Leasehold Improvements	8,041,987
Construction in Progress	781,938
Total	\$120,030,546

Source: Audited Financial Statements, Fiscal 2001.

FINDING

ACC has not conducted a physical inventory of fixed assets since 1999, and its plans to conduct a June 2002 inventory are incomplete. ACC Administrative Rule 3.03.001 requires a physical inventory of fixed assets to be performed annually. Periodic inventories are necessary to reconcile

fixed asset records to the physical assets. Throughout the year in organizations, assets are moved, destroyed, disposed of or stolen. An inventory identifies differences between what actually exists and what the accounting records indicate exists. Analysis of the differences is an important feature of internal control required to properly safeguard assets. For example, if the inventory variance report reveals that a computer has been transferred to another person's office, a reassignment of custodial responsibility would be necessary to protect the asset and ensure accountability.

Successful inventories must be adequately planned and executed, particularly when assets are sprawled out over a broad area, in multiple facilities, as is the case with ACC. The technical office assistant II has written detailed inventory procedures but has not developed plans establishing timelines, who will count items and what their responsibilities are, campus/building assignments, estimated time to complete the inventory, count verification procedures and training protocols. Without these necessary elements being thoroughly understood, it is difficult for the college to successfully complete an inventory.

Recommendation 63:

Develop a written, comprehensive plan before conducting an annual fixed assets inventory.

ACC should ensure that it develops a comprehensive plan before taking the 2003 inventory. The existing inventory procedures should be expanded to include timelines, team members, responsibilities, locations and other information to ensure the smooth, successful execution and completion of the inventory.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Inventory/Receiving supervisor instructs the technical office assistant II to develop and write a detailed strategy for conducting the annual fixed asset inventory.	March 2003
2.	The technical office assistant II develops a written plan and submits it to the Purchasing director for review and approval.	April 2003
3.	The Purchasing director and Inventory/Receiving supervisor approve the plan and instruct the technical office assistant II to implement it during the next fixed assets inventory.	May 2003
4.	The inventory plan is communicated to the inventory teams and implemented.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC has assigned codes to all of the rooms in each of its facilities, but the codes have not been entered into the fixed assets module of the Datatel system. Fixed asset accounting systems assign location codes to fixed assets to establish accountability for them and to locate them during physical inventory. Location codes can be as broad or narrow as an organization chooses. For example, ACC assigns separate codes for the department, building and room. However, Facilities and Operations, the department responsible for developing and maintaining floor plans in ACC's facilities, has not entered into Datatel room codes for all facilities. As a result, not all of the assets in ACC's fixed asset system have room codes, which will make the assets more difficult to find during the physical inventory. TSPR selected 10 departments at random to determine how many of their assets did not have room location codes on the fixed asset system. For the 10 departments selected, 47 percent of assets had been assigned room numbers in the system. **Exhibit 6-23** presents a summary of the analysis.

Exhibit 6-23
Selected Sample-Missing Room Location Codes

Department	Total Assets	Assets with Room Codes	Percentage of Assets with Room Codes
Dean-Health Services	225	219	97%
Nursing	105	85	81%
Faculty Development	106	84	79%
Auto Tech	118	86	73%
Dean-Applied Technology	37	22	59%
Math	163	66	40%
Provost	278	105	38%
Human Resources	72	22	31%
Dean-Social Sciences	31	9	29%
Adult Basic Education	402	19	5%
Total	1,537	717	47%

Source: ACC Fixed Asset Report as of April 16, 2002.

The City of Houston affixes identification tags to capital and controllable assets when it receives the assets and places location tags in the door jambs of every office and room. The city even affixes location tags to the sides of light cabinets in portable cubicles to identify the workstation as a single location where fixed assets may be found. These location codes streamline the inventory process because every asset is identified within a single location. If an asset is not where it is supposed to be, city employees know almost immediately and can reconcile their records efficiently.

Recommendation 64:

Track location codes for fixed assets by room number and college facility.

Facilities and Operations should enter location codes into Datatel for all facilities. A high rate of missing codes will make an efficient inventory difficult. Moreover, based on a sample of departments, location codes for almost half of the rooms have already been assigned.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president of Business Services informs the associate vice president of Facilities and Operations that fixed assets must have location codes.	January 2003
2.	The associate vice president of Facilities and Operations instructs an appropriate employee to identify facilities where room codes have not been fully assigned and to create and assign room codes for those facilities.	January 2003
3.	The employee identifies facilities with no or incomplete room codes and ensures that rooms in all facilities have been assigned codes.	February 2003 - April 2003
4.	The fixed asset accountant ensures that all assets in the Datatel system have been assigned room codes.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The fixed asset accountant has written fixed asset administration procedures that have not been implemented because they have not been

approved. Written procedures specify how a task is to be performed. They are key components of strong internal controls and contribute to the standardization of processes and tasks. Written procedures provide guidance and stability, particularly during periods of turnover. They codify institutional knowledge and contribute to the stability of an organization. In order for written procedures to be most effective, upper management must approve them and they must be understood by and available to all employees charged with implementing them.

The draft fixed asset procedures that the fixed asset accountant wrote contain the following important elements:

- Directs budget authorities to designate a property custodian for the department;
- Defines the property custodian's responsibilities;
- Defines capital, controlled, donated, salvaged, surplus, damaged, stolen and missing assets;
- Provides instructions for reporting and updating the status of assets and controlled items;
- Provides instructions regarding donated, surplus/salvaged, missing/stolen, damaged and transferred assets;
- Provides instructions for coding assets on purchase orders; and
- Defines object codes for capital and controlled assets.

Recommendation 65:

Approve and implement the draft fixed asset procedures.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president for Business Services instructs the controller to review the draft fixed asset procedures.	February 2003
2.	The controller reviews and approves the draft fixed asset procedures and submits them to the vice president for Business Services for review and approval.	February 2003
3.	The controller instructs the accounting manager for Fixed Assets/Grants to notify appropriate ACC employees of the new procedure through college publications, interoffice mail and the Intranet.	March 2003
4.	The procedures are implemented.	March 2003
5.	The accounting manager for Fixed Assets/Grants and the fixed assets accountant monitor compliance with the procedures.	March 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 6

E. BOND ISSUANCE AND INDEBTEDNESS

ACC issues revenue bonds to purchase, acquire, construct, renovate and equip college facilities. Revenue bonds are not secured by the taxing powers of the issuer; rather, they are paid from revenues generated from user fees. ACC imposes additional fees to raise funds to repay its bonds. The college imposes a building fee of \$12 per semester credit hour for each semester of the regular session and each term of the summer session; however, only \$9 per semester is pledged as security for bond repayment. A student services fee of \$3 per student per term is also charged for a total tuition fee of \$15. The \$15 is charged for each regular fall and spring semester and \$7.50 for each summer, special or other session. Debt of approximately \$55.5 million is outstanding from four bond issuances dating back to 1995. **Exhibit 6-24** provides a summary of ACC's outstanding debt as of March 4, 2002. There are no plans to issue more bonds in the immediate future.

Exhibit 6-24
ACC Outstanding Bond Debt as of March 4, 2002

Bond Series	Outstanding Principal	Average Debt Service	Final Maturity
1995	\$4,950,000	\$820,428	2011
1998	\$9,000,000	\$2,289,108	2015
2000	\$31,140,000	\$4,174,562	2021
2002	\$10,389,519	\$1,026,753	2023
Total	\$55,479,519		

Source: First Southwest Company, Official Statement, March 4, 2002.

ACC issued bonds most recently in February 2002 and during fiscal 2000. The proceeds from the bond sales were used to refund outstanding bonds, fund a land purchase and acquire, construct and renovate various facilities. **Exhibit 6-25** presents current and planned use of Series 2000 and 2002 bond proceeds.

Exhibit 6-25
Current and Planned Uses for Series 2000 and 2002 Bond Proceeds

Source of Funds	2000 Series	2002 Series	Total
Bond Proceeds	\$31,365,000	\$10,389,516	\$41,754,516
<u>Current Use of Funds</u>			
Refunded bonds	3,862,714	4,417,838	8,280,552
Bond discount	144,216	92,692	236,908
Bond issuance costs	655,095	192,465	847,560
Accrued interest expense		285,104	285,104
Bond covenant reserve	1,000,000		1,000,000
Service Center land & building	5,674,155		5,674,155
Health Science building	1,176,305		1,176,305
Riverside retrofit	171,001		171,001
Highland Business Center retrofit	4,834		4,834
Remodeling/equipment purchases	1,000,000		1,000,000
South Austin land & building		2,218,684	2,218,684
Total Current Uses	13,688,320	7,206,783	20,895,103
<u>Planned Use of Funds</u>			
Health Science building	16,091,952		16,091,952
Riverside retrofit	428,999		428,999
Highland Business Center retrofit	245,166		245,166
Remodeling/equipment purchases	500,000		500,000
Pinnacle parking		715,000	715,000
Remodeling/equipment purchases		1,500,000	1,500,000
Total Planned Uses	17,266,117	2,215,000	19,481,117
Remaining Bond Proceeds	\$410,563	\$967,733	\$1,378,296

Source: ACC Business Services Analysis, March 26, 2002.

FINDING

In March 2002, ACC refunded \$4.4 million of Series 1992 bonds, which resulted in cash flow savings of approximately \$3.5 million over the next four years (2002 through 2006). Refunding occurs when new bonds are issued to repay principal and accrued interest on older outstanding bonds. Typically, the interest rate paid on the older bonds is higher than the rate on the new bonds, which results in savings. **Exhibit 6-26** summarizes cash flow savings achieved from the bond refunding.

Exhibit 6-26
Savings from Bond Refunding

Fiscal Year	Net Cash Savings
2002	\$252,000
2003	569,000
2004	606,000
2005	1,148,000
2006	883,000
Total Savings	\$3,458,000

Source: ACC Business Services.

COMMENDATION

ACC achieved cash savings of approximately \$3.5 million after refunding Series 1992 bonds.

Chapter 7

PURCHASING AND CONTRACT ADMINISTRATION

This chapter of the report reviews the purchasing and central receiving operations of the Austin Community College (ACC) in the following areas:

- A. Purchasing
- B. Contract Administration
- C. Central Receiving
- D. Mail Services

Effective purchasing processes ensure that high-quality supplies, equipment and services are purchased at the best price, in the right quantity, from the right source and in accordance with local and state purchasing guidelines. These criteria must be met without sacrificing quality, timeliness, and policies and procedures.

BACKGROUND

Various local, federal and state laws guide purchasing requirements. The ongoing challenge for purchasers involves balancing the needs of customers with legal requirements, while exercising sound stewardship with limited resources. Since locally elected boards govern both school districts and community colleges, many of the governance provisions of the Texas Education Code (TEC) are applicable to both entities. However, as institutions of higher education, community colleges are also subject to laws related to public universities. In addition, as agencies of local government, community colleges are subject to certain provisions of the Local Government Code. The provisions of the TEC prevail, as stipulated by Texas Legislature's passage of H.B. 1542, to the extent of any conflict with any other law, except one relating to contracting with historically underutilized businesses.

Community colleges can select from among nine methods outlined by the TEC for competitively purchasing goods and services for purchases valued at \$25,000 or more in the aggregate for each 12-month period, except for contracts for the purchase of vehicle fuel and produce. These methods are presented in **Exhibit 7-1**.

Exhibit 7-1

Competitive Procurement Methods

Purchasing Methods	Description
Competitive bidding	Requires bids be evaluated and awarded based solely upon bid specifications, terms and conditions contained in the request for bids, and according to the bid prices offered by suppliers and pertinent factors affecting contract performance. Forbids negotiation of prices of goods and services after proposal opening.
Competitive sealed proposals	Requires same terms and conditions as competitive bidding, but allows changes in the nature of a proposal and prices after proposal opening.
Request for proposals	<p>Generates competitive sealed proposals and involves key elements:</p> <ul style="list-style-type: none"> • Newspaper advertisement • Notice to proposers • Standard terms and conditions • Special terms and conditions • Scope-of-work statement • Acknowledgment form/response sheet • Felon conviction notice • Contract clause
Catalog purchases	Provides an alternative to other procurement methods for acquiring computer equipment, software and services only.
Interlocal contract	Provides a mechanism for agreements with other local governments, the state or a state agency to perform governmental services.
Design/build contract	Outlines method of project delivery in which the community college contracts with a single entity to both design and construct a project.
Job order contracts	Provides for use of a particular type of contract for jobs (manual labor work) for minor repairs and alterations.
Construction management contracts	Outlines use of a contract to construct, rehabilitate, alter or repair facilities using a professional construction manager.
Reverse auction procedure	Outlines a bidding process that involves submission of bids by multiple suppliers, unknown to each other, in a manner that allows the suppliers to bid against each other.

Source: TEC, Section 44.031.

ACC's purchasing policies authorize the Board of Trustees to delegate responsibility for procurement to the Purchasing Department, and no employee may legally bind the college to any contractual obligation without the board's approval. Specific responsibilities of the Purchasing Department include:

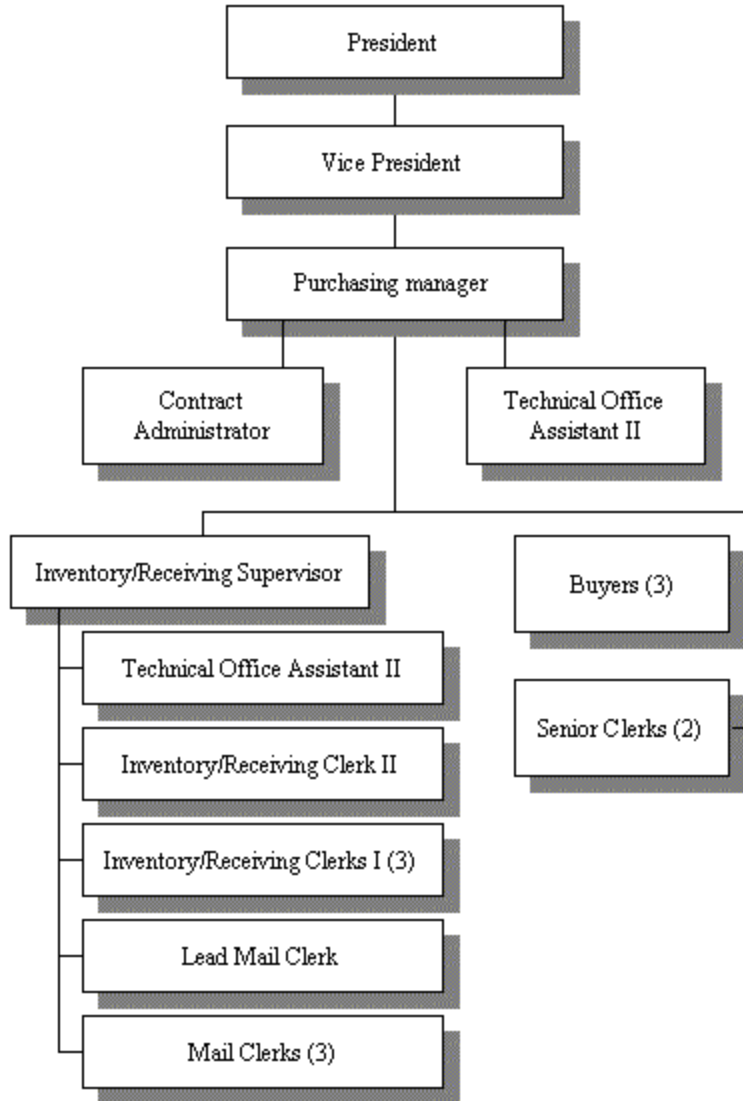
- Processing requisitions;
- Issuing purchase orders;
- Obtaining quotes for the acquisition of goods and services;
- Assisting in preparation of bid specifications;
- Preparing bid packages and overseeing the bid process;
- Receiving, tabulating and analyzing bids;
- Resolving problems with vendors, orders and deliveries; and
- Maintaining the vendor database.

Chapter 7

A. PURCHASING

One of the major roles of the Purchasing Department is to ensure that all college contracts are procured through approved methods that provide the best value for the college. The process requires the Purchasing Department staff to assist in the development, assessment and negotiation of services or materials to be bought. ACC's Purchasing manager is responsible for the day-to-day management of 18 full-time staff, which includes buyers, the contract administrator, inventory receiving personnel and mailroom personnel. The Purchasing manager reports to the vice president of Business Services. **Exhibit 7-2** presents the Purchasing Department's organization, which includes purchasing, central receiving, delivery and general stores inventory, and mail services.

**Exhibit 7-2
Purchasing Department Organization**



Source: ACC Web site <www3.austin.cc.tx.us/evpcss/orgcharts.html>.

The Purchasing Department's staff of eight, including the Purchasing manager, has worked in the department two years or less. The Purchasing Department is located at 9101 Tuscany Way, which is a new facility housing most of the Business Services departments. The Purchasing Department's annual operating budget for 2001-02 was \$579,705, of which \$495,867 or 85 percent was salaries. **Exhibit 7-3** presents ACC's Purchasing Department's operating budget for 2001-02. The Purchasing Department's budget includes the Purchasing Office, Inventory and Receiving, and the Mail and Messenger Center.

Exhibit 7-3
Purchasing Department Operating Budget
2001-02

Description	Purchasing	Inventory and Receiving	Mail and Messenger Center	Total Budget	Percent of Budget
Prof/Tech Salaries	\$163,038	---	---	\$163,038	28%
Classified Salaries	\$65,649	\$154,918	\$94,989	\$315,556	54%
Hourly Salaries	\$4,390	\$6,656	---	\$11,046	2%
Overtime Salaries	\$450	\$4,700	\$1,077	\$6,227	1%
Employee Benefits	\$7,006	\$4,988	\$2,882	\$14,876	3%
Supplies	\$4,300	\$15,545	\$1,214	\$21,059	4%
Operating Costs	\$15,050	\$6,598	\$4,820	\$26,468	5%
Duplication	\$4,000	\$1,200	---	\$5,200	1%
Telephone	\$6,660	\$1,000	\$1,000	\$8,660	1%
Non-capitalized < \$500	\$4,700	\$2,750	\$125	\$7,575	1%
Total	\$275,243	\$198,355	\$106,107	\$579,705	100%

Source: ACC Operating Budget, Purchasing Department, 2001-02.

The college's policies and procedures designate dollar limitations and approval levels for purchases and define the types of purchases the college makes. **Exhibit 7-4** presents purchasing thresholds and requirements.

Exhibit 7-4
Purchasing Thresholds and Requirements

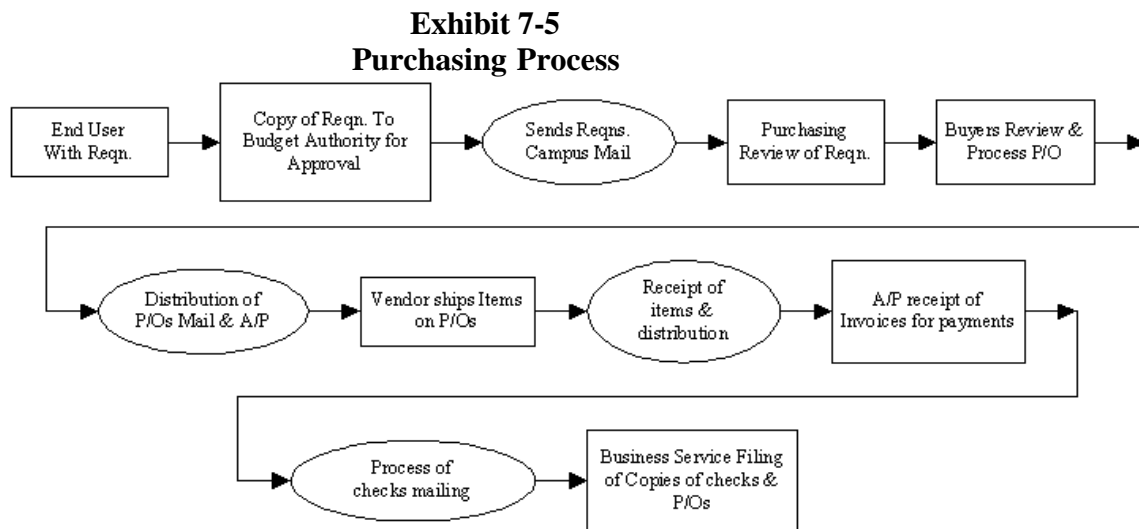
Dollar Amount	Purchase Requirements
\$1,000 or less	One quote
\$1,000.01-\$10,000	Three written or faxed quotes

\$10,000.01-\$24,999.99	<p>Formal bids by Purchasing Department must be approved by the board; and subject to state competitive purchasing laws, except for:</p> <ul style="list-style-type: none"> • State Contract Purchases • QISV • Inter Local Agreement Purchases • Sole Source Purchases • Emergency Purchases
\$25,000 or more	Formal bids must be approved by the board and subject to state competitive purchasing laws

Source: ACC Web site-Business Services and Administrative Rule G-2, Purchasing.

The procurement process begins with an identified need and ends with the fulfillment of that need through the delivery of goods or the performance of services. Budget authorities (department heads, supervisors, program directors) are required to approve all purchase requisitions, while the board approves requisitions totaling \$25,000 or more. Any one of at least 140 budget authorities within the college's departments and programs may approve a purchase requisition.

The process of initiating a requisition and generating a purchase order is outlined in **Exhibit 7-5**.



Source: ACC Purchasing Department.

ACC generated 15,144 purchase orders totaling \$16,710,690 for 2001 and 12,300 purchase orders totaling \$14,188,991 through August 1, 2002.

FINDING

In November 2001, ACC implemented a pilot Purchasing Card (PCard) Program for purchases less than \$1,000. ACC initiated the PCard program to streamline the purchasing process by eliminating the Purchasing Department's need to process and confirm receipt of purchases less than \$1,000.

The Purchasing Department incurs the same processing costs for both low and high dollar purchase requests. By allowing the departments to make low dollar purchases directly from vendors, the department operates more efficiently.

ACC established the PCard program with a major bank through the state's purchasing cooperative. The cooperative is designed to reduce an organization's administrative costs for repetitive transaction processing tasks, such as authorizing, tracking and paying. In administering the procurement card program, ACC also developed the following controls and procedures to monitor cardholder compliance:

- Single transaction limit of \$500.
- Daily transaction limit of \$1,000.
- Built-in restrictions by the Merchant Category Code for restricted goods or services.
- Online reporting and reconciliation.
- Online review of transactions for irregularities.
- Limits on the types of items allowed.

As a result of monitoring controls, the college removed one employee from the PCard program for repeated purchases of personal items.

ACC piloted the PCard with about 37 employees. **Exhibit 7-6** shows the summary of activity since the program began in November 2001.

Exhibit 7-6
Pilot PCard Program Transaction Summary
November 2001 through June 2002

Period	Number of Charges	Amount
11/1/01-12/4/01	10	\$962.71
12/5/01-1/4/02	8	\$343.98
1/5/02-2/4/02	40	\$4,712.75
2/5/02-3/4/02	33	\$3,263.39

3/5/02-4/4/02	26	\$2,660.06
4/5/02-5/4/02	43	\$4,812.40
5/5/02-6/4/02	34	\$3,575.24
Total	194	\$20,330.53

Source: ACC Purchasing Department, PCard Transactions Summary.

Exhibit 7-7 compares ACC's PCard program's characteristics to one of its peer colleges.

**Exhibit 7-7
ACC and San Jacinto
Procurement Card Program**

Description	ACC	San Jacinto
Year of implementation	2001	2001
Number of Pcard users	37	89
Average number of PCard transactions per month	28*	700-800
Purchasing dollar threshold	\$1,000	\$500

Source: TSPR Peer Survey, June, 2002.

To ensure compliance with TEA's aggregate purchasing rule, ACC also is reviewing the types of purchases allowed with the PCard and will include vendors with which ACC has purchase contracts on the list of allowable transactions. ACC plans to implement the program collegewide with about 100 to 300 users in late fall 2002.

COMMENDATION

ACC implemented the Purchasing Card Program for purchases less than \$1,000 to reduce cost and improve purchasing efficiency.

FINDING

Many budget authorities (department head, supervisor or program director) and employees requisition goods after they have been received. This is contrary to standard business practice. Typically, goods and services are requisitioned prior to receipt. ACC's purchasing procedures require the employee to initiate a requisition in the purchasing system and forward it to the Purchasing Department. Once the system generates a purchase order, purchasing staff place the order; receive the materials;

enter receipt information into the system; and pay the invoice. A purchase order officially authorizes the vendor to perform the terms of the contract and obligates the college to pay for receipt of those goods. Purchasing staff cannot pay an invoice without a purchasing order and a receiving document.

Despite this, the review team found instances when ACC budget authorities and employees placed and received orders for goods or services without submitting purchase requisitions. When this occurs, the employee receives the goods or services but accounts payable cannot pay the invoices without the purchase order. To correct the situation, the employee must then complete a "Confirmation Received" form. This enables the Purchasing buyer to generate a purchase order in the system, Central Receiving to receive the items in the system, and Accounts Payable to voucher the invoice. In essence, the college processes these purchases after the fact.

The purchasing administrative rule states that the budget authority or Purchasing Department can purchase property using an *approved purchase order or contract*. When a purchase order is not issued for the approved contract, however, it impedes the payment process because of the three-way match requirement in the payment module of the system. The three-way match requirement allows an invoice to be paid only when the purchase order, receiving data and invoice data match. Consequently, the purchasing procedures and administrative rule conflict, which delays the purchasing and vendor payment processes significantly.

Exhibit 7-8 summarizes the confirmation of received volume for 2000-01 and 2001-02 through May 2002. While the percentage of confirmations generated in 2000-01 decreased in 2001-02, employees still failed to submit requisitions for 5 percent of purchases.

Exhibit 7-8
Confirmation Received Volume
2000-01 and 2001-02 (through May 2002)

	2000-01	2001-02
Number of Confirmations	2,469	433
Total Amount	\$2,429,783	\$943,913
Number of Requisitions	12,771	8,377
Percent of Confirmations to Total Requisitions	19.3%	5%

Source: ACC Purchasing Department, Datatel data query.

The Purchasing Department continually works with the departments to reduce the number of confirmation-received transactions.

Exhibit 7-9 summarizes by department the number and amount of purchase orders processed after purchases were made without an approved purchase order.

**Exhibit 7-9
Confirmation Received Purchases**

2001-02 (through May 2002) by department	Number of Purchase Orders	Total Amount
Building Maintenance	80	\$91,836
Video Production	31	\$21,123
Information Technology	29	\$109,120
Dean, Arts and Humanity	29	\$3,661
Special Population	19	\$1,943
Marketing and Publicity	18	\$205,861
Dean, Applied Technology	10	\$60,606
General Services	14	\$49,991
Welding	13	\$3,104
Building Construction, Technology	16	\$3,213
Instructional Research and Technology	10	\$9,483
Telecommunications	7	\$2,656
Duplication	4	\$146,642
Various Other	153	\$234,674
Grand Total	433	\$943,913

Source: ACC Purchasing Department.

The conflict between the administrative rule and the purchasing process affects the accounts payable function. It is labor intensive for the accounts payable accounting clerks to pay vendor invoices that lack purchase orders. The clerks must research each transaction to determine its origination because two elements of the electronic three-way matching process are missing—a system purchase order and received item data. If the budget authority or employee who ordered the goods does not submit the

confirmation received form and supporting documentation, the accounts payable clerks must determine who placed the order, and forward the invoice to them. These delays can affect the accounting clerks' ability to make timely payments to vendors.

Another factor affecting the purchase order process is that the requisitions are printed, manually approved and forwarded to the Purchasing Department after they are entered online in the purchasing system. This step adds time to the purchasing process because the hard copy requisition may not get to the Purchasing Department in a timely manner. ACC's purchasing system has the capability to allow for electronic requisition approval and delivery to the Purchasing Department, but ACC has not implemented this feature.

ACC is not effectively controlling its purchasing and accounts payable procedures and it is not imposing penalties for repeated violations of the purchasing processes. Typically, institutions or industries impose penalties for repeated procedure or policy offenses by employees. Penalties could include disciplinary action or termination.

Recommendation 66:

Require requisitions for all purchases more than \$1,000 and establish penalties for noncompliance.

ACC should require employees to submit requisitions for all purchases more than \$1,000, which will improve the purchasing, receiving and accounts payable responsibilities to track, receive and pay for authorized purchases.

Although the Purchasing Department continues to reduce confirmation received forms submitted after purchases are made, ACC should establish penalties for employees who do not follow procedures and policies. Penalties, including termination, should be imposed on any employee who knowingly, willfully or consistently violates the Texas Education Code purchasing provisions and the college purchasing requirements. In addition, ACC should reiterate its purchasing policies, emphasizing the penalties for noncompliance. Moreover, budget authorities and department heads should be held accountable to ensure that employees comply with purchasing provisions.

ACC also should implement the online requisition feature of the purchasing software and require all departments to use the requisitioning and approval features to streamline the process and comply with the college's purchasing procedures.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president instructs the vice president, Business Services to develop penalty provisions to the purchasing policy and ensure enforcement of purchasing procedures requiring requisitions for all purchases of more than \$1,000.	January 2003
2.	The vice president, Business Services, in conjunction with the Purchasing manager , drafts penalty provision for the purchasing policy, require requisitions be submitted for all purchases of more than \$1,000, and develops plan to implement the online requisition feature of the purchasing system.	January 2003
3.	The vice president, Business Services submits the proposal for penalty provision and requisition requirements to the president and board for approval.	February 2003
4.	The president and board approve the policy.	February 2003
5.	The Purchasing manager and the Information Technology Department implement the online requisition plan.	March 2003
6.	The president and the board issue a joint memorandum reiterating ACC's purchasing policies and introducing penalty provisions for violations of requisition requirements.	March 2003
7.	The Purchasing manager trains employees and documents and reports occurrences of noncompliance to the vice president, Business Services and president.	March 2003 and Monthly Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's commodity code account structure limits its ability to track purchases to support compliance with TEC's aggregate rule. According to the TEC, contracts valued at \$25,000 or more in the aggregate for each 12-month period must be secured by one of eight methods. Typically, organizations use commodity codes to track the \$25,000 aggregate requirement to ensure that the goods valued at \$25,000 or more have been purchased according to TEC's requirements.

The commodity code is a number assigned to identify classes of goods and services or types of merchandise ordered. For example, the commodity

code for computer software for microcomputers is 208; the janitorial supplies code is 485; and the travel services code is 995. These codes were designed to assist colleges with tracking types of purchases, inventory and the use of specific goods. ACC provides these codes to all employees on their Web site.

ACC uses commodity code classes established by the Texas Building and Procurement Commission, but did not include all commodity codes in the system setup when it converted to the new Datatel system in January 1999. As a result, many purchases are coded to miscellaneous codes 578 (products), 962 (services) or no code.

In addition, the code structure is limited to three digits and does not allow employees to enter subcode items, which could provide a more detailed classification of commodities. **Exhibit 7-10** shows ACC's purchases for the miscellaneous and no commodity codes for 2000-01 and 2001-02 through July 2002.

Exhibit 7-10
Miscellaneous Commodity Codes
2000-01 and 2001-02 (through July 2002)

Commodity Code	Commodity Description	2000-01 Number of Purchases	2000-01 Total Amount	2001-02 Number of Purchases	2001-02 Total Amount
No Code	Various Purchases	13,308	\$2,567,298	10,321	\$1,952,821
578	Miscellaneous products	38	\$8,519	23	\$4,474
962	Miscellaneous services	209	\$48,163	248	\$47,950

Source: ACC Purchasing Department, Datatel query.

ACC generates a report by vendor for purchases of more than \$10,000; however, this report does not provide the type of goods purchased to support the aggregation of purchases to meet TEC's requirement. In addition, ACC does not review the purchases coded in **Exhibit 7-10** to ensure that it met the aggregate requirement.

Electronic tracking is an efficient way to gather data; however, this requires the setup or data structure to include all required information, such as codes, for complete and meaningful data to be used in analyzing, reporting and planning processes.

Recommendation 67:

Update the commodity coding in the purchasing system and train staff to use the system.

ACC should update the commodity code structure to provide accurate commodity data for purchasing requirements and code use by departments. It should eliminate miscellaneous codes and expand the vendor report for contracts more than \$10,000 to include commodity code description. The computer system provides the most efficient way to identify, capture and monitor data. ACC should develop and communicate detailed instructions, and train all employees using the system. The Information Technology Department should complete the commodity coding structure and provide subcoding to enable staff to track commodities more accurately to ensure compliance with purchasing laws. ACC should also update the code listing on its Web site.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services instructs the Purchasing manager to request an update to the commodity codes by the Information Technology Department.	January 2003
2.	The Purchasing manager submits a formal request to the associate vice president, Information Technology to update the commodity codes and provide additional subcodes.	January 2003
3.	The Purchasing manager and designated Information Technology staff document and implement the process to update the commodity codes.	January 2003
4.	The Purchasing manager communicates the revised codes list and provides training for all system users.	March 2003
5.	The Purchasing manager generates periodic reports to monitor aggregation compliance and reasonableness of data.	March 2003 and Monthly Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's Purchasing Department does not have a formal vendor performance evaluation process. No formal process exists to collect the level of satisfaction with products or services from the user after purchases have been made. In addition, the lack of an evaluation process does not allow

the college to identify vendors who meet or do not meet its purchasing standards. Although ACC has published an approved vendors list, the Purchasing buyers in the department rely primarily on the bid evaluation information.

Vendor performance evaluation processes are critical to effective vendor and contract management. Vendor evaluations document the quality of goods and services received at the satisfaction levels of the users. Without an effective vendor management program, the college has no means of evaluating contract performance or building mutually beneficial relationships with vendors. Consequently, it is more difficult for the college to establish reliable, continuous supply sources.

Elements of a vendor evaluation program may include:

- Annual vendor satisfaction surveys based on four criteria: price, quality, delivery and customer service;
- Scoring system to rate and rank vendors based on evaluation criteria;
- Vendor recognition awards, programs and events, such as vendor of the year, most responsive vendor and best service provider;
- Adaptation of vendor evaluation program to both internal and external suppliers of goods and services. For example, the program should evaluate ACC's mail distribution center, as well as external package delivery services;
- Development of an information database on vendor performance, service and quality;
- Bid calendar showing projected bid renewal dates for commodities provided by specific vendors;
- Performance measures such as merchandise return rate, on time delivery rate, quantity reliability, vendor response time and frequency of price increases;
- Continual monitoring and evaluation of long-term contract performance; and
- Use of Historically Underutilized Businesses.

Recommendation 68:

Develop a vendor evaluation process.

ACC should collect information from user departments on vendor performance. This information can be used to eliminate unreliable and ineffective vendors, and to identify and maintain those vendors who perform well. ACC should also use this information to develop a comprehensive vendor evaluation program. **Exhibit 7-11** presents a sample vendor evaluation form.

**Exhibit 7-11
Sample Vendor Evaluation Form**

Vendor Name: _____			
Date: _____			
Vendor No.: _____			
<u>Purchasing</u>	<u>Yes</u>	<u>No</u>	<u>Explanation</u>
Continually suggests cost-saving possibilities	_____	_____	_____
Has competitive prices	_____	_____	_____
Holds backorders to a minimum	_____	_____	_____
Anticipates our needs	_____	_____	_____
Supplies current catalogs	_____	_____	_____
Is prompt and accurate on technical assistance	_____	_____	_____
Advises of any potential difficulties	_____	_____	_____
Promptly replaces rejected items	_____	_____	_____
Is courteous and helpful	_____	_____	_____
Has a sincere desire to serve	_____	_____	_____
Delivers without constant follow up	_____	_____	_____
Expedites and handles all orders courteously	_____	_____	_____
Has knowledge of products and industry	_____	_____	_____
Keeps abreast of new product development	_____	_____	_____
Provides specified quality products	_____	_____	_____
Handles complaints timely	_____	_____	_____
<u>Receiving</u>			
Delivers on time	_____	_____	_____
Produces adequate packaging	_____	_____	_____
Identifies or marks packages correctly	_____	_____	_____
Makes courteous deliveries	_____	_____	_____
Provides proper and accurate delivery receipts	_____	_____	_____
Accurately packs shipment lists with containers	_____	_____	_____
Shorts purchase order quantities	_____	_____	_____
Overages from quantity on purchase order	_____	_____	_____
Continually suggests cost-saving possibilities	_____	_____	_____

Source: Eagle Pass Independent School District Purchasing Department.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Purchasing manager develops a vendor appraisal form to measure user satisfaction with vendor performance and establishes a vendor evaluation program.	January 2003
2.	The Purchasing manager incorporates the guidelines in the Purchasing procedures.	January 2003
3.	The Purchasing manager submits vendor evaluation guidelines to the vice president, Business Services for approval.	February 2003

4.	The vice president, Business Services approves the guidelines.	February 2003
5.	The Purchasing manager communicates new procedures and trains all users.	March 2003 - April 2003
6.	The Purchasing manager implements new vendor evaluation program and evaluates vendors quarterly.	April 2003 and Quarterly Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC does not maintain a comprehensive purchasing procedures manual. Each purchasing staff member has documented procedures for their specific commodity purchases and the purchasing software system procedures. The Purchasing manager, however, has not consolidated current purchasing procedures for the department by incorporating each area's specific procedures, Texas Education Code requirements and other governing rules.

ACC has written administrative rules, which provide specific instructions to implement TEA requirements and the broad policies adopted by ACC's board. ACC provides employees access to all policies and procedures on their Web site.

Comprehensive and updated policies and procedures provide consistency in staff training, reference tools for other college employees and reduce frustrations and inefficiency in the purchasing process. An efficient purchasing process assists budget authorities and college administrators in complying with the TEC's requirements. Without complete and accurate documentation of work processes, the risk increases for buyers and college staff to make unnecessary errors.

Recommendation 69:

Develop a comprehensive purchasing policies and procedures manual.

The Purchasing manager should consolidate all purchasing policies and procedures and memos into a formal document to direct the job duties of the purchasing staff and interaction of department heads or budget authorities. In addition, the Purchasing manager should review and update the policies and procedures as necessary to strengthen the effectiveness of the purchasing process.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services directs the Purchasing Manger to establish procedures to evaluate and update the purchasing procedures on an ongoing basis, including incorporating industry best practices.	January 2003
2.	The Purchasing manager identifies necessary updates to the manual and establishes a team to develop a comprehensive purchasing manual.	February 2003 - March 2003
3.	The Purchasing manager submits the new purchasing procedures manual to the vice president, Business Services and president for review and approval.	March 2003
4.	The vice president, Business Services and president approve the purchasing manual.	March 2003
5.	The Purchasing manager distributes the approved purchasing procedures manual to all users and provides training.	March 2003 - April 2003
6.	The Purchasing manager updates the purchasing procedures on an ongoing basis and disseminates policy and procedure changes to users.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Facilities and Operations Department does not have written policies and procedures for procurement of goods and services. For fiscal 2002, ACC has two professional services agreements, one for a roof maintenance program and one for an environmental site assessment for the proposed south Austin campus. Additionally, the department has 18 contracts for a wide variety of services. These contracts are shown in **Exhibit 7-12**.

Exhibit 7-12
ACC Facilities and Operations Service Contracts
2001-02

Service	Monthly Cost	Start Date	End Date	Number of One Year

				Renewals
A/C filters	\$1,612	April 1, 2000	March 31, 2002	2
Lift maintenance	On call	September 1, 2001	August 31, 2003	2
Interior plants (Highland Business Center)	\$460	July 1, 2000	June 30, 2002	2
Window cleaning	\$8,050	September 1, 2002	August 31, 2003	0
Waste disposal	\$4,071	August 1, 2002	August 31, 2003	3
Copies, paper and supplies	Varies	June 1, 2002	May 31, 2002	2
Bedding plants	Varies	December 31, 2001	January 1, 2003	2
Fire and intrusion systems	On call	June 14, 2000	June 14, 2002	2
Pest control	\$630	June 15, 2001	June 15, 2003	2
Compressor maintenance	On call	October 1, 2001	September 30, 2003	2
Plumbing	On call	January 31, 2001	January 31, 2003	3
HVAC chemicals	\$1,970.83	June 14, 2001	June 14, 2002	2
Elevator maintenance	\$2,565	September 1, 2000	August 31, 2002	2
Tree Trimming	On call	November 1, 2001	August 31, 2002	3
Irrigation repairs	\$2,083	January 7, 2002	December 31, 2003	2
Janitorial services	\$69,466	October 1, 2001	October 1, 2003	2
Parking lot maintenance	\$3,317	November 1, 2000	October 31, 2002	2
Hazardous waste disposal	On call	September 1, 2000	August 31, 2002	2

Source: ACC Facilities & Operations Staff, May 2002.

ACC also receives services from five other firms on blanket purchase orders, as shown in **Exhibit 7-13**.

Exhibit 7-13
Blanket Purchase Orders

Service
Linens for Highland Business Center boardroom
Hall music in Highland Business Center
Service center fire monitoring
Courier service
Northridge fountain maintenance

Source: ACC Facilities and Operations Staff, May 2002.

ACC Board Policy G-2 on purchasing has three general objectives, one of which is "to secure work and materials at the best value for the college." Best value includes both cost and quality of the services and goods procured. In the Facilities and Operations Department, the supervisors and building maintenance technicians can purchase parts and materials from retail vendors using annual purchase orders.

For general purchasing, purchases less than \$10,000 require only one telephone quote; purchases between \$10,000 and \$25,000 require three telephone quotes; and purchases greater than \$25,000 must be bid. The director of Buildings and Grounds has signature authority up to and including \$10,000. Purchases above \$10,000 require the approval of the associate vice president. The department is testing the use of credit cards for retail purchases on a limited basis.

The Facilities and Operations Department bids and awards all construction contracts, while the Purchasing Department bids and awards service contracts after receiving a requisition from Facilities and Operations. The requestor consults with the Purchasing buyer as needed until the purchase order is issued.

Recommendation 70:

Develop and implement a Facilities and Operations policy and procedure for procurement of goods and services.

The procedure should cover the entire purchasing cycle from initiation of purchase request to delivery of goods or services. The procedure should include the evaluation of the goods or services to be performed for both cost and quality. The manager or supervisor requesting the service should perform the evaluation.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president, Facilities and Operations and staff, with assistance from the Purchasing manager , develops the Facilities and Operations policies and procedures.	March 2003
2.	The associate vice president, Facilities and Operations presents policies and procedures to the facilities task force for review and approval.	April 2003
3.	The associate vice president, Facilities and Operations secures approval of district administration as required.	April 2003
4.	The associate vice president, Facilities and Operations distributes the approved policies and procedures to all users and provides training.	May 2003
5.	The associate vice president, Facilities and Operations updates the policies and procedures on an ongoing basis and disseminates changes to users.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 7

B. CONTRACT ADMINISTRATION

The ACC contract administrator develops, implements, and coordinates ACC's contract administration program, excluding employee contracts. The administrator assists in researching, evaluating, revising or developing new contract administration policies, procedures, processes and forms. The contract administrator also coordinates the development of request for bids and bid specifications, assists in the selection of contractors, and finalizes contracts. In addition, the administrator oversees the PCard Program and ACC's credit cards.

ACC filled this newly created position in January 2002 to improve the college's contract administration and to ensure its compliance with state and local purchasing laws, regulations and college policies.

Various departments administer ACC's Auxiliary Services contracts.

Exhibit 7-14 provides an overview of ACC's Support Services contracts.

Exhibit 7-14
Auxiliary Service Contracts and Revenues
2002

Functional Area	Vendor	Projected Fiscal 2002 Revenue	Year of Most Recent Contract Award	Contract/ Lease Term
Campus Bookstore	Barnes & Noble Corp.	\$350,647	2000	10 years
Snack Bar Services	Simon's Café	\$23,710	2002	5 years
Vending Services	Accent Food Services	\$97,375	2002	5 years
Total		\$471,732		

Source: Summary of individual auxiliary contracts obtained from ACC Purchasing Department.

**Users provide expense account charge code and the service area charges either the actual expense of providing the service or a standardized charge to the code provided.*

FINDING

ACC consolidated multiple contracts for snack bar and vending service operations to a single contract for each of these services to create uniform pricing and menu selections and to reduce contract management requirements and administrative costs.

ACC began its snack bar and vending service operations in 1997 at the Cypress, Northridge and Pinnacle campuses and later added services at the Eastview campus. ACC allowed vendors to bid on a contract through its Purchasing Department to provide these services at each of the individual campuses. Two vendors managed ACC's snack bar operation and another vendor managed the vending services.

In fall 2001, ACC student organization groups requested snack bar and vending services at all campuses. Many community college administrators also expressed a need for snack bar services at the Highland Business Center. The Purchasing Department learned about these issues and decided to consolidate the contracts and standardize the operations for the college. ACC's administrative leadership team assembled a request for proposals (RFP) team in September 2001 to identify a single vendor that could manage both the snack bar and vending operations. The RFP team consisted of the Purchasing Department manager, campus managers, and the associate vice president of Facilities and Operations. The RFP team sent 30 requests for bids to vendors that specialize in commercial food service and vending operations and advertised the contract in a major newspaper in Austin as well as major and minor newspapers in Dallas, Houston and San Antonio.

ACC's Purchasing Department received four proposals to provide snack bar and vending services for the entire community college system. When the Purchasing Department evaluated the proposals, however, no vendor demonstrated sufficient experience managing both snack bar and vending operations, and some of the vendors could not demonstrate sufficient financial capacity to manage a single contract. The RFP team evaluated the proposals and recommended five-year contracts be awarded to one vendor to manage the snack bar operations and a separate vendor to provide vending services at all campuses.

In January 2002, Simon's Café was selected as the snack bar vendor and Accent Food Services as the vending operations vendor. The snack bar contract requires consistent pricing at all campus locations, and specifies uniform menu items the vendor must provide at all campuses. The snack bar contract also requires the vendor to maintain uniform hours of operation at all campuses and provide ACC with a \$1,500 scholarship in fall 2003.

Additionally, the contract requires the vendor to make a \$32,000 investment to renovate existing space at the Rio Grande and Riverside campuses and the Highland Business Center so that snack bar operations can be provided at these locations. ACC's associate vice president of Facilities and Operations worked closely with the snack bar contractor to determine the specifications for the space to be renovated. ACC expects snack bar renovations at the Rio Grande and Riverside campuses to be completed by late fall 2002 and renovations for the Highland Business Center to be completed by spring 2003.

Because ACC contracted with a single snack bar vendor, one individual was able to handle administrative issues associated with all three snack bar renovations. In return, the snack bar vendor compensates ACC 10 percent of all sales generated at each location less sales tax. ACC receives no revenue guarantee if the snack bar operates at a deficit.

The vending services contract requires a specific number of snack and drink vending machines at each of the campus and administrative locations. The vending contractor is also required to service machines on a weekly basis, maintain uniform pricing at each location and hold pricing firm for one year. The vending services contractor guarantees ACC \$100,000 per year plus 24 percent of all sales over \$400,000 each year.

A purchasing best practice is to implement single vendor contracts for multiple locations for the following reasons:

- Fewer contracts to manage
- Standardized menu items
- Uniform pricing
- Comparable facilities at each campus
- Uniform operating hours
- Consistent service requirements

COMMENDATION

By converting to a single vendor, ACC standardized its snack bar and vending machine operations and improved their overall efficiency and effectiveness.

FINDING

ACC does not have a central contract monitoring function to manage all aspects of contract administration and ensure optimum contract performance. The contract administration function provides a vital link to ensure that ACC receives quality goods and services, which meets the administration's objectives, by proper negotiation and monitoring of non-

employee contracts. In the past, the departments requesting the products or services have administered ACC's non-employee vendor contracts and consultant agreements. No single position or department is responsible for monitoring the financial and operational performance of the food services, vending services or bookstore management contracts.

ACC created the contract administrator coordinator position to provide centralized management of ACC's contract process, negotiations of final contracts and vendor performance; however, the employee hired to perform these functions has been involved in other purchasing duties, such as processing orders, managing the Purchasing Card Program and handling complaints. ACC's contracts require attention to detect any vendor performance issues and possible risks to the college and to ensure optimum performance for future contracts.

ACC does not monitor or verify revenues of contract service providers. The bookstore, food service and vending contractors make commission payments to ACC based on internal supporting documentation. Only the bookstore contract requires the vendor to provide supporting documents detailing revenue generated on a quarterly and annual basis when it renders payment to ACC. In addition, the bookstore contract includes performance standards and stipulates that the vendor must provide internal documentation to ACC upon request. These types of internal reporting standards typically are not included in the snack bar and vending contracts. Most of these services are available at each of ACC's campuses and administrative centers, but ACC does not require the vendors to provide financial management reports to support the amount of revenue the vendors pay the college. In addition, the various contracts have no guidelines for acceptable reporting standards and do not establish performance measures. The college's internal auditor, on staff since October 2001, is aware of this issue and has scheduled the service contracts for audit, subject to the approval of the president. The internal auditor has not received any documentation from the previous internal auditor on any contract audits performed in the past. This lack of historical data may impede his ability to determine if a contract is in the best interests of the college.

The Purchasing manager oversees the initial phase of contractor solicitation, develops contract specifications, obtains bid quotes, negotiates and executes the contracts, but is not involved after contract award. Purchasing Department buyers resolve contract administration issues and manage relationships with snack bar and vending machine vendors, but do not monitor vendor performance. Campus managers become involved in contract management only as a result of customer complaints.

The director of Support Services is responsible for day-to-day operations, contract administration issues with the vendor, and vendor relationship management for the bookstore, copying and duplication services contracts. Like the Purchasing manager, the director of Support Services does not monitor the vendors' financial or operational performance.

An effective contract management team performs the following:

- Analyzes and evaluates operational performance;
- Monitors financial performance and revenue optimization potential;
- Conducts regular interaction with vendors;
- Performs regular site inspections;
- Conducts vendor performance/customer service evaluations;
- Conducts or facilitates required staff training related to the contract; and
- Monitors contract documentation and ensures compliance with legal and administrative requirements.

Houston Community College System (HCCS) has a centralized contract monitoring section within its Purchasing Department. HCCS Purchasing Department staff maintain documentation of supplier performance, using criteria such as terms, price, quality, delivery, timeliness and service level. College departments provide feedback on the awarded supplier's performance. A supplier or vendor that does not meet the requirements of the contract is determined to be non-compliant. The Purchasing Department notifies the vendor of any problems requiring immediate corrective action. If the vendor does not take satisfactory corrective action, the college considers the vendor to be in violation of the contract and may terminate it.

Recommendation 71:

Develop a comprehensive contract management plan and assign contract management responsibility for all auxiliary and support services to the Purchasing Department.

ACC should consolidate contract management responsibilities for its auxiliary and support services functions into a single operating unit in the Purchasing Department. Centralized contract management will provide a structured process for documenting and analyzing contractors' financial and operational performance. This will in turn provide a basis for future contract decisions.

Periodic audits of contractors' financial performance will enhance the reliability of financial reporting and revenue projections, particularly on

contracts such as vending services. As a cash basis operation, ACC has no documented support for vendor-reported financial returns. Once it establishes a centralized contract management plan, ACC may receive additional contract revenue to the extent that vendors may be underreporting contract revenue.

Purchasing department buyers are responsible for vendor relations for most contracts and can assume responsibility of the comprehensive contract management function. The Support Services director is responsible for vendor relations for the bookstore and duplication contracts and should be involved in the oversight of contract management activities for those contracts.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	ACC's vice president, Business Services consolidates all ACC contract management functions under the Purchasing Department.	January 2003
2.	The Purchasing manager appoints a contract management team from each user department to develop specific contract management policies and procedures that incorporate financial and operational performance measures.	February 2003
3.	The contract management team drafts and approves policies and procedures.	February 2003
4.	The vice president, Business Services approves the contract management policies and procedures.	April 2003
5.	The vice president, Business Services obtains the president's approval of the contract management policies and procedures.	April 2003
6.	The director, Business Services implements approved procedures and provides periodic reports to the Purchasing manager and vice president, Business Services.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The current bookstore contract prevents ACC from taking advantage of the competitive market. ACC rebids its bookstore management contract every 10 years. Even though the contract includes a provision that allows either ACC or Barnes & Noble to terminate the contract without penalty by providing a 90-day notice, the 10-year term prevents the college from realizing the maximum benefit of a competitive market.

ACC has always contracted out the management of its bookstores. Prior to the initial 1990 contract with Barnes & Noble, Lonestar Textbooks, which has since been absorbed by Bevo's College Bookstore, operated ACC's bookstores. Privatizing bookstore operations is a common practice among community colleges. Private bookstore companies have mass purchasing power and proven operations that college-managed bookstores cannot match. In addition, the contract guarantees revenue to the college regardless of the stores' profitability and provides payment for a percentage of required renovation costs.

The college contracted with Barnes & Noble Corporation to provide the college with six campus bookstores and online ordering service to its 10 off-campus sites and to distance learning students. In addition to the official ACC bookstore located about 1.5 blocks from the Rio Grande campus, Barnes & Noble also operates an on-campus location called the "Little Store" on the Rio Grande campus that sells convenience items such as pens, pencils, paper, soft drinks and snacks. The size of the "Little Store" precludes the sale of books.

Under the bookstore management contract, Barnes & Noble provides:

- Sufficient quantity of recommended and suggested course books, whether new or used, and all other educational supplies, tools and materials;
- Speculative merchandise such as books, soft goods, stationary and gifts, imprinted sporting goods, desk and room accessories, and other items sold in college bookstores;
- Disposition of any surplus books or other distressed merchandise it has acquired regardless of the cause;
- Sales of office supplies to the college at a 10 percent discount; and
- Charge sales for supplies for college departments and offices.

Barnes & Noble provides the services to each campus and employs the bookstore staff. The college provides:

- Heat, light, utilities and air conditioning required for operations;
- Office equipment (including computer equipment, cash registers and safes), furniture and fixtures, file cabinets, telephones and office machines currently available for bookstore use;
- All repairs and maintenance for the building and the physical structure in which the bookstore is located;
- Trash removal and extermination services for the bookstore premises; and
- All debit or credit card or other financial services that ACC makes available to its students.

The contractor provides an annual guarantee to the college of \$225,000 or the following percentage, whichever is greater:

- 6.1 percent of all gross sales up to the first \$3 million in sales;
- 7.1 percent of all gross sales from \$3 million to \$5 million; or
- 8.1 percent of all gross sales over \$5 million.

Barnes & Noble also pays ACC 5 percent of gross sales for online orders. Online sales are separate, and are not calculated as part of bookstore gross sales. Gross sales are defined as all sales less voids, refunds, sales tax, discounted sales, pass-through income and uncollected sales. The contract also requires Barnes & Noble to provide ACC with a \$5,000 scholarship donation and 12 textbook scholarships annually.

ACC re-bid the bookstore management contract in 2000 and re-awarded a 10-year contract to Barnes & Noble. The new contract provided up to \$400,000 to design, construct, equip and install fixtures at the Rio Grande campus and refurbish other existing bookstores. Prior to executing the new bookstore management contract in 2000, ACC last bid the contract in 1990. Contract timeframes typically reflect contract complexity, with the more complex contracts receiving the longest contract terms. For example, contracts which require significant contractor investment or are more complex for the contractor tend to carry longer terms to allow adequate time to recover the investment. ACC's contract with Barnes & Noble and does not require long timeframes to recoup an investment.

The director of Support Services oversees the ACC bookstore contract operations. ACC created the Bookstore Task Force, headed by the director of Support Services, to involve ACC stakeholders in bookstore operations. The task force seeks to provide balanced administrative guidance for the book ordering process by including members who are involved in the different phases of the process including college program coordinators, administrative assistants, and representatives of the Faculty Senate and Curriculum Services Department.

Exhibit 7-15 compares the outsourced bookstore management contracts of ACC and its peers.

Exhibit 7-15
Survey of Peer College Bookstore Management Companies
June 2002

College	Bookstore Operator	Current Contract Term	Minimum Guaranteed Revenue Money	Scholarships	Other Revenue	Number of Bids in 15 years
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Austin Community College	Barnes & Noble	10 years	\$225,000 + \$400,000	\$5,000 annual donation and 12 textbook scholarships	None	Bid in 2000
Collin County	College	NA	NA	NA	NA	None
San Jacinto	College	NA	NA	NA	NA	None
North Harris Montgomery	Follett	3-year term plus 5 one-year options	\$625,000-FY02 \$675,000-FY03	\$5,000 annual donation and \$2,500 for textbook scholarships	No	None

Source: Summary of contracts obtained from ACC and peer college Purchasing departments, June 2000.

North Harris Montgomery College District's (NHMCD's) contract with Follet is among the most competitive reviewed. The contract has a three-year term and provides for annual escalation of the minimum guaranteed revenue amount, which provides Follet with incentives to increase sales.

NHMCD performs a market analysis of similar or comparable contracts to determine the terms and investment requirements for each of the contract types it bids out and has established a methodology for applying internal contract terms. By performing a market analysis and developing a methodology from that analysis that can be used for future contracts, NHMCD ensures that it is receiving the maximum economic benefit from each of its contracts.

Recommendation 72:

Develop a policy that establishes standards for contract renewals of existing auxiliary and support service contracts.

ACC should analyze the various auxiliary and service contract types, complexity and other contract goals and requirements such as leaseholder improvements and establish standards or a methodology for applying contract terms. Implementing shorter contract durations would allow ACC to explore more lucrative contract options on a more frequent basis.

Renegotiation of the existing bookstore contract can establish greater incentives and more favorable terms for ACC. Renegotiation will also allow ACC the opportunity to establish performance measures.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Purchasing manager conducts a survey of peer colleges to determine typical terms and investment requirements for appropriate contract types.	January 2003
2.	The Purchasing manager reviews the Comprehensive Master Plan and Strategic Plan to align contracting initiatives with established college directives.	March 2003
3.	The Purchasing manager uses survey data to establish standard contract term methodology and guidelines consistent with the Comprehensive Master Plan and Strategic Plan.	March 2003
4.	The Purchasing manager presents contract term methodology guidelines to vice president, Business Services for review and approval.	March 2003
5.	The Purchasing manager incorporates contract term methodology and guidelines into purchasing procedures manual.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC has not developed a contract provision that secures exclusive rights to the ACC logo and conferred those rights to Barnes & Noble. As a result, ACC and Barnes & Noble are losing revenue to competitor bookstores that sell merchandise bearing the ACC logo. The most affected retail unit is the Rio Grande bookstore, which is located about 1.5 blocks from campus, where two competitor bookstores are located across the street from the campus. The competitor stores place signs outside their buildings, which read, "ACC books sold here," and sell merchandise bearing the ACC logo.

By law, ACC must provide competitor bookstores with a required book list each semester, but ACC's internal administrative rule #3.02.001 states that the logo "must be used according to the College's approved graphic standards," and that "only the official, approved version(s) of the logo are appropriate for use," but does not place any restrictions on unauthorized use of the logo.

Although the peer colleges surveyed do not have formal rights to the use of their college names and logos, the nature of the direct competition with other providers for bookstore business on ACC's campuses is a greater obstacle for ACC because of the close proximity of competitor bookstores, particularly those which are near the Rio Grande campus.

In May 2001 through April 2002, Barnes & Noble estimates that sales of merchandise bearing the ACC logo totaled \$10,000.

Recommendation 73:

Secure exclusive rights to the ACC logo.

By securing exclusive rights to its logo and conferring those rights to approved vendors, ACC can ensure the proper use of its logo as well as maximize merchandise revenues.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The vice president, Business Services develops guidelines for the acceptable use of the ACC logo. The required physical attributes of the official logo are already established in ACC's administrative rules.	January 2003
2.	The vice president, Business Services consults ACC's attorney to initiate the necessary procedures to secure rights to the ACC logo.	February 2003
3.	The vice president, Business Services instructs ACC's attorney to formally notify competitor bookstores of the legalities of unauthorized sale of merchandise bearing the ACC logo.	May 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC lacks performance measures for the bookstore contract to allow the college to monitor the vendor. Stakeholder survey results and interviews with ACC staff showed that ACC has poor customer service related to the Barnes & Noble Bookstore contract. **Exhibit 7-16** shows that 31 percent of the 222 students responding to the survey administered in July 2002 by TSPR disagreed that the bookstore stocked an adequate amount of books and supplies.

Exhibit 7-16
ACC Student Survey Results
July 2002

Survey Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Don't Know
Adequate books and supplies are always available in the bookstore.	8%	23%	14%	40%	5%	10%
Bookstore employees are courteous and helpful.	3%	8%	12%	47%	21%	9%

Source: TSPR Student Surveys, July 2002.

In June 2002, college representatives commented during interviews that Barnes & Noble often loses book orders or enters orders incorrectly. Barnes & Noble must enter book orders into its order system manually. Initially, ACC administrative assistants enter faculty book orders into the Datatel system. The system uses a batch order process, which collects all of the orders and forwards them in a spreadsheet to Barnes & Noble via e-mail. Barnes & Noble manually enters each book order into its ordering system. One campus manager disclosed that Barnes & Noble inadvertently canceled books for an entire course section at the start of a recent semester. Barnes & Noble contends that order errors sometimes occur in the batching process if administrative staff does not enter the orders into Datatel properly. To catch this type of error and ensure the accuracy of orders, Barnes & Noble conducts a paper reconciliation process, which involves manual matching of the composite collegewide book order from Datatel with Barnes & Noble's order system. They conduct the paper reconciliation about four to six weeks prior to the start of each semester, which allows time to correct any errors. Barnes & Noble does not provide ACC with performance statistics on the number of book orders lost or processed incorrectly. Contract provisions do not allow ACC to penalize Barnes and Noble for misordered texts. Comments obtained during faculty and staff focus groups reflect dissatisfaction with the service provided by Barnes & Noble and with textbook availability. If Barnes & Noble reduces orders based on previous sales, it must reorder unavailable books within 24 hours and price them at a 23 percent mark-up as opposed to the normal 25 percent mark-up. No data was available to quantify revenue lost by Barnes & Noble for rectifying these short orders.

A faculty survey that ACC administered regarding fall 2001 services showed that 34 percent of the 430 employees who responded were dissatisfied with bookstore service levels. A comparison of the employee survey results administered by TSPR in July 2002 indicates that bookstore service levels have not improved. **Exhibit 7-17** shows that 42 percent of the 217 faculty and staff responding to the TSPR survey said that the bookstore operation "needs improvement." Forty percent responded that bookstore operations were adequate, and only 4 percent thought the services were outstanding.

Exhibit 7-17
ACC Faculty Survey Results

College Function	Needs Major Improvement	Needs Some Improvement	Adequate	Outstanding	Don't Know
Bookstore	16%	26%	40%	4%	14%

Source: TSPR Faculty Surveys, July 2002.

The following survey comments from faculty and students indicated that bookstore services were deficient in several areas:

- Bookstore does not order quantity of books we request and that causes problems. My experience is that the bookstore employees are not helpful to students. They will help faculty and staff because we know how to get their attention, but students are shy and don't always get what they need.
- Bookstore needs to be open at 8:00 a.m.
- Bookstore needs to stock more textbooks.
- Bookstore is improving, but does not always have books at the right time.
- Don't return books from the bookstore in the middle of the semester, wait till the end. For example, I needed a book for a Sociology class, which I decided to buy in the middle of the semester. When I went to buy it, the clerk said they had returned them all back already.
- The bookstore needs to be more organized.
- Items in bookstore especially snacks are highly overpriced.
- Books are not always available. Make sure supply meets demand.

Barnes & Noble has established a "Mystery Shopper" program, that sends their company representatives into bookstores to evaluate customer service. In addition, they have implemented an online customer survey. Despite these efforts, more than 30 percent of students and employees

responding to the TSPR survey felt that customer service needs to be improved.

Recommendation 74:

Develop specific performance measures to improve bookstore operations, customer service and monitor the performance monthly.

Establishment and evaluation of performance measures will benefit both ACC and Barnes & Noble by providing ACC with a basis for future contract decisions, and by providing Barnes & Noble with a means of measuring customer satisfaction and a basis for future customer satisfaction strategies and campaigns. This process will allow ACC and Barnes & Noble to become aware of performance strengths, weaknesses and trends on a monthly basis, and implement corrective action where needed in a timely manner.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The director, Support Services instructs the bookstore task force to establish key performance measures such as the number of missed orders, number of inaccurate orders, number of reorders and revenue by location, which the task force can use to analyze service level trends from semester to semester.	January 2003
2.	The bookstore manager assigns staff to compile performance measure data and produce a monthly report.	January 2003
3.	The bookstore manager presents the report to the director, Support Services and the bookstore task force.	February 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC did not maintain adequate documentation for the contract evaluation process for its duplication services contract nor does the college perform regular comparative analysis to ensure that the contract is price-competitive. The duplication services contract includes supply and maintenance of photocopiers, digital copiers, and coin-operated copiers. In June 1998, ACC's Purchasing Department issued a request for proposals (RFPs) for the duplication services contract and forwarded 13 RFPs to photocopy and document services vendors. ACC received proposals from four vendors, including First Choice Business Products, Ikon Office

Solutions, Office Communications Systems and The Document Company
- Xerox.

Prior to issuing the RFP, ACC's Purchasing Department established an evaluation committee that consisted of the vice president of Administration and Institutional Advancement, the director of Information Services, the Duplication Center manager, and the Purchasing manager .

According to notes in the contract file, the evaluation committee recommended The Document Company - Xerox. During interviews, the Purchasing manager instructed the review team to base its evaluations on the following criteria:

- Service response time;
- The ability to provide all new machines;
- Technical specifications; and
- Overall cost of the contract.

TSPR requested a written copy of the evaluation results of the duplication services contract. The Purchasing manager told the review team that a written copy of the evaluation results was not available and that the Purchasing Department did not always maintain written evaluation results in vendor contract files. The only documentation about the contract award was the board minutes from September 14, 1998, showing that the board approved the evaluation committee's recommendation to award the contract to Xerox.

During the public input process, a vendor who provides similar duplication services and wanted to prepare for the next RFP reported he had made several attempts to obtain information from ACC about the service offerings and pricing structure for the duplication services contract. The vendor conducted brief meetings and telephone conversations with ACC Purchasing and Duplication Services personnel. Additionally, the vendor made written requests for information dated November 14, 2001, December 10, 2001, December 12, 2001, February 29, 2002 and March 25, 2002, but did not receive timely responses from ACC personnel. The vendor did receive a January 24, 2002 e-mail from the Duplication Center manager stating that ACC had renewed the duplication services contract with Xerox in late December 2001, prior to the expiration of the contract awarded in 1998. The value of the contract renewed in December 2001 is approximately \$1 million annually. ACC personnel informed the vendor that the college decided to use the Texas Cooperative Purchasing Network for its vendor selection, and as a result, was not required to go out for competitive bid.

Based on the limited information that the vendor was able to obtain about the duplication services contract, the vendor estimated that it could have saved ACC \$5,500 per month or \$330,000 for the five-year term of the contract. While the Texas Cooperative Purchasing Network provides an excellent source of capable and qualified cost-competitive vendors, it is always prudent for organizations such as ACC to conduct an open procurement process, especially when potential vendors have expressed interest in providing procurement solutions that could result in significant savings.

In evaluating the circumstances surrounding the December 2001 duplication services contract renewal process, the review team noted that ACC's Purchasing Department circumvented three critical contract management best practices-developing quantitative contract evaluation criteria; maintaining written documentation of the results; and regularly rebidding contracts to ensure the college is receiving the most competitive prices. Quantitative contract evaluation criteria requires evaluators to assign a numerical score to each evaluation component such as length of time the vendor has been in business, total number of copier units sold or leased at the location responsible for servicing the prospective account, and average cost of maintenance agreements for the type of equipment provided. Many purchasing departments use a scorecard evaluation system that allows the evaluators to tally the scores of all of the evaluation criteria, with the contract award going to the vendor receiving the highest score, providing that the vendor can meet all other terms and conditions of the contract such as insurance requirements. In instances where vendors challenge evaluation results, purchasing departments are able to immediately provide documentation explaining how they arrived at their contract selection decisions and how all vendors ranked in the selection process.

It is also a best practice to regularly take large procurements out for competitive bid. By solely relying on one vendor for contracting duplication services, ACC does not know if it obtained the lowest contract price and the most technologically advanced equipment.

Recommendation 75:

Document all contract evaluation processes and perform regular comparative analysis to ensure contract prices are competitive.

ACC's Purchasing Department should implement a quantitative score card evaluation process for all of its competitive bids immediately. This will provide ACC with clear, consistent documentation for all contract evaluations. By comparing alternative equipment and service features,

ACC's Purchasing Department will ensure that it has received the best equipment for the price it paid.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Purchasing manager develops quantitative contract evaluation criteria for each contract prior to issuance of all RFPs.	January 2003
2.	The Purchasing manager publishes the contract evaluation criteria in each RFP so that all vendors that respond will know how they will be evaluated.	March 2003
3.	The Purchasing manager documents the results of the quantitative contract evaluation in the contract file once a successful vendor has been selected.	April 2003
4.	The Purchasing manager performs regular comparative analysis of the contract price to ensure it remains competitive and rebids the contract when it is not.	May 2003 and Semi- Annually Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC does not routinely perform sufficient analysis to determine the economic benefit of ownership of the Riverside Golf Course. The City of Austin routinely expressed interest in purchasing the golf course and in April 2002 offered \$4.3 million to buy the property. However, without a cost benefit analysis, ACC does not know whether the price offered is reasonable.

ACC owns the golf course but has a 15-year lease and management agreement with the American Golf Corporation (AGC). Under the terms of the contract, AGC pays ACC base rent, as defined by the contract, or a stated percentage of annual green fees, cart rental, merchandise sales, food sales and various other revenues. Each month AGC sends ACC a report showing a detail of monthly revenues, the percentage due ACC, and the base rental amount. AGC pays ACC the greater of the base rent or a amount based on specified percentages of various revenues. After the end of the year, AGC sends ACC a summary of the year's receipts, annual base rent and amounts paid during the year. This analysis is used to reconcile the rent paid during the year with actual revenues.

Best practices require that a cost benefit analysis be conducted before income generating property is sold. A cost benefit analysis compares the present value of net cash flows to the current offering price for the property. If the present value of net cash flows is higher than the offering price, the net present value is negative. This means that there would be no economic benefit to selling the property. The seller would be better off retaining the cash flow stream because over time its value is greater than the buyer's offering price. Conversely, if the present value of net cash flows is lower than the offering price, it means that the property should be sold because the net present value is positive. The seller could invest the sales proceeds and generate more value than cash flows from the property would generate over time. **Exhibit 7-18** presents a cost benefit analysis of selling the golf course, including assumptions used. Under existing assumptions, the break even selling price would be approximately \$11 million. The analysis assumes that ACC holds the property for the remainder of the lease term and at the end of the lease term sells the property for its highest and best use, which according to a recent appraisal, is corporate campus, multifamily and high density single family development.

Exhibit 7-18
Cost Benefit Analysis of Selling the Riverside Golf Course

Description	Amount	Net Present Value	Assumptions
NET SALES PROCEEDS			
Current offering price, net of \$300K sales commission	\$4,000,000		(a)
Capital improvements reimbursement	(1,332,126)		(b)
Net sales proceeds	2,667,874	2,667,874	
PRESENT VALUE OF CASH FLOWS			
Minimum monthly rental income	21,052		(c)
Present value of monthly rental		2,293,620	(d)
Land appraised value-January 2002	7,400,000	7,400,000	(e)
Investment rate	2%		(f)

Present value of cash flows		9,693,620	(g)
Net present value		(\$7,025,746)	(h)
Sales price necessary to break even on sale		\$11,025,746	(i)
Assumptions			
(a) Price allocated by the City of Austin.			
(b) Unamortized portion of capital improvements as of 8/31/02 paid for by AGC that ACC would have to pay to buy out the lease contract.			
(c) Rent paid at the beginning of each month. Based on minimum rental per contract terms.			
(d) Represents present value of lease payments, which are paid at the beginning of each month. Payments are discounted at 2 percent compounded daily over 10 years, which represents the remaining life of the lease as of 12/31/02.			
(e) Based on an appraisal of the property dated January 2002.			
(f) Based on current investment rates. Between 8/31/01 and 5/31/02 interest earned on Texpool ranged from 3.88 percent to 1.82 percent.			
(g) Represents the present value of cash flows from the golf course.			
(h) Equals net sales proceeds minus present value of cash flows.			
(i) Equals present value of cash flows plus buy out in (b).			

Source: TSPR Calculations.

On November 4, 2002, the board voted to retain the golf course. TSPR's analysis in **Exhibit 7-18** indicates it would not be feasible to sell the golf course given the present value of existing cash flows from the property. Without ongoing analysis based on current market conditions, the college does not have adequate information to make sound decisions regarding the continued ownership of the golf course.

Recommendation 76:

Annually monitor the cost and benefit of retaining ownership of the golf course.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The president instructs the vice president, Business Services to conduct annual cost benefit analysis reflecting changes in contract provisions and economic conditions.	January 2003
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2.	The vice president, Business Services maintains the cost benefit analysis and informs the president of significant changes that may affect the continued ownership of the golf course price.	February 2003 and Ongoing
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FISCAL IMPACT

This recommendation can be implemented with existing resources; however, there would be a fiscal impact once the land is sold.

Chapter 7

C. CENTRAL RECEIVING

ACC has a Central Receiving Service Center located in a facility that houses most Business Services departments. Central Receiving maintains about 14,553 square feet of warehouse space to service the college.

The Central Receiving Department's staff consists of a supervisor, five inventory/receiving clerks and four mail clerks. The Inventory/Receiving supervisor reports to the Purchasing manager . In 2001-02 the department's combined budget was \$304,462, of which \$262,340 or 86 percent was salaries.

The Inventory/Receiving staff at the Central Receiving facility provides receiving and delivery services to the campuses for all supplies and materials purchased for the college. They are responsible for matching orders with an approved purchase order, verifying contents to requested items, entering receiving information in the computer system, and delivering items to the campus. In addition, Receiving also is responsible for handling the mail service, storing general supplies and materials, and tagging fixed asset inventory.

FINDING

ACC does not have a central receiving/inventory operating procedures manual that directs the staff in performing the day-to-day functions. New employees receive on the job training for receiving, inventory, delivery and mailroom functions. A procedures manual provides employees, particularly new ones, with a written source of reference to find answers to questions or clarify procedures. In addition, written procedures provide organizations with a way to hold employees accountable for following prescribed procedures.

Each employee is cross-trained in the receiving, inventory and mailroom functions, but not all are cross-trained in the delivery process. Cross-training of staff in functional areas provides a more knowledgeable workforce that can be interchanged as needed without having to hire additional staff. In effect, the staff provides more value to the department and the college-the ability to handle multiple tasks and a well-rounded knowledge of the operations and procedures-when cross-trained in related areas.

Recommendation 77:

Formalize the inventory/receiving procedures manual and cross-train all staff in the receiving process.

The Inventory/Receiving Supervisor should develop a comprehensive inventory/receiving procedures manual to direct the job duties of his staff and interaction of department heads or budget authorities. The Inventory/Receiving Supervisor should review and update the manual periodically to strengthen the effectiveness and efficiency of central receiving.

The Inventory/Receiving Supervisor should schedule cross-training of employees in the delivery process to provide backup support in case of emergencies or employee absence.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Purchasing manager instructs the Inventory/Receiving Supervisor to develop a procedures manual.	January 2003
2.	The Inventory/Receiving Supervisor develops the procedures manual and submits them to the Purchasing manager for approval.	January 2003 - February 2003
3.	The Inventory/Receiving Supervisor distributes the official procedures manual to all users and provides training.	March 2003
4.	The Purchasing manager includes the Inventory/Receiving procedures manual as part of the comprehensive Purchasing manual.	March 2003
5.	The Inventory/Receiving Supervisor updates the procedures manual on an ongoing basis and disseminates changes to users.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Inventory/Receiving Department stores and delivers unnecessary supplies and materials to the campuses. The Inventory/Receiving Department is responsible for stocking and delivering general stores items. The Inventory/Receiving Department has about 38 supply items that departments formally request as needed. **Exhibit 7-19** lists the items stored at Central Receiving.

Exhibit 7-19
General Stores Inventory
May 31, 2002

Description	Unit Cost
Box, Record Storage, #15	\$2.50 each
Cartridge, Laser Toner	\$18 - \$150 each
Course Catalogs	N/A
Envelopes, Interdepartmental	N/A
Envelopes, Reg.#10 (for each campus)	\$9.35 - \$15.50 box
Folders, ACC	5.70 box
Handbook, ACC Student	N/A
Label	\$0.35 sheet
Memorandums	\$6 ream
Notecard/Envelope	\$18.35 pkg.
Pad, Scratch (4x5, 5x8)	\$0.40 - \$0.50 each
Paper, #20	\$24 case
Sheet, Scantron	\$49.21 pkg.
Sheets, Second	\$13.98 ream
Stationery, Letterhead	\$18.38 ream
Schedules, Capital Metro	N/A
Grade	\$81.25 box
Sheet, Answer, Scantron	N/A
Ball Point Pens	\$4.20 doz.
Pen Light Key Chains	\$10.32 doz.
Golf Balls and Tee Set with logo	\$5 set
Pencil with logo	\$5.0 pkg. (3 doz.)
Plastic Bag with drawstring	\$6.75 bundle
Mousepad with imprint	\$2.73 ea
Ball Point Pen with giftbox	\$5.60 ea
Calendar Strip for monitor	\$6.24 doz.

Source: ACC Inventory/Receiving General Stores Supply List.

The Inventory/Receiving clerk records the activity of these items on a manual card system and performs inventory counts daily on randomly selected items and monthly on all items.

Central Receiving also stores and delivers lighted ACC key chains that could easily be stored by the departments ordering them. The Inventory/Receiving personnel deliver these items twice daily to major campuses and at least twice weekly to other locations according to operating procedures. Inventory/Receiving clerks expend time handling these items in addition to handling the volume of orders received from vendors, including the delivery of orders to campuses within 24 hours.

The trend in vendor deliveries has been for supplies and materials to be delivered directly from the vendor to the user department or central receiving location. When items are delivered to the central receiving location, the central receiving personnel inspect, count, check items against the order and deliver to the proper location within 24 hours. This practice is similar to a "just-in-time" inventory technique used by manufacturing entities whereby materials are delivered as needed to be used in the manufacturing or assembly process. Central Receiving acts as a point of control and allows the customer to avoid the additional costs of storage and staffing associated with operating a traditional warehouse facility. ACC uses this process for most purchases made by the college.

Recommendation 78:

Eliminate the supply and materials inventory and develop alternative uses for available space in the Service Center.

The Inventory/Receiving Supervisor should notify all employees that departments will be responsible for ordering existing supply and material inventory items through the purchasing process and storing excess inventory. The Central Receiving Department will deliver items to the departments within 24 hours after receipt. The Inventory/Receiving Supervisor should research, coordinate the process with other departments and recommend alternative uses for available warehouse space.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Inventory/Receiving Supervisor notifies all employees to submit requests for store supplies and materials through the Purchasing process with an effective date.	January 2003
2.	The Inventory/Receiving Supervisor eliminates existing inventory	January

	for items used by specific departments and through normal requests for items used by any department.	2003
3.	The Inventory/Receiving Supervisor develops a team to identify alternative uses of the warehouse space.	February 2003
4.	The task team develops and submits recommendations for use of available warehouse space to the Purchasing manager and vice president, Business Services for approval.	February 2003
5.	The Purchasing manager and vice president, Business Services approves recommendations.	February 2003
6.	The Inventory/Receiving Supervisor implements approved recommendations.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 7

D. MAIL SERVICES

Each ACC campus has a small mailroom operated in conjunction with the campus manager's office. Mailrooms are equipped with mail slots for each faculty and staff member for letters and flat packages.

The U.S. Post Office and various courier services deliver all general mail to the ACC Service Center where mail clerks sort it for delivery to the campuses. The mail clerks deliver mail to the major campuses twice per day—once in the morning and once in the afternoon—and package mail for the satellite sites for shipment every two to three days. Once the Service Center mail staff deliver general mail to each campus, and the U.S. Post Office delivers mail specifically addressed to individual campuses, either the campus mail clerk or another staff person in the campus manager's office places letters into recipients' mail slots. Service Center staff typically deliver large packages and large inventory items ordered by campus faculty and staff from the warehouse directly to intended recipients.

ACC does not operate Mail Services as a revenue generating division, nor does ACC provide mail or package services to students. Faculty and staff provide charge codes to mail services so that mail services can charge the actual cost of postage back to the user departments.

FINDING

ACC's Mail Services unit uses handheld electronic data organizers to track package delivery to departments in much the same manner that the large, national courier services use electronic devices. Mail clerks use a scanning device to capture package information from barcodes printed on shipping manifests; however, they must manually enter purchasing and inventory information into ACC's Datatel system. Upon delivery, recipients provide electronic signatures via the electronic data organizers. The mail clerks place the electronic data organizers into a docking station after making all deliveries. The docking station then inputs the electronic signatures into the mail management system along with previously entered shipping, purchase order and inventory information.

While this system requires that the Inventory/Receiving clerks use two non-integrated systems to record package receipt and delivery data, it has been effective for establishing package accountability because it allows all of ACC's mailroom clerks to know that a package is either en route or delivered, as well as the name of the individual who signed for the

delivery. Prior to implementing the system, mailroom staff often wasted valuable time looking for misplaced packages. This system allows mailroom staff to concentrate on other mailroom functions.

ACC selected the lowest bidder providing comparable mail management systems through a competitive bid process. The Neopost Mail Manager MM620 system costs ACC \$13,566 per year and includes unlimited training compared to a comparable system quoted at \$29,052 per year that included limited training.

COMMENDATION

By maximizing its use of information technology devices to establish package accountability, ACC's Mail Services unit enhanced the effectiveness of operations.

FINDING

ACC does not take advantage of opportunities to minimize postage costs. The review team observed about 6,000 returned items each bearing full first-class postage rates. ACC also does not verify student addresses. Because of this, ACC annually wastes over \$6,600 in postage, based on 18,000 returned items at the current first-class postage rate of \$.37 per item, for items mailed to incorrect addresses.

While bulk mail rates and non-profit mail rates are not available for personal information such as grades and other sensitive correspondence that the law requires be sent first class, alternatives to full first-class postage rates exist. Houston Community College System (HCCS) uses the first-class barcode rate on all routine mailings at a rate of about \$.253 per piece. HCCS applies barcodes using in-house presorting equipment and contends that they could save more money if they used a vendor to barcode and presort their correspondence.

Exhibit 7-20 presents potential cost savings that ACC could realize by changing from full first-class postage to the first-class barcode rate.

Exhibit 7-20
Potential Savings Generated by Use of First-Class Barcode Rate
2001-02

	2001-02
Fall Enrollment	27,577
Spring Enrollment	28,505

Summer Enrollment	21,040
Total Number of Grade Reports mailed	77,122
Postage cost at regular first-class rate*	\$28,535

Source: ACC Fact Book 2001-02 and Spring and Summer 2002 registration updates provided by the Office of Institutional Effectiveness.

**Reflects postage rate of \$.37, which became effective July 1, 2002.*

Also, the Address Management Services (AMS) Division of the United States Postal Service offers address clean-up services. AMS can verify addresses using an electronic file containing student addresses. AMS can also correct incorrect addresses such as those with missing apartment numbers. AMS does not, however, detect the misuse of genuine addresses.

Collin County Community College District minimizes postage costs by only providing students with routine information such as grades electronically.

Recommendation 79:

Use first-class barcode postage rates and regularly update the student database with correct mailing addresses to reduce postage costs.

Use of the first-class barcode rate for large volume mailings or personal information such as grades could reduce ACC's postage costs. Using the address clean-up services offered by the U.S. Postal Service could reduce the volume of returned mail, which would reduce postage costs as well.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Purchasing manager issues request for qualifications solicitation package or instructs buyer to solicit three bids for presort and barcoding services from mail service providers.	January 2003
2.	The Purchasing manager and buyer review bid responses to determine top bidders based on price and qualifications.	April 2003
3.	The Purchasing manager selects a mail services vendor.	May 2003

FISCAL IMPACT

ACC sends grades to its student population three times per year resulting in 77,122 pieces of mail at the current postage rate of \$.37 per piece, or about \$28,535 per year ($77,122 \times \$.37 = \$28,535$). Using the first-class

barcode rate could reduce the cost of postage by about \$9,023 annually assuming ACC can obtain a similar barcode rate to that of Houston Community College System, which is approximately \$.253 per piece ($77,122 \times \$.253 = \$19,512$, a difference of \$9,023 ($\$28,535 - \$19,512 = \$9,023$). First-year savings are prorated ($\$9,023/12 \times 4 = \$3,008$).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Use first-class barcode postage rates and regularly update the student database with correct mailing addresses to reduce postage costs.	\$3,008	\$9,023	\$9,023	\$9,023	\$9,023

Chapter 8

INFORMATION TECHNOLOGY

This chapter examines Austin Community College's (ACC's) information technology in four sections:

- A. Technology Organization and Management
- B. Technology Planning
- C. Instructional Resources and Technology
- D. Network Infrastructure

Information technology includes core business applications such as accounting and payroll systems; infrastructure, which includes e-mail and Internet/Intranet; software that supports instructional delivery to the classroom, in a physical classroom or through newly developed distance learning applications; and operations, which includes all hardware, including computers, servers, networks, routers, switches and fiber optic cable.

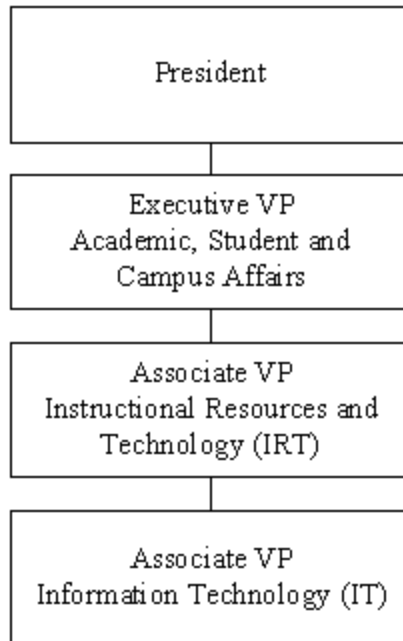
The technology organization structure at ACC includes two departments. The Information Resources and Technology Department (IRT) manages instructional technology services to faculty, staff and students by developing alternative delivery methods like distance education. It also manages core business applications and operations. The second department, Computer Studies and Advanced Technology (CSAT), provides academic instruction to students. This chapter focuses on the IRT but refers to CSAT in cases where it relates to other departments.

Chapter 8

A. TECHNOLOGY ORGANIZATION AND MANAGEMENT

The associate vice president for IRT reports to the executive vice president for Academic, Student and Campus Affairs. The associate vice president for Information Technology (IT) reports to the associate vice president for IRT. **Exhibit 8-1** shows these reporting relationships.

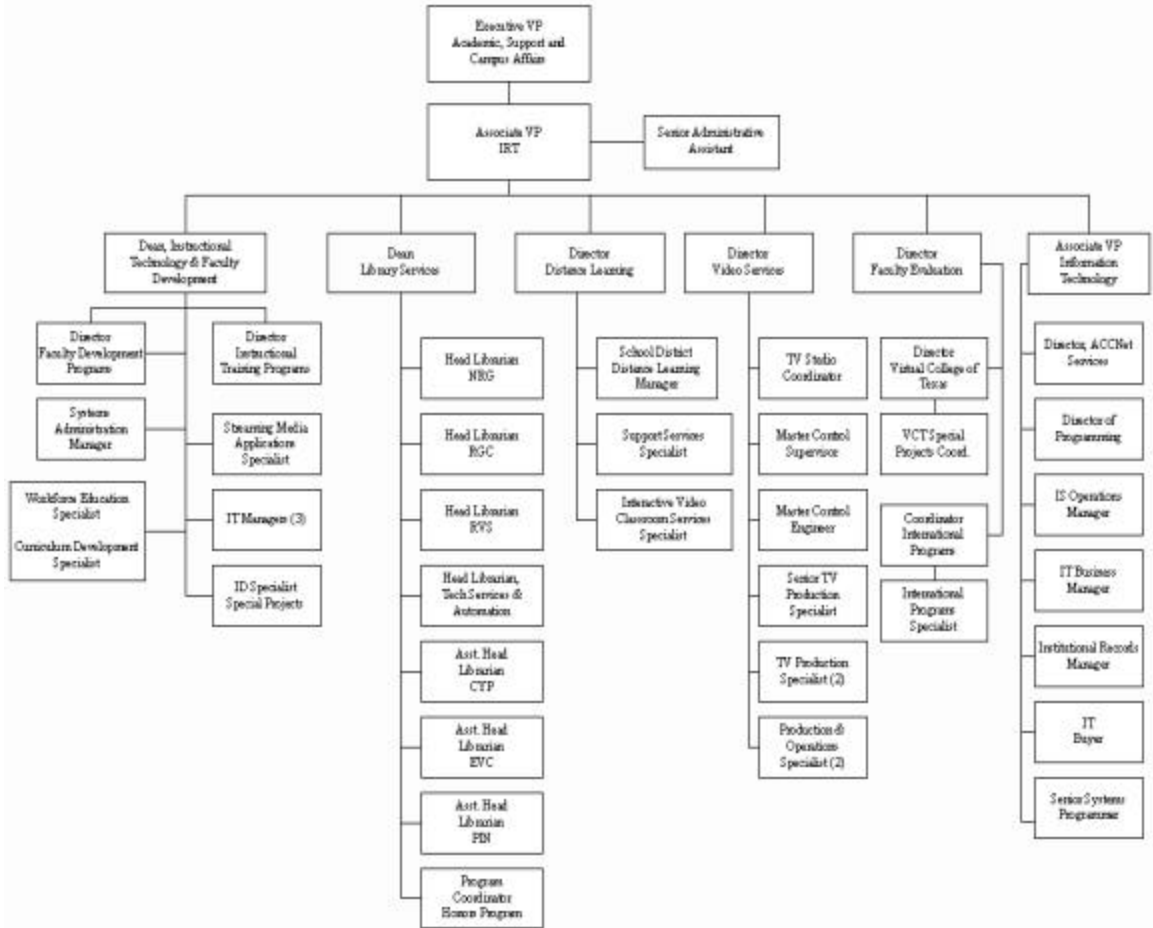
Exhibit 8-1
Technology Reporting Relationships Across ACC



Source: ACC Web site, August 2002.

The two organizations, IRT and CSAT are shown in **Exhibit 8-2** and **Exhibit 8-3**.

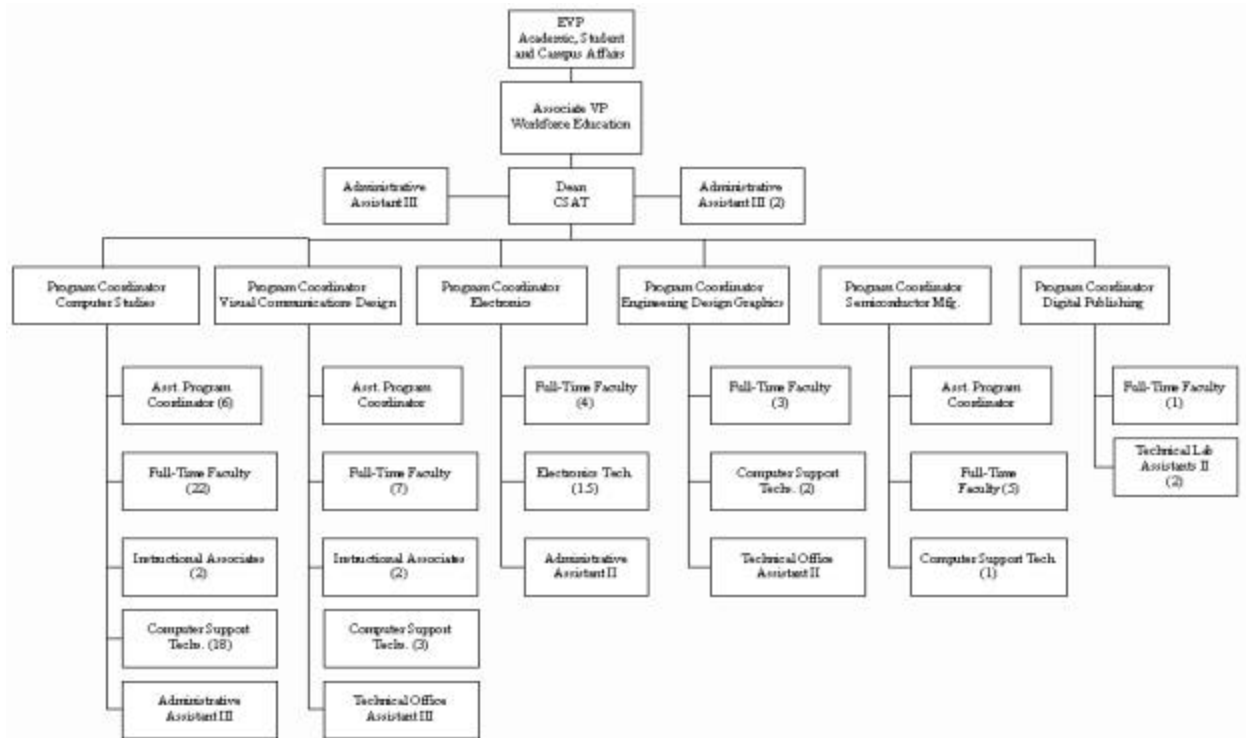
Exhibit 8-2 Instructional Resources and Technology Department Organization



Source: ACC Web site at <www3.austincc.edu/evpcss/orgref/orgcharts.htm>., August 2002.

The CSAT organization is shown in **Exhibit 8-3**.

Exhibit 8-3 Computer Studies & Advanced Technology Organization



Source: ACC Web site at <www3.austincc.edu/evpcss/orgref/orgcharts.htm>., August 2002.

The College Wide Technology Committee (CWTC) funds all major technology purchases for ACC from a separate budget. **Exhibit 8-4** shows a funding history, including the CWTC.

Exhibit 8-4 Three-Year Funding History ACC Information Technology Expenditures

Technology Expenditures	1999-2000	2000-01	2001-02
Equipment [purchase/contract]			
CWTC-ACC operating budget ¹	\$3,412,397	\$3,508,923	\$3,357,636
Grants: Telecommunications Infrastructure Fund (TIF)	\$20,000	\$300,000 ²	\$1,031,405
Grants (non-TIF)	\$499,661	\$0	\$0
Subtotal	\$3,932,058	\$3,808,923	\$4,389,041

Operating [staff and services]			
Information Technology ³	\$2,355,644	\$2,865,366	\$3,203,978
Instructional Resources & Tech. ⁴	\$979,438	\$1,324,322	\$1,752,763
Instructional Departments ⁵	\$507,000	\$766,000	\$997,000
Subtotal	\$3,842,082	\$4,955,688	\$5,953,741
Total	\$7,774,140	\$8,764,611	\$10,342,782

Source: ACC Associate Vice President for Instructional Resources and Technology, August 12, 2002 email.

1 Does not include departmental instructional equipment, e.g. microscopes, physics labs, chemistry labs and Health Sciences classroom equipment.

2 Two grants were for \$1,281,302. However, only the amount listed here stayed at ACC.

3 100 percent of IT budget.

4 Only those parts of IRT budgets supporting collegewide technology activities are included.

5 Salaries for staff members in instructional departmental budgets who support computer labs and networks are included.

ACC selected peer community colleges for comparison on technology funding for 2001-02 in **Exhibit 8-5**.

**Exhibit 8-5
Comparison of ACC and Peer Colleges'
Technology Funding for 2001-02**

Community College	Technology Funds
ACC	\$10,342,782
North Harris Montgomery	\$9,321,127
San Jacinto	\$9,572,971
Peer Group Average*	\$9,447,049

Sources: Peer college interviews and e-mails.

*Excludes ACC.

Exhibit 8-6 shows the amount of technology grant funds that ACC has received in recent years. Most of these grants were one-time or nonrecurring events. For example, in 1999-2000, ACC received a grant to study and improve the curriculum for biotechnology in high schools.

**Exhibit 8-6
Technology Grants Obtained by ACC
Five-Year History**

Grant	1997-98	1998-99	1999-2000	2000-01	2001-02
TIF	\$520,116	\$0	\$20,000	\$300,000*	\$1,031,405
TECHWeb/TECHLink Grants	\$201,908	\$155,000	\$126,295	\$0	\$0
Biotech High School Curriculum Grant	\$0	\$0	\$373,366	\$0	\$0
Capacity-Building Grant	\$0	\$75,000	\$0	\$0	\$0
Semiconductor Manufacturing Grant	\$484,500	\$0	\$0	\$0	\$0

Source: ACC Special Assistant to the President for Governmental and Community Relations, August 2002, and Associate Vice President for Instructional Resources and Technology, August 2002.

* Two grants were awarded totaling \$1,281,302. However, only the amount that remained at ACC is listed here.

FINDING

ACC does not manage information in a way that allows for fast and easy retrieval, sharing, and collaboration. Students and faculty move through the ACC system rapidly, but the college lacks an efficient and effective way to obtain accurate information. To demonstrate the problem, the review team conducted a test using ACC's search engine on the Web site. To conduct the test, the search query used was: "creative writing faculty." The query used quotation marks to help narrow the search responses; the goal was to find out quickly who teaches creative writing at ACC. This query returned 246 responses. **Exhibit 8-7** illustrates the search process the TSPR team used. The search query required going through five levels in order to identify which faculty members teach creative writing.

Exhibit 8-7 Search Query Results

Search Steps and Action	Search Result
1. Input "creative writing faculty"	246 total responses or "hits"
2. Clicked the first search result, which was: <u>ACC Creative Writing Faculty Members</u>	<ul style="list-style-type: none"> • Creative Writing Faculty Members • To contact faculty members in this area, look at the <u>schedule</u> to find the names of some of the faculty members who are teaching the courses and then find them in

		the <u>phonebook</u> .
3.	Clicked <u>schedule</u>	Fall 2002 Schedule: Course Listings by Discipline, Time of Class, Instructor, <u>Instructor by Discipline</u> , Session by Site, Session by Date.
4.	Clicked <u>Instructor by Discipline</u>	Fall Course Schedule, which listed <u>Accounting</u> through <u>Welding</u> listed in alphabetical order. <u>Creative Writing</u> was listed.
5.	Clicked <u>Creative Writing</u>	Fall Schedule that shows faculty names, and contact information.

Source: MJLM test search.

The starting point for providing accurate information on a Web site is a powerful search engine that presents organized information. Technology experts cite the following as key benefits to an effective knowledge-sharing environment:

- improving productivity;
- retaining knowledge and experience within the organization;
- making better use of (and adding value to) internal services and resources;
- increasing innovation;
- sharing of best practices; and
- decreasing reliance on external expertise

Many community colleges, universities and other educational institutions are adopting an approach using a "knowledge management model" that makes information accessible through a single location from which everyone can search for campus information. By using a knowledge management model, users can obtain information easily across campuses or between administrators, faculty and staff. Some community colleges and universities that have adopted the knowledge management model include Santa Barbara Community College, Bates College, California State at Fullerton and Yale University.

The potential cost savings to using a knowledge management model are achieved as a result of dramatically reducing the amount of time needed to conduct searches for information. An explanation of this potential cost savings is explained in the three exhibits below. **Exhibit 8-8** shows ACC information used for the investment model. **Exhibit 8-9** and **Exhibit 8-10** show how the value and time savings are calculated to reach the potential return on investment (ROI) figure. The data for this model was obtained

from the dean of Library Services. The Office of the Dean oversees the college's libraries and information assets.

The information in **Exhibit 8-8** shows the types of employees who would be classified as intensive users, moderate users or casual users of campus data. The numbers listed are not intended to be a comprehensive list of ACC employees.

Exhibit 8-8
ACC Information for Model
Calculation of Return on Investment

Intensive User	Number	Moderate User	Number	Casual User	Number
Academic/Workforce Deans-Task Force/Program Coordinators	36	Academic/Workforce Deans' support staff	16	Facilities/Operations <ul style="list-style-type: none"> • Maintenance • Grounds, Cashiers, • Building Services 	20
Telecommunications	11	Foundation	2	Extension Centers	10
IRT	122	Campus Police	8	Assessment & Testing	12
Human Resources	25	Facilities/Physical Plant/Grounds	20	Services for Students w/Disadvantages	2
Purchasing	9	Bookstores	2	Student Life	3
Accounts Payable	8	Campus Operations	30	Veterans Ad	4
Marketing & PI	4	International Programs	3	Financial Aid	18
Office of Institutional Effectiveness (OIE)	10	Early College Start	3	Special Populations	2
SACS	4	Grants	4	Adjunct Faculty	100
IT Administration	7	Administration	8	Full-Time Faculty	75
Full-Time Faculty	75	Admissions & Records	24	IRT	30
Adjunct Faculty	100	Counseling/Career	6	Work study workers	40

		Center			
		Counseling	15		
		Advising	15		
		Workforce Resources	5		
		Full-Time Faculty	140		
		Adjunct Faculty	50		
Total Intensive Users	417	Total Moderate Users	351	Total Casual Users	316

Source: ACC Department of Library Services.

Exhibit 8-9 shows the question, value and definition for information users. The values provided are not absolute, but represent the best estimate of the respective types of users as determined by the model.

Exhibit 8-9
Question, Value and Definition
Calculation of Return on Investment

Question	Value	Definition
How many <i>intensive</i> users of information does your organization have?	417	An intensive user is one for whom searching for and using information is a major part of their job.
How much time does one intensive user spend looking for information from any electronic source (subscription research, internal, Web) in an average week?	15.0 hrs.	
How many sources does an intensive user consult in an average search?	4	
What is the average burdened salary of an intensive user?	\$35,000	
How many <i>moderate</i> users of information does your organization have?	351	A moderate user searches for and uses information on a daily basis, but it is not the major component of his/her job.

How much time does one moderate user spend looking for information from any electronic source in an average week?	10.0 hrs.	
How many sources does a moderate user consult in an average search?	4	
What is the average burdened salary of a moderate user?	\$27,000	
How many <i>casual</i> users of information does your organization have?	316	A casual user searches for information less frequently, and is more likely to be a consumer of information.
How much time does one casual user spend looking for information from any electronic source in an average week?	5	
How many sources does a casual user consult in an average search?	2	
What is the average burdened salary of a casual user?	\$30,000	
Total savings using single search feature		\$3,227,046

Source: Northern Light Technology, LLC Web site calculation.

In **Exhibit 8-10**, the table shows the value and time savings for each type of information user. The ROI formula used to calculate the value and time savings was obtained from a third party source, and the source does not reveal the details of the formula to show how the value and time savings are reached. Thus, this model is used as a starting point by which colleges can establish a baseline to calculate the potential ROI for a single point of entry information search.

Exhibit 8-10
Calculation of Return on Investment
for Single Point of Entry Information Search

Measure	Value	Time saved (campuswide)	Assumptions
• Time saved by	\$2,462,906	137,923 hours	Time saved is the amount of time that is saved by searching all

<p>all intensive users, hours per year</p> <ul style="list-style-type: none"> Value of intensive users' time saved 			<p>sources at the same time. Login and query time is eliminated for all sources except one (because these activities are done once, regardless of the number of sources). Time spent reviewing results from multiple sources is reduced (because of integrated results list) but not eliminated (because of increased results).</p>
<ul style="list-style-type: none"> Time saved by all moderate users, hours per year Value of moderate users' time saved 	\$586,389	42,568 hours	<p>To produce a conservative estimate, search time for each source higher than one is calculated as 60 percent of the time required to search one source.</p>
<ul style="list-style-type: none"> Time saved by all casual users, hours per year Value of casual users' time saved 	\$177,750	11,613 hours	<p>To produce a conservative estimate, time savings is calculated with the assumption of 55 percent compliance for moderate users. Aggressive rollout and training increase compliance greatly.</p>
<p>Total savings from using a single point to search and manage</p>	\$3,227,046		<p>To produce a conservative estimate, time savings is calculated with the assumption of 50 percent compliance for casual users. Aggressive rollout and</p>

information			training increase compliance greatly.
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Source: Northern Light Technology, LLC Web site calculation.

Recommendation 80:

Implement a knowledge management program using a single point of entry for search, analysis, collaboration and information management.

Using a single point of entry for coordinating searches and managing information will provide a more accurate and consistent way to organize information.

This recommendation would provide ACC with a single location on its Intranet from which everyone in the organization would originate searches for information sources of all types. Information sources would include archived information, presentations and even financial information that would be within the Datatel system.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The IRT associate vice president develops a business case or purchase justification to illustrate the advantages of implementing single-point knowledge and document management.	February 2003
2.	The IRT associate vice president assembles a knowledge and document management project team to create functional requirements and a Request for Proposals for knowledge and document sharing.	March 2003
3.	The project team evaluates and conducts demonstrations and ranks vendor products based on functional requirements and cost to implement.	April 2003
4.	The IRT associate vice president, assisted by the project team, completes business case with vendor pricing.	May 2003
5.	The project team explains to the board and president the process used to select vendor finalists and conducts demonstrations of selected finalist vendors.	May 2003
6.	The president and board provide input on recommendations to IT associate vice president.	June 2003
7.	The IRT associate vice president and project team select a vendor and launch a pilot project.	June 2003

FISCAL IMPACT

The pricing estimate to develop and implement a single point of entry for search, analysis and collaboration is based on pricing from three leading vendors. Vendor One provided pricing ranging from \$25,000 to \$250,000; Vendor Two listed pricing ranging from \$100,000 to \$1 million; and Vendor Three provided pricing ranging from \$25,000 to \$250,000. Final cost would depend on the result of the bid process.

The cost is calculated by taking the average for Vendor One, which is \$137,500 $((\$25,000 + \$250,000) / 2 = \$137,500)$, for Vendor Two, which is \$550,000 $(\$1 \text{ million} + \$100,000) / 2 = \$550,000)$, and for Vendor Three, which is \$137,500 $((\$25,000 + \$250,000) / 2 = \$137,500)$. The average was calculated for the three vendors at \$275,000. The cost could be spread over two years.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Implement a knowledge management program using a single point of entry for search, analysis, collaboration and information management.	(\$137,500)	(\$137,500)	\$0	\$0	\$0

Chapter 8

B. TECHNOLOGY PLANNING

Planning for technology is an important first step toward the goal of getting information to users when and where they need it. Effective IT planning is achieved when an organization encourages and expects consultation and collaboration. IT planning is especially useful when it involves more than just technologists. The more inclusive the planning process, the more effective the results will be.

In 1996, ACC formed the Technology Planning Task Force (TPTF). The members of the TPTF drafted the first College-wide Technology Plan, largely in anticipation of Year 2000 issues. Later the TPTF became the College Wide Technology Committee (CWTC). The CWTC has met each month since 1997. In August 2001, the committee decided to break into two subgroups to focus more specifically on either instructional or administrative technology issues. The two subcommittees are the Instructional Services Technology Committee (ISTC), chaired by the associate vice president, Instructional Resources and Technology, and the Administrative Services Technology Committee (ASTC), chaired by the associate vice president, Information Technology. Representatives from each committee reconvene to form the CWTC for the annual budget process.

The CWTC addresses strategic needs, buys and reallocates technology assets and oversees large-scale technology initiatives. It develops and updates the collegewide technology plan; assists with developing ACC's Comprehensive Master Plan; establishes hardware and software criteria; prepares procurement guidelines and procedures; develops and recommends administrative rules relating to technology; assists individual offices in identifying technology training needs; and establishes technical criteria for reallocating PCs and servers throughout ACC. The CWTC also plays a critical and practical role in deciding which technology at ACC is budgeted and purchased. The CWTC consists of key decision makers throughout ACC, including adjunct faculty, the faculty senate, deans from the academic programs, library services personnel and others. The CWTC consists of 27 members. The associate vice presidents of IT and IRT are the two co-chairs of the CWTC.

In addition, ACC uses the planning process to lease both personal computers and servers. For example, one-third of ACC's student computers are replaced each year through a three-year lease program. After three years, ACC purchases computers under a contract provision that allows the college to buy them for \$1 each. These computers are then

reallocated into faculty and staff offices where the computers are used for two years more, extending the useful life of the equipment at a minimal cost to ACC. **Exhibit 8-11** shows ACC's major IT leases.

Exhibit 8-11
Major Technology Leases of the IT Department

Name	Purpose of Lease
Dell Financial Services	PCs for student labs
GE Capital	Apple Computers for student labs
IBM S70A	Server hardware
Key Municipal	Cisco routers, network services

Source: ACC Web site, <www2.austincc.edu/itconsult/contracts.htm>.

FINDING

ACC does not have a consistent approach across the college for acquiring new software packages. Not having a consistent process in place contributes to inefficiencies and waste. ACC has duplicate software licenses. This happens when an organization purchases several copies of the same software and another license is granted with the additional purchase, even though one license would cover the entire organization; the same license is paid for repeatedly.

The college's process for procuring new software has improved. Since fall 2001, software purchases made by the library technical staff were initiated through the IT buyer who systematically tracks procurements of software and hardware. Before implementing the new procedure, however, library technical staff would order software and pay for it directly rather than initiate purchases through the IT buyer. The process remains inconsistent across the college, though. For example, the ability to perform online authorization in the Datatel system is not in place, which would provide an easier way to monitor technology purchases. Also, according to the IT buyer, budget authorization is not consistent in terms of signature authority levels across the college. Additionally, there is no software inventory to know what software is available and the licensing requirements for the software, which is a key step to authorizing the purchase of new technology as well as improving asset management. The IT buyer previously attempted to conduct an inventory of software across the college, but he only received 10 responses and thus was unable to develop a comprehensive inventory of the colleges' software assets.

The review team also learned that departments tend to not examine new software purchases fully, neither do they tend to meet when purchases could affect more than one department, in part because of the complex nature of budgeting and purchasing at ACC. The college has attempted to address budgeting constraints by allowing two accounts to be listed on a single purchase request; this does not, however, address multiple departments that may require more than two accounts for software purchases.

ACC purchased help desk software developed by Remedy in summer 1997, and implemented it in fall 1998; the software has not been upgraded, and is three times more expensive than the Track-IT software that the college purchased as a help desk support solution in spring 2002. While there are arguments both for and against the respective software tools, the fact that there are two software packages for the same purpose indicates that the process for procuring new software is not consistent and is not done on a collegewide basis, but rather based on individual or departmental preferences.

Continuity in managing software purchases by organizations is often improved using an RFP-based model for purchasing software as outlined in **Exhibit 8-12**.

Exhibit 8-12
RFP Model for Major Software Purchases

Section	Description
Introduction	This section of the document gives the vendors an overview of why the purchasing organization is submitting an RFP (i.e., what problem it is trying to solve). It should list the dates when the proposal is due and when a decision will be made. The project coordinator's contact information should also be included.
System requirements	This section should begin with a description of the environment. How is the problem being handled? What are the shortcomings of the system? What are the objectives for its improvement? The next item should be a list of specific requirements that must be addressed in the proposal. These may be both general (i.e., vendor stability, market share, implementation methodology) and technical (i.e., system functionality, platform requirements if any, flexibility, customization, administration, cost and time to implement).
Evaluation criteria	This section explains how the responses will be evaluated and is intended to ensure a fair and open process for all

	parties. The requirements identified in the previous section are all weighted to reflect the appropriate level of importance to the purchasing organization. The weighting criteria should be published in the RFP so that the vendors can tailor their responses to meet the purchaser's specific needs.
Proposal format	In order to ensure the efficiency of the evaluation process, each vendor's response should be in the same format. This section provides the designated response format that will be used.
Recommendations	Significant purchases of computer hardware, software and services should use the RFP process as it represents an efficient way for companies to evaluate potentially conflicting vendor claims fairly. RFPs help to ensure that organizations obtain the functionality they desire at the best possible price.

Source: Giga Information Group.

Recommendation 81:

Develop a collegewide software and technology procurement process for all ACC departments.

A consistent procurement process for software and technology purchases provides department accountability and improves the budgeting and planning process. For example, if ACC identified new software to purchase during the budget cycle, and the item is approved and budgeted, that approved budget item would then be loaded into the online authorization module by Datatel. The requesting department can then follow the RFP model for purchasing software, and once the vendor is selected and subsequently submits an invoice for payment, the system is authorized to issue payment. By requiring the use of Datatel's system module for online authorization of purchases, ACC would reduce unapproved and unplanned purchases that are not in the budget.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The IRT associate vice president and IT associate vice president create a project team to develop a software procurement process.	January 2003
2.	The project team identifies gaps in the current software acquisition process and details opportunities for improvement.	February 2003
3.	The IRT associate vice president meets with the IT associate vice president and staff to obtain input.	March 2003

4. The IRT associate vice president launches a new software procurement process and communicates to ACC employees.	April 2003
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC's disaster recovery plans rely on specific individuals by name to perform certain activities and do not consistently reflect personnel changes. This could result in confusion in an actual disaster. ACC has at least two plans to address different technology aspects of disaster recovery-one for the core systems and another for records management and document imaging. Prepared for Year 2000 contingencies, these disaster recovery plans adequately anticipate the effect of emergencies on the technology systems of ACC, but the plans reflect the names of individuals who are no longer employed by ACC. The names are "hard coded" which means the college cannot update them on a continuous basis.

ACC has tested its disaster recovery plan for its core systems. It has simulated a main power outage to determine if backup power would replace it on a timely basis. In addition, ACC has an on-site diesel generator that has the sole purpose of being an alternative power source in case main power fails. The generator is tested and serviced once per week.

A best practice in keeping disaster recovery plans relevant is assigning a single individual with the responsibility for updating the plan and reporting on its progress. The person is typically high enough in the organization to obtain timely support and cooperation throughout the entire institution.

Recommendation 82:

Update and monitor the status of the disaster recovery plans.

Monitoring and updating these plans would be an additional assignment for an existing staff member. The staff member would be responsible for monitoring compliance, tracking updates to the plan and testing it on an ongoing basis. ACC is already using standard spreadsheet software that should be applied to this effort.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Information Technology designates a staff person to monitor and test aspects of the disaster recovery plans.	January 2003
2.	The staff person creates a reporting template or form showing the disaster recovery plans goals and objectives and the progress in testing that ACC has made to date.	March 2003
3.	The staff person makes progress reports and updates available via ACC's Intranet as well as through the normal memo and documentation process to the board.	May 2003 and Every Nine Months Thereafter

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Key users of Datatel have resisted using the system. In 1997 ACC selected Datatel, an integrated software package, for its core student and administrative applications. ACC chose Datatel from three additional competitors: Computer Options Corporation, PeopleSoft and SCT-Banner. Datatel has approximately 600 customers nationwide, including North Harris Montgomery College, University of California at Berkeley, Tarrant County Community College and Dallas County Community College District.

The resistance to using Datatel contributes to inefficiencies, duplication of work and unnecessary steps in people's daily work. For example, some users report that the system does not allow accounts to be paid and reconciled as easily as under the mainframe system that ACC previously used; instead, personnel use Excel spreadsheets to reconcile accounts payable, vendor bills and invoices. A more experienced employee showed members of the review team that Datatel has six methods for reconciling accounts, underscoring the reality that some users do not fully understand how to use the Datatel system.

Exhibit 8-13 outlines major perceived problems with Datatel.

Exhibit 8-13 Examples of Perceived Issues with the Datatel System

Functional Area	Problem or Issue With Datatel
State	<ul style="list-style-type: none"> • Could not process any state-level reports when

Reporting	<p>implemented.</p> <ul style="list-style-type: none"> • Forces ACC to use alternate methods of generating reports. Datatel creates only about 90 percent of required informational reports.
Student Records	<ul style="list-style-type: none"> • Forces clerks to manually retrieve information, which slows down the entry of other student transcripts. • Does not accurately apply payments made to the students' accounts, particularly when there is an opening balance. Forces student accounting clerks to audit each student account manually before generating refunds or reports.
Financial Management	<ul style="list-style-type: none"> • Does not effectively account for changes when students register for courses by telephone. When a student makes a change in the initial session of telephone registration, Datatel credits the student's account and doubles the new class charge. • Datatel system incorrectly drops students' classes from their accounts. • Does not provide a "Voucher Edit Report" for invoices entered in the system, which provides a review of all invoice data entered in the system to check for errors before posting to the vendor accounts. The edit report is generally a standard feature of an accounts payable system.
Human Resources	<ul style="list-style-type: none"> • The Benefits Department does not reconcile benefit information on the Datatel system to match information on the Employee Retirement System (ERS), so ACC cannot be sure that ERS's monthly premium invoices are correct. • Benefits Department maintains-and manually reviews- two databases of employee benefit information, one for Datatel and the other for ERS, but both contain essentially the same information. There is no automated solution for reconciling the Datatel and ERS employee benefit databases.
Purchasing	<ul style="list-style-type: none"> • The Commodity Code structure is limited to three digits and does not allow for sub-code items to be recorded. • Inventory/receiving clerks must use two non-integrated systems to record package receipt and delivery data. Clerks use a scanner system to scan bar code information on delivered items and then manually enter the same information in the Datatel system. The scanner system and

	Datatel r data are not integrated to process receiving and delivery information efficiently.
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Source: TSPR interviews with ACC staff, June 2002.

Concerning the ability of Datatel to issue state reports, ACC acknowledges that when the system was implemented in June 1999, it did not generate the required state reports, but the problem has since been addressed and the system now submits the required reports. Regarding student records, ACC acknowledges that some student records are retrieved manually, but that is the exception. Instead, Datatel's Standardization of Post-Secondary Education and Electronic Data System (SPEEDE) captures the majority of transcripts electronically and the user is required to manually handle only the error listings produced by the process and the transcripts of non-partner institutions. Also according to ACC, users have not told IT employees about some problems, such as the fact that the Datatel system incorrectly drops students' classes from their accounts. The large accounting problems concerning payment allocation have not been fixed. ACC officials said problems still exist with the payment allocation process, and Datatel continues to fix them or provide alternate methods.

These examples are symptoms of a lack of confidence in the system by some users. Some faculty said that they are dissatisfied with Datatel. One way organizations gain widespread acceptance in the future is to aggressively pursue a "change management" process. Change management is a process that recognizes that no matter how good a system may be, people ultimately cause it to succeed or fail. Change management focuses on leading and motivating personnel to understand and embrace the new computer system as a critical part of their job. Senior executive leadership is necessary for a successful change management process. Often a key executive can be viewed by the larger organization as the "sponsor" of the change management project, and some, but not all, of the executive's time would be budgeted for the effort. ACC started a change management process in 2001-02. For example, beginning in May 2002, ACC began conducting "Datatel Boot Camps" to help staff increase their skills and comfort level with Datatel, and ACC has begun offering "executive coaching" to the faculty. Key components of a change management process include:

- obtaining executive leadership and commitment;
- sharing decision-making authority;
- listening continuously to staff's concerns;
- mobilizing the project at the right time;

- developing a communication plan that regularly and routinely informs stakeholders;
- conducting pilots of the system on a small scale;
- stabilizing the process once the pilot phase is concluded; and
- implementing the system on a full-scale basis.

ACC plans to upgrade the Datatel system to Release 17 in fiscal 2003. Without a change management process, ACC will likely experience transition problems with the upgrade.

Recommendation 83:

Institute an ongoing change management program as the updated software is installed.

Since change management focuses on people, the executive in charge of the change management program should have strong interpersonal skills as well as technical competency. It is important to listen to stakeholders' concerns and adapt approaches, timetables and schedules in an effort to be responsive to the system's users.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The executive vice president for Academic, Student and Campus affairs assigns the associate vice president for IT to create a change management plan and timeline for implementing Datatel Release 17.	January 2003
2.	The associate vice president for IT seeks input from ACC stakeholders concerning the change management plan.	February 2003
3.	The associate vice president for IT obtains approval of the change management plan from executive administration.	February 2003
4.	The associate vice president for IT creates a separate change management team of five to seven people to listen and respond to stakeholder concerns.	March 2003 - April 2003
5.	The associate vice president for IT acquires general training on change management techniques for the change management team.	June 2003 and Ongoing
6.	IT staff train stakeholders on the change management process.	July 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Finance and Human Resources steering committees no longer meet, and the result is that there is no forum for resolving finance and human resources issues systematically and efficiently. A third-party consulting firm, CampusWorks, reviewed the Datatel environment at ACC in May 2002 and found that user groups for Finance and Human Resources were not taking advantage of available training or continuous improvement. The CampusWorks consultant found that eight user groups were initially formed to work out Datatel issues in a continuous improvement cycle, including the following work groups:

- College-Wide Technology Committee;
- Core and Shared Code Committee;
- Datatel Student System Steering Committee;
- Datatel Executive Committee;
- Financial Steering Committee;
- Human Resources Steering Committee;
- Student Services User Group; and
- Institutional Effectiveness Work Group.

The report found that, unlike all the other user groups, the Finance and Human Resources user groups no longer meet. ACC said that there is a Human Resources-Information Technology team that meets at least twice per month, and more frequently when needed. Many problems expressed by users with Datatel are in the Finance and Human Resources applications. IT industry best practices suggest that active, continuous user committees are key to ongoing success, acceptance and modification of major technology investments. Technical and process-related problems are common in large IT projects, so usually a mechanism is established to address them as they arise in the course of a project to minimize their long term impact.

Recommendation 84:

Reactivate the Finance and Human Resources user groups.

These user groups should meet regularly to discuss particular problems and solutions that help ACC set priorities and implement strategies involving these two software modules of Datatel. The Finance and Human Resources user groups should become key resources for the IT and IRT departments. They could help with the implementation of Release 17.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice presidents for IT and IRT establish a	January 2003
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	cross-cutting faculty user group to address Datatel and general technology concerns.	
2.	The associate vice presidents for IT and IRT reconvene the Finance and Human Resources user groups.	February 2003
3.	The new user groups provide monthly reports on issues, solutions and innovations in the Human Resources or Finance user groups to the College Wide Technology Committee.	March 2003 and Ongoing through March 2007

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 8

C. INSTRUCTIONAL RESOURCES AND TECHNOLOGY

FINDING

IRT has adopted best practices, policies and processes for implementing distance-learning programs across the college. ACC adopted the *Guidelines for Institutional Plans for Distance Education and Off-Campus Instruction* promulgated by the Texas Higher Education Coordinating Board. The college plans and collaborates with leading experts to develop infrastructure and programs to help the college grow. IRT expects a 15 percent growth in the distance learning program area. For fiscal 2003 the college expects enrollment for Interactive Video Classrooms (ITV) classes to be about 5,600 students and expects enrollment for personal computer/modem courses (PCM) classes to be about 13,000 students. These two areas can most easily take advantage of streaming technology. The four ITV courses using streaming technology have a combined enrollment of about 300 students; for fiscal 2002, the college has copyright permission to broadcast/stream 24 courses with a combined enrollment of 3,706 students for the year.

The IRT staff incorporated an evaluation process for off-site streaming media applications and the quality of the technology. The programs produced at ACC consider that students and staff at home may have dial-up connections or broadband service through DSL or cable. IRT also uses software to automatically determine the user's connection method, then transmits the appropriate file to them. In late fall 2002, the IRT staff plans to establish a formal process for periodically testing access to streaming media files and will take corrective action when appropriate.

ACC is deploying new streaming media technology through a cooperative effort with the Texas Education Streaming Media Collaboration (TESMC). TESMC received a TIF grant for \$783,000; \$200,000 was allocated to ACC when the college provided 10 percent of that in matching funds. ACC serves as the fiscal agent for this collaborative project, which includes the following colleges:

- ACC;
- Blinn College;
- Brazosport College;
- Laredo Community College;
- Navarro College;
- South Plains College; and
- Texas State Technical College-Waco

Despite the growth of distance learning, ACC is following a conservative approach by using the TESMC grant to produce models and best practices in conjunction with the TESMC collaborative of community colleges. Research shows that few colleges or universities have design models or best practices, which is the basis for the grant. ACC is hiring a national consultant to evaluate the project and make recommendations for ensuring consistent performance.

COMMENDATION

ACC's department of Instructional Resources and Technology developed a comprehensive model of training procedures, best practices and guidelines for implementing distance-learning technologies.

Chapter 8

D. NETWORK INFRASTRUCTURE

FINDING

Each campus in the ACC system is connected to the college's fiber optic network, with the exception of the Cypress Creek campus. ACC calls its infrastructure operation "ACCNet." ACC is a board member and active participant in the Greater Austin Area Telecommunications Network (GAATN). GAATN is a consortium of seven public sector organizations that banded together in 1991 to plan, purchase and build fiber optic and other telecommunications infrastructure in the greater Austin area. Each entity is the sole owner of its own fiber optic network but cooperates with the others to achieve more efficiency using vendors and other resources. The other members are the city of Austin, Travis County, the Texas Department of Information Resources, the Lower Colorado River Authority, Austin Independent School District and the University of Texas System (UT). The director of ACCNet Services serves on the GAATN telecommunications committee. In Austin, UT is also the internet service provider for ACC, which means ACC must follow UT's rules for acceptable use of telecommunications equipment. However, the UT system has the resources to upgrade or repair the system quickly and efficiently. On its own, ACC would not have access to the same quality of service and hardware.

The GAATN has greater bargaining power, better efficiency and more favorable pricing than its members could obtain individually. The state of Texas uses the same principle when it negotiates favorable rates on software and services on behalf of other state agencies and colleges like ACC.

COMMENDATION

ACC improved its telecommunications technology by participating in the Greater Austin Area Telecommunications Network.

FINDING

ACC's technology infrastructure uses software, hardware and other network troubleshooting tools to monitor all the major computing components at each ACC campus. The router hardware and software allows remote troubleshooting. Tools like these allow ACC technology personnel to identify where problems along the network might occur, and what other hardware and software might be affected when problems arise.

The ability to monitor and repair computer systems remotely saves technicians time since they do not have to be dispatched every time there is a problem. Even if technicians eventually must go out to a site, the problem has already been identified, and they can go directly to its origin. When colleges invest in this kind of capability, fewer technicians can repair more computers.

COMMENDATION

ACC's technology infrastructure is efficient to monitor and repair.

Chapter 9

COLLEGE AND COMMUNITY RELATIONS

This chapter reviews the Austin Community College's (ACC) college and community relations in the following sections:

- A. Marketing and Public Relations
- B. Community and Business Involvement
- C. Foundation and Grants Development
- D. Governmental Relations

Obtaining institutional support from a variety of internal college and community stakeholders is essential to both a community college's success and the quality of life within the college's service area. Institutional support and involvement includes those activities that enable students, alumni, businesses, parents, other political subdivisions and special interest groups with a stake in higher education to become involved in the community college. Stakeholders are more likely to respond appropriately to the institution's needs and concerns if they are well informed about the issues and challenges facing the college.

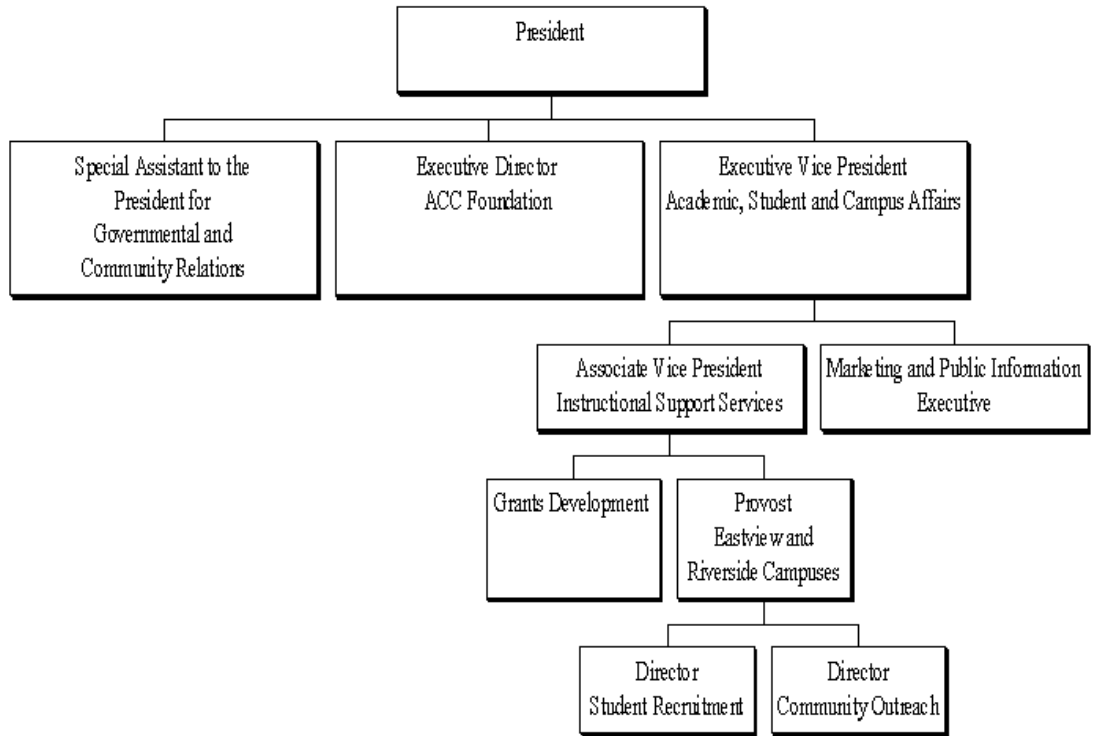
BACKGROUND

Effective institutional support programs address the unique characteristics of the college and the community. A critical component of institutional support includes strategies for communicating both with the community (external communications) and within the college (internal communications). Other essential program components include:

- marketing the institution's programs and services to the community;
- recruiting volunteers and soliciting business support for college functions;
- designing outreach activities to encourage community participation in college activities;
- determining methods for raising funds for scholarships and other needed college activities;
- enhancing the college's ability to provide services through grants; and
- maintaining positive governmental relations at the federal, state and local levels.

Exhibit 9-1 shows the organizational structure of college and community relations for ACC.

Exhibit 9-1
ACC College and Community Relations Functional Organization



Source: ACC Organizational Chart, August 2002 and interviews.

Several areas within the college share college and community relations responsibilities, including Marketing and College Relations, Grants Development and the ACC Foundation. The special assistant to the president is responsible for developing the college's legislative agenda, responding to elected officials and service learning collegewide. The provost for Eastview and Riverside Campuses is responsible for outreach efforts to minority students and underserved populations. Both the director of Student Recruitment and the director of Community Outreach report to the provost.

The Office of Press Relations within the Marketing and Public Information Department manages the speaker's bureau for the president and the ACC Board of Trustees. **Exhibit 9-2** presents a more detailed overview of the different organizational units that manage ACC's college and community relations' functions.

Exhibit 9-2
ACC Organizational Units Responsible for Performing Major College and Community Relations Functions

Organizational	Major Functions
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Unit	
Marketing and Public Information Executive	<ul style="list-style-type: none"> • Manages and establishes the direction for marketing and public relations for the college • Serves as official spokesperson for the college • Writes speeches for president and board members • Oversees open records requests • Develops and oversees ACC Web site
Office of Press Relations	<ul style="list-style-type: none"> • Performs all aspects of media relations • Assists with writing Partners in Progress newsletter • Coordinates public speaking program for the board and the president
Publications Office	<ul style="list-style-type: none"> • Responsible for major college publications, including the catalog, credit and noncredit course schedules, Partners in Progress newsletters, Bulletin Board online newsletters, print advertisements, admission marketing materials for prospective students, direct mail pieces for campaigns, and other student recruitment and community related publications
Marketing Office	<ul style="list-style-type: none"> • Coordinates individual program marketing plans for credit and continuing education programs • Develops print advertising for the college
Governmental and Community Relations	<ul style="list-style-type: none"> • Responds to chief elected officials • Coordinates legislative agenda and prepares legislative priorities
ACC Foundation	<ul style="list-style-type: none"> • Provides financial support for scholarships for students • Provides financial support for special projects not funded through college budgets • Provides avenues for individuals to contribute to the college
Grants Development Office	<ul style="list-style-type: none"> • Coordinates and submits grants and proposals • Monitors contracts for compliance
Provost-Eastview	<ul style="list-style-type: none"> • Develops and implements minority student

and Riverside Campuses	<p>recruitment initiatives</p> <ul style="list-style-type: none"> • Designs and implements strategies to attract and enroll minority students
Director, Student Recruitment	<ul style="list-style-type: none"> • Manages ACC's on-campus recruitment events • Develops and implements recruitment tracking system • Manages program of high school visits
Director, Community Outreach	<ul style="list-style-type: none"> • Coordinates ACC on-campus community events • Conducts outreach efforts with community organizations • Coordinates ACC participation in community events

Source: Interviews conducted with ACC staff, June 2002.

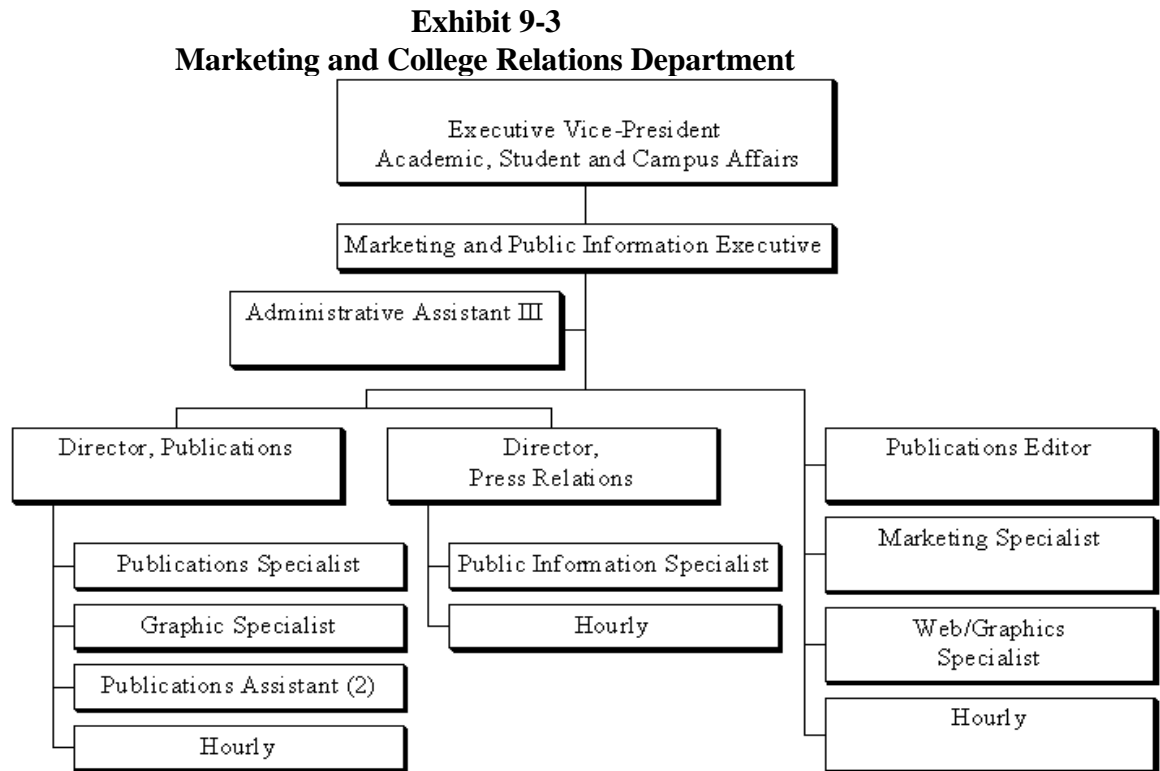
Chapter 9

A. MARKETING AND PUBLIC RELATIONS

An effective communications and public relations department gains the support and confidence of students, staff and community members through two-way, open communication that both disseminates and gathers information.

The Marketing and College Relations Department is responsible for creating and distributing major ACC promotional materials and is the point of contact for all media and press relations. The goal of the Marketing and College Relations Department is to encourage access to the college while publicizing news of its successes to the greater Austin public. The department is staffed with an administrator, eight professional-technical staff and three classified staff.

The department uses additional hourly employees periodically during peak workload times, and for supporting the president and board's speaker's bureau. **Exhibit 9-3** presents the Marketing and College Relations' organizational structure.



Source: ACC Organizational Chart, August 2002 and interviews.

The department developed the following mission statement:

"The Marketing and College Relations team supports the mission of Austin Community College by collaborating with other ACC departments as well as its external partners to plan and implement a comprehensive communications program for the college."

As part of its mission statement, the department commits to:

- Increasing public awareness and enhancing the college's public image;
- Implementing a proactive marketing program to attract students;
- Promoting ACC's services, programs and accessibility throughout the service area;
- Reaching out to underrepresented populations;
- Producing attractive, timely, accurate publications, public relations collateral and other printed materials that are responsive to faculty, staff and student needs;
- Fostering positive, constructive relationships with the media; and
- Efficiently using valuable college funds and other resources to promote the institution and its various programs and services.

The department is responsible for press and media relations, advertising, Web site design and oversight, trade show displays and other outreach materials, promotional videos and streaming videos, open records requests and all major college publications. These publications include the college course catalog, credit and noncredit course schedules, Partners in Progress newsletters, Bulletin Board online newsletters, print advertisements, admission marketing materials for prospective students, direct mail pieces for major campaigns and hundreds of other pieces annually to recruit new students and provide information to the community about the college. The department also coordinates and schedules the speaker's bureau for the president and board members.

The department has received a number of awards and internal recognition for accomplishments between 1997 and 2002. The Office of Institutional Effectiveness reported on its internal customer satisfaction survey, spring 2001:

"Increases in the level of satisfaction were most notable in offices related to marketing."

The Marketing and College Relations Department received over 25 awards from the National Council for Marketing and Public Relations (NCMPR) and the Council for Advancement and Support of Education. Awards include four gold medallions at the NCMPR District IV

conference in October 2001 for ACC's recruitment campaign, TV ad series, single TV ad and media success story.

Exhibits 9-4 and **9-5** show both internal and external institutional publications and communication methods that the college uses.

Exhibit 9-4
Internal Communications Methods
2001-02

Device	Description	Audience
"Bulletin Board"	Twice monthly electronic newsletter of events, information and honors about and for faculty and staff.	Faculty and staff
ACC Intranet	Internal Web site designed to keep faculty and staff informed of organizational changes, contact information and college news.	Faculty and staff
"ACC Insider"	Monthly online newsletters from the president's office through the Intranet and e-mail alerts.	Faculty and staff
"Kudos"	Monthly online newsletter from the executive vice president's office to honor good work and awards, available through the Internet and e-mail alerts.	Faculty and staff
Employee association newsletters, Web sites, and listservs	Each association has its own Web site, and most have listservs and printed newsletters to maintain two-way communication with their membership.	Employee groups
ACC Annual Catalog	Course catalog with complete course descriptions and degree plan.	ACC students and advisors, high school and workforce counselors
"ACCent"	Student newspaper.	Students at ACC
Student Handbook	Handbook for students and academic planner.	Students at ACC
Credit Course Schedule	ACC credit course offerings and registration information published	Students and potential students.

	spring, summer and fall.	advisors, community members
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Exhibit 9-5
External Communications Methods
2001-02

Device	Description	Audience
Noncredit Course Schedule	ACC noncredit course offerings and registration information published spring, summer and fall.	Students and potential students and community members
ACC brochures	Three series of promotional marketing brochures for campuses, workforce programs and program clusters.	Students and potential students
"What's Hot and New"	Electronic postings of news and events from ACC departments and organizations with updates posted as needed.	Students, college employees and community members
"Choices" Viewbook	Admissions recruitment publication introducing ACC and its programs.	Students and potential students
News Releases	Electronic postings of ACC news events. Updates are posted daily or as available.	Media, students, college employees and community members
"Partners in Progress" Newsletter	Full color newsletter published four times a year featuring community partnerships with ACC, board members, ACC faculty, foundation and grant efforts and college initiatives; one issue includes the annual report.	Business and community leaders in Austin and surrounding communities
www.austin.cc.tx.us	The Web site is designed to provide current information about the college, including virtual tours and streaming videos. catalog. course	Austin area and outside communities

	schedules, departmental information and services for students.	
"Sound Bites"	News briefs sent on a monthly basis to keep media personnel apprised of ACC activities.	Media
Radio, TV and print advertising	Advertising that promotes ACC's programs, registration periods and overall image.	Students, potential students and community members
Student recruitment and career fairs	Faculty and staff participate in fairs aimed at promoting ACC and informing people of ACC courses, job training and career opportunities.	Potential students, high school and workforce counselors
"Making a Difference in the Lives of Texans" PowerPoint presentation and speaking engagements	Facts and figures, informational and promotional materials developed for presentation by president and board members.	Professional and community clubs and organizations
Speakers Bureau	Faculty, staff and administrators available to speak, make presentations or address governmental or technical groups on a variety of issues ranging from information about the college to current workforce trends and specialized topics.	Professional and community clubs and organizations
Targeted direct mail pieces	Postcards and other promotional and informational time-sensitive mail including registration and orientation sessions dates.	Students and prospective students

Source: ACC Marketing and College Relations Department, August 2002.

The department works with internal academic and administrative departments to create a systematic approach to collegewide marketing materials. Examples include several brochure series for campuses, workforce programs, program clusters; consistent use of the ACC and other graphic standards; design and navigation of the ACC Web site and other collegewide marketing strategies.

In February 2002, ACC cut the Marketing and College Relations Department's budget by \$155,790 due to the college's overall budget

shortfall. The budget cuts were \$72,565 in printing, \$65,000 in advertising, \$8,550 in hourly staffing and \$9,675 in other reductions including news clipping service, photography assistance, professional memberships and supplies. The speaker's bureau position was reduced to 10 hours per week.

Exhibit 9-6 presents ACC's Marketing and College Relations' operating budget from 1997-98 through 2001-02.

Exhibit 9-6
Budget for Marketing and College Relations Department
1997 through 2002

Expenditure Category	Budget 1997-98	Budget 1998-99	Budget 1999-2000	Budget 2000-01	Budget 2001-02	Percent Increase Over five years
Salaries	\$213,593	\$269,315	\$365,341	\$429,775	\$542,537	154.0%
Employee Benefits Pool	\$7,696	\$9,729	\$13,235	\$15,419	\$16,276	111.5%
Supplies (includes books)	\$2,800	\$2,800	\$3,700	\$3,700	\$3,700	32.1%
Travel	\$2,100	\$2,100	\$2,100	\$2,100	\$3,300	57.1%
Operating Cost Pool (includes advertising, publications, postage)	\$1,044,956	\$1,382,061	\$1,401,661	\$1,482,661	\$1,491,961	42.8%
Duplication	\$800	\$800	\$800	\$19,800	\$19,800	2,375.0%
Contracted Services	\$5,300	\$11,300	\$0	\$0	\$0	(100.0%)
Telephone	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	0.0%
Non-Capitalized Pool	\$1,100	11,100	\$1,900	\$1,900	\$1,900	72.7%
Total	\$1,280,645	\$1,691,505	\$1,791,037	\$1,957,655	\$2,081,774	62.6%

Source: ACC Budget director, June 2002.

Budget increases reflect transfers of additional staff and responsibilities from other areas as well as increased postage and printing costs. With the arrival of the current marketing executive in 1997, the board began to add additional responsibilities and resources to the Marketing and College Relations Department. These include the design and maintenance of the ACC Web site, the addition of a Web/graphics specialist; program-specific marketing; the reassignment of two Publications assistants who provide word processing services; and the scheduling and coordinating of board speaking engagements. The department also increased its press relations function by adding one staff person.

The department has stretched its budget in several areas, including:

- Bulk discount contracts with print media;
- Broadcast media buying at 40 percent of market;
- Thinner paper on its schedules for a savings of \$21,000 per year;
- Web hits that provide visibility to ACC at low cost;
- Economies of scale through its brochure series;
- Partnering with other organizations;
- Free cable television exposure through Channel 19 messaging; and
- Industry support of marketing efforts.

Since 1997, the Marketing and College Relations Department has devoted a larger share of its advertising and printing resources to program marketing, bringing in additional outside resources from industries in the Austin area and increasing enrollment in specific programs.

The Marketing and College Relations Department also dedicated time for its marketing staff to work with faculty and the departments. Individual departments can request specific services from the Marketing and College Relations Department, including posters, flyers, brochures; designing and placing advertisements; and publicizing events, awards and other newsworthy items. The department also provides word processing services for forms, instructional materials and other printed items. The staff is available to provide marketing advice and consultation to departments. This can range from helping someone on a short-term project, such as designing a logo for an event, to developing a full-scale, annual marketing plan for a department.

FINDING

ACC maintains a comprehensive Web site, www.austin.cc.tx.us, which provides useful information for students and the community on a variety of topics. The Web site includes statistical data, calendars, press releases, board meetings and agendas, strategic plans, college policies, maps,

employment opportunities and research reports. For potential students, the Web site offers resources including downloadable applications and college schedules, virtual tours of campuses, financial aid and scholarship information, frequently asked questions, counseling and special services, library and instructional resource information and student activities.

The Web site includes detailed information about academic and workforce departments, continuing education, adult basic education, distance learning and special programs including Early College Start and Tech Prep. The Web site includes names, photographs and biographies of board members, board meeting summaries, directories and budgets by department and administrative forms. The Web site also includes the college's goals and vision statements.

An example of content of the student resources Web page on the ACC Web site is shown in **Exhibit 9-7**.

Exhibit 9-7
Example of ACC Web Site

Student Resources Web Page	
Student Services	Get Involved!
<ul style="list-style-type: none"> • FAQ • Support Services • Student Services Overview • Testing Centers • Book Store • Texas Workforce Commission • Tutoring Labs/Learning Labs • Who Does What • Veterans Affairs • Admissions and Records • Advising • Assessment and Testing • Financial Aid • Student Orientation 	<ul style="list-style-type: none"> • Student Government Association • Student Life • Student Newspaper • El Centro • Hispanic Student Association • Honors Program
Library/Instructional Resources	Special Services
<ul style="list-style-type: none"> • Library • Computing Resources • Computer Centers • Public Access Computers • Distance Learning 	<ul style="list-style-type: none"> • International Student Office • Interpreter Services • Services for Students with Disabilities

<ul style="list-style-type: none"> Virtual College of Texas 	
Calendars	Publications for Students
<ul style="list-style-type: none"> Campus Locations 	<ul style="list-style-type: none"> ACCent Student Handbook College Catalog Credit Course Schedule (Current)
Transfer Services	Request for Information Form
	Student Right to Know

Source: ACC Web Site, June 2002.

The new ACC home page and Web site was launched in May 2002 and features second tier menus and "mouse-overs" to allow for direct, one-click access to 71 different links and submenus. The design features improved utilities, page management features and a common design template available to ACC departments to use on their own Web pages. Most departments have allowed the Marketing and College Relations Department to develop departmental Web pages, which contributes to ease of access and movement among Web pages. The college is still developing its Intranet Web site; one of the college's initiatives is online registration, which was piloted in the summer of 2002.

A Web and graphics specialist in the Marketing and College Relations Department maintains the content of the majority of pages on the Web site. The specialist is a recent ACC graduate in the ACC Web design degree program. All of the campus libraries have media specialists who work within the Instructional Resources and Technology (IRT) Department to maintain library pages, other instructional support pages and faculty pages. The IRT Department has its own Web administrator, as does the ACC executive vice-president, to maintain academic and student services pages. The Internet Services unit within the Information Technology Department maintains the back office side of the Web site, including servers and databases.

The Marketing and College Relations Department provides users with a feedback mechanism on the Contact Us page (http://www.austincc.edu/utility_pages/contact.php). In addition, the Web and graphics specialist works closely with departments that need pages developed or updated. Content accuracy is the responsibility of the departments, just as it would be for a print publication.

Each Web page is linked to various databases and other Web sites as appropriate. The Web site provides current and comprehensive information about the college. Although not all households in the Austin community have access to the Internet, maintaining a user-friendly Web site provides another avenue for communications.

COMMENDATION

ACC operates a comprehensive Web site that provides students and the community with useful resources and information about the college.

FINDING

The Press Relations Office has established a benchmark of media exposure for each department. The benchmark, known as "ad equivalency," determines the dollar value to ACC for positive news coverage and provides the college with a comprehensive overview of departmental media coverage. The Marketing and College Relations Department uses several measures of success to evaluate its press function. These include:

- Number of stories written and pitched to the media;
- Number of stories that run in the media;
- Amount of column and broadcast time devoted to ACC;
- Recall of news (provided via internal ACC marketing survey of students each fall);
- Anecdotal information (highlights of specific stories); and
- Advertising equivalencies.

Ad equivalency refers to the amount of media coverage generated by the Press Relations Office in local, statewide and national print and broadcast media. It is calculated by column inches and air time. Ad equivalency represents the amount of money a paid advertisement would have cost the college. A summary of local positive ad equivalency for ACC from August 2001 through July 2002 is shown in **Exhibit 9-8**.

Exhibit 9-8
ACC Local Ad Equivalency
August 2001 through July 2002

Media	Value of Coverage
Print Coverage	
<ul style="list-style-type: none"> • Austin American Statesman 	\$65,927

<ul style="list-style-type: none"> • Other local print media 	\$40,751
Electronic Coverage	
<ul style="list-style-type: none"> • Local Network Affiliates • (Channels 7, 24, 36, 42) 	\$107,070
<ul style="list-style-type: none"> • Cable Channel 8 	\$15,250
Annual Total of Local Ad Equivalency	\$228,998

Source: Marketing and College Relations Department, August 2002.

ACC uses four criteria to determine the ad equivalency of news coverage:

1. Only positive news coverage has value. ACC also receives negative publicity, but does not use this news coverage in calculating its ad equivalency.
2. The coverage is on topic and chiefly about ACC. Following the model created years ago by the public relations industry, ACC assigns monetary value only to stories that deal directly with the college.
3. Ad equivalency calculations are based on ACC ad rates, rather than open rates. Companies who have advertising contracts with local media typically use their contract rates to determine ad equivalency, as does ACC.
4. The media in question can be used by ACC for its advertising message. Since ACC's markets are chiefly local within the central Texas region, its advertising messages and its press relations focus on central Texas media.

In addition to the news coverage the college receives in the local media, ACC has appeared in numerous community college publications and has been featured on national television. The Office of Press Relations also tracks and reports this coverage.

COMMENDATION

ACC captures ad equivalency for local media coverage, providing the college with a benchmark of media exposure for each department.

FINDING

The mass mailing of ACC's course schedules to the entire service area is not a cost-efficient way to reach its target student population. Each

semester ACC bulk mails its course schedules to all households in the district, including those outside the taxing district. Retention and Student Services distributes a majority of the catalogs to new students during orientation and to students who visit an admissions office or request a catalog via the mail. The Student Recruitment Office distributes an additional 1,000 catalogs to high school counselors and prospective students during recruitment visits.

ACC has initiated several cost-saving measures in its course schedule distribution system, including:

- Reducing its distribution to outlying areas including Fredericksburg and Marble Falls;
- Reducing the thickness of the paper used to save costs;
- Arranging with the post office to pick up undelivered copies of the schedule so that the college can lower its on-campus distribution;
- Reducing the number of copies printed for on-campus distribution; and
- Reducing the fall schedule from 144 to 112 pages.

Despite taking these steps to reduce schedule distribution, printing and mailing its course schedules still costs the college over half a million dollars each year.

The college uses the bulk mailing of ACC course schedules as a recruiting method and to let communities know what ACC offers. The college distributes 560,000 schedules each semester, with schedules averaging 112 pages for fall, 120 for spring and 80 for summer. Major ACC publication printing costs are shown in **Exhibit 9-9**.

Exhibit 9-9
ACC Major Publication Printing Costs
2001-02

Publication	Number Printed	Cost
Credit Course Schedules (Spring, Summer, Fall)	560,000	\$350,000
Noncredit Course Schedules (Spring, Summer, Fall)	240,000	\$120,000
Catalog	20,000	\$38,000
Partners in Progress Newsletter	10,000	\$20,000
Student Handbook	20,000	\$9,000
Total	850,000	\$537,000

Source: ACC Marketing and College Relations Department, June 2002.

ACC mails credit course schedules to a number of cities outside its taxing district. The college's mailing of credit course schedules to major cities within the district, but outside the taxing area is shown in **Exhibit 9-10**.

Exhibit 9-10
ACC Credit Course Distribution by Mail
2001-02

Area	Number Credit Course Schedules Mailed	Number Students Enrolled Fall 2001	Ratio of Students Enrolled to Course Schedules Mailed Fall 2001
Bastrop County: Bastrop, Cedar Creek and Elgin	17,115	335	1:51
Hays County: Buda, Dripping Springs, Kyle and San Marcos	37,793	877	1:43
Williamson County: Round Rock	32,409	1,090	1:30
Williamson County: Georgetown	20,158	427	1:47
Subtotal	107,475	2,729	1:39
Remainder of District	400,863	24,848	1:16
Total ACC	508,338	27,577	1:18

Source: ACC Marketing and College Relations Department, June 2002.

Of the 560,000 schedules printed, the college mails 508,338, saving some for distribution at ACC centers, libraries and community sites. Of these, 107,475 go to non-taxing districts. As shown in **Exhibit 9-10**, the college does not receive the same value for credit course schedule distribution outside the taxing district as it receives inside the taxing district. The district's ratio of students enrolled to course schedules mailed is significantly higher for non-taxing areas, which is one student enrolled to every 39 schedules mailed, than for the college as a whole, which is one student enrolled for every 18 course schedules mailed.

Printing costs for 1,000 copies are as follows: \$196.36 for a 120-page schedule, \$180.43 for a 112-page schedule and \$173.46 for an 80-page schedule. The cost for bulk mailing is \$.10 per schedule.

ACC designated three peer community colleges for comparison purposes, Collin County Community College (CCCC), North Harris Montgomery Community College and San Jacinto Community College. North Harris Montgomery Community College and San Jacinto Community College send their course schedules to all households in their service areas, as do the majority of other metropolitan community colleges.

Like ACC, Collin County Community College used to bulk mail its schedules, but changed its schedule distribution when it became extremely expensive due to increases in the cost of paper and the population of the service area. CCCC analyzed its market penetration, which is the number of students enrolled from each zip code as a percentage of the number of households in the zip code, reducing the number of printed and mailed schedules. They began by eliminating mailings to zip codes in the service area but outside the taxing district; and they eliminated some outlying areas where they had low market penetration. In addition, in spring 2001, CCCC eliminated course descriptions, which significantly reduced the number of pages in each schedule. The college saved \$107,066 in printing, mail service and postage costs in 2001-02 by changing their method and type of schedule distribution (**Exhibit 9-11**).

Exhibit 9-11
Collin County Community College Costs for Credit Class Schedules
1999-2000 and 2000-01

Credit Schedules	Quantity Printed	Quantity Mailed	Total Printing, Mail Service and Postage Costs
Spring 2000	270,000	248,110	\$120,450
Summer 2000	270,000	252,153	\$98,850
Fall 2000	270,000	249,302	\$127,596
Subtotal	810,000	749,565	\$346,896
Spring 2001	200,000	170,000	\$85,748
Summer 2001	212,000	182,000	\$69,887
Fall 2001	212,000	182,550	\$84,194
Subtotal	624,000	534,550	\$239,829
Total	186,000	215,015	\$107,067

Source: Collin County Community College executive vice president, July 2002.

CCCC designed a postcard mailer to send to people in the eliminated zip codes. The postcard directs people to the CCCC Web site or to one of the campuses to pick up a schedule for the upcoming term. Printing a postcard mailer costs approximately \$4,000 for 500,000 cards; mail preparation runs \$23 per 1,000 cards; and bulk mailing is \$.09 per card.

CCCC is piloting a new online, searchable class schedule produced through a contract with a private company that allows individuals to download the college's schedules and catalog from the college's homepage in a matter of minutes, rather than the slower traditional portable document format (PDF) or segmented versions used by most colleges. The system downloads the CCCC logo onto the user's desktop computer; downloads and stores the CCCC catalog and schedules on the desktop; allows interaction between the catalog and schedules; and launches to the CCCC Web site for registration.

The schedules and catalog reside on the individual's desktop and can be easily searched by categories the college identified, including day, evening and weekend classes, by campus, learning, communities, Web courses and other categories. The system also allows for searches by course number and by keyword. The college reports that the system is very user-friendly and they are getting positive feedback on it. CCCC now plans to reduce further the number of schedules mailed to its service area.

ACC's wide area network and computer replacement plan provide the bandwidth and technology upgrades to handle information transfer required for online services related to schedules and applications efficiently. ACC has improved its online system and is pilot-testing a system for providing online services during fall 2002. The online services will provide a portal to the community to view real time course information and semester section schedules.

ACC's college catalog and semester schedule have been live on the ACC Web site since 1998. ACC updates the semester schedule hourly to reflect changes in rooms, instructors, section time, class counts and faculty office hours. Sixty percent of new college students use the ACC online student application system, which automatically validates information prior to transferring it to the ACC Datatel system.

Recommendation 85:

Eliminate the mailing of course schedules to ACC households and encourage the use of online searchable class schedules.

ACC should eliminate bulk mailing of all schedules, which also will greatly reduce the number of schedules printed. Since the college already

has the technology required for online searchable schedules and student applications, it will not incur additional costs to add the technology. The cost of online services is part of the maintenance expense of the Datatel system. However, in lieu of printing and mailing schedules, ACC should consider using postcards to notify households that they may pick up schedules at campuses or community locations or search the online schedule.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Marketing and Public Information executive develops a plan and determines the savings for reducing credit course schedule printing and mailing distribution and the costs of notifying the community of other information options.	January - February 2003
2.	The Marketing and Public Information executive monitors the distribution of course schedules to determine the continued cost benefit of the new distribution and information plan.	March - August 2003
3.	The Marketing and Public Information executive recommends any revisions in the number of schedules printed and mailed to the president.	September 2003

FISCAL IMPACT

The fiscal impact assumes eliminating bulk mailing of all course schedules and printing 400,000 fewer schedules, which leaves 160,000 schedules to be distributed to ACC campuses and community locations and to respond to specific requests from the public.

The college prints over 560,000 schedules and mails over 508,000 of them each semester. The printing cost for 1,000 copies is \$180.43 for a 112-page fall schedule, \$196.36 for a 120-page spring schedule and \$173.46 for an 80-page summer schedule. The bulk mail rate is \$.10 per schedule. If the college eliminates its course schedule mailings, it could reduce its print run by 400,000 schedules each semester and still have enough to distribute to campuses and community locations and to mail to individuals who specifically request a schedule.

The fiscal impact of bulk mailing a pre-printed post card to "Postal Patron" in the Austin area market is as follows:

- approximately \$4,000 to print 500,000 cards;
- \$23 per 1,000 cards for mail preparation, or \$11,500; and
- approximately \$.09 to bulk mail each card, or \$45,000.

Potential Fiscal Impact of Eliminating Most Printing and All Mailing of Course Schedules					
Credit Schedules	Number of Printed Schedules Eliminated	Printing Cost per 1,000 Schedules	Savings for Printing	Bulk Mail Savings at \$.10 per Schedule	Total Printing and Postage Savings
Spring	400,000	\$196.36	\$78,544	\$40,000	\$118,544
Summer	400,000	\$173.46	\$69,384	\$40,000	\$109,384
Fall	400,000	\$180.43	\$72,172	\$40,000	\$112,172
Annual Totals	1,200,000	N/A	\$220,100	\$120,000	\$340,100
Potential Fiscal Impact of Printing and Mailing Postcards Instead of Course Schedules					
Credit Schedules	Number of Cards Printed	Printing Costs per 500,000 Cards	Costs for Mail Preparation @ \$23 per 1,000)	Bulk Mailing Costs at \$.09 per Card	Total Printing and Mailing Costs
Spring	508,000	(\$4,000)	(\$11,684)	(\$45,720)	(\$61,404)
Summer	508,000	(\$4,000)	(\$11,684)	(\$45,720)	(\$61,404)
Fall	508,000	(\$4,000)	(\$11,684)	(\$45,720)	(\$61,404)
Annual Totals	1,524,000	(\$12,000)	(\$35,052)	(\$137,160)	(\$184,212)
Total Annual Savings (for printing 1,200,000 fewer schedules, eliminating the mailing of 1,524,000 schedules and notifying households via postcards of online schedule options and community pick-up locations)					\$155,888

The savings assume that the first semester will be needed to reduce the number of schedules printed, eliminate the mailing of all course schedules; and mail postcards in summer 2002-03. Savings for 2002-03 will include reduction in printing and mailing of schedules and the addition of postcard mailers. Summer savings would be \$47,980 (\$109,384 - \$61,404 = \$47,980). Savings for subsequent years include printing, eliminate mailing of all course schedules and the addition of preparation, printing and mailing of postcards (\$340,100 - \$184,212 = \$155,888).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
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Eliminate the mailing of course schedules to ACC households and encourage the use of online searchable class schedules.	\$47,980	\$155,888	\$155,888	\$155,888	\$155,888
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FINDING

Staffing in the Marketing and College Relations Department has increased disproportionately in ratio to student enrollment and ACC staffing in general. ACC's Marketing and College Relations Department is staffed with an administrator, eight professional-technical staff and three classified staff.

The Marketing and Public Information executive oversees the Marketing and College Relations Department; the administrative assistant III provides administrative support to the Marketing and Public Information executive and to the department; and the Web/graphics specialist is responsible for developing and maintaining collegewide Web pages, online forms and databases.

The Publications editor is responsible for overseeing publication photography and text and for interacting with program coordinators for publication information, writing text for the ACC brochure series and assisting with the Partners in Progress newsletter. The Marketing specialist develops institutional, program and event-specific marketing strategies and builds marketing partnerships in the community.

The director, Press Relations is responsible for developing and fostering news coverage of ACC's services, programs and activities in the college's internal and external communities, including establishing relationships with key constituencies and community groups. The Public Information specialist reports to the associate director, Press Relations and assists in developing news coverage of ACC's services, programs and activities, and writes news releases, feature articles and other print articles for the media.

The director, Publications is responsible for planning and coordinating production of ACC's publications including responsibility for the production calendar, budget and schedules for all major college publications. The Publications specialist assists the director, creates camera-ready art for publications and assists with updating and producing the ACC catalog. The Graphics specialist creates graphics and printed materials for the college.

Two Publications assistant positions report to the director, Publications. Responsibilities of these two positions include desktop publishing, word processing and preparing charts, forms and electronic presentations.

The Marketing and College Relations Department has increased from six positions in 1997-98 to 11 positions in 2001-02. ACC Marketing and College Relations Department staffing trends compared to student enrollment and ACC staff is shown in **Exhibit 9-12**.

Exhibit 9-12
ACC Marketing and College Relations Department Employee
Statistics
1997-98 through 2001-02

Variable	1997-98	1998-99	1999-2000	2000-01*	2001-02	Percent Increase
Number of Students Enrolled	25,796	25,609	25,914	25,856	27,577	6.9%
Total ACC Staff	2,038	2,128	2,191	2,267	2,475	21.4%
Number of FTEs in Marketing and College Relations Department	6.0	7.5	8.5	9.0	11.0	83.3%
Number of Marketing and College Relations Staff per 100 Students	0.023	0.029	0.033	0.035	0.040	73.9%
Number Marketing and College Relations Staff per 100 ACC Staff	0.294	0.352	0.388	0.397	0.444	51.0%

Source: ACC Budget director and Human Resources Department, June 2002.

The ratio of Marketing and College Relations Department staff per 100 students nearly doubled from 1997-98 to 2001-02. The ratio of Marketing and College Relations staff per 100 ACC staff also increased from .294 in 1997-98 to .444 in 2001-02.

The department has not eliminated or reassigned any staff in 2001-02 but has reduced hourly schedules of temporary employees and reassigned tasks. One of the two publications assistant positions has been vacant for almost a year, and other staff has absorbed the position's job duties.

Recommendation 86:

Eliminate one Publications assistant position in the Marketing and College Relations Department.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The Marketing and Public Information executive eliminate one publication assistant position and determines how to redistribute job duties of the publications assistant position on a permanent basis.	January 2003
2.	The executive vice-president, Academic, Student and Campus Affairs approves the elimination of one Publications assistant position.	February 2003
3.	The executive vice-president, Academic, Student and Campus Affairs eliminates one Publications assistant position from the budget.	February 2003

FISCAL IMPACT

There would be savings associated with eliminating one Publications assistant position. The salary for the position is \$28,219, and the benefits are \$847 (\$28,219 x 3 percent benefit rate). The annual savings would be \$29,066. The savings have been prorated for six months of 2002-03 (\$29,066/2 equals \$14,533 for six months' savings).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Eliminate one Publications assistant position in the Marketing and College Relations Department.	\$14,533	\$29,066	\$29,066	\$29,066	\$29,066

Chapter 9

B. COMMUNITY AND BUSINESS INVOLVEMENT

Positive relations with the community and businesses are essential to the success of community colleges. Colleges promote positive community relations by conducting regular outreach activities and embracing and working with all members of the community. The involvement of businesses is essential for effective workforce education and development that meets the needs of the business community.

FINDING

ACC developed collaborative partnerships with business and industry in several key workforce areas.

In 1999, ACC, the Greater Austin Chamber of Commerce, the Capital Area Training Foundation, the City of Austin, Travis County and both the Capital and Rural Capital Area Workforce Development boards initiated the first Austin@Work summit to bring together leaders from the public and private sectors to design and implement plans to better educate, train and retain employees in central Texas. The summit is now an ongoing project, called Greater Austin@Work, building on the momentum created since its initiation.

Greater Austin@Work connects regional employers and educators in industry-led workforce clusters and develops education and workforce collaboration. Over 350 employers, 12 school districts, 24 post-secondary institutions, 30 community and nonprofit partners and 11 different industry clusters actively participate in Greater Austin@Work. ACC continues to lead this effort, and as a result of its increased understanding of business community needs, initiated two new programs in 2001. These programs, Environmental Technology and E-Commerce, are two-year programs designed to produce qualified people for fields with high demands.

Additionally, ACC has worked closely with the Capital Area Workforce Development Board (Austin WorkSource) and the Rural Capital Workforce Development Board to have its programs certified through the Training Provider Certification System (TPCS). In order for programs to be certified, they must provide instruction in an occupational area that is needed in the Austin area and that will provide participants with a livable wage. A customer that qualifies for training can choose from among these programs, depending on choice of institution and interest.

As shown in **Exhibit 9-13**, ACC has 25 programs certified under TCPS.

Exhibit 9-13
ACC Programs Certified under the
Training Provider Certification System
2002

Program Certified	Program Certified
Automotive Technician One-Year Certificate	Heating, Air Conditioning and Refrigeration Technology (Certificate Program)
Automotive Technology: Automotive Drive Train Specialists	Medical Coding Program
Automotive Technology: Automotive Engine Performance Specialist	Online Webmaster Certification: Design/Media Track
Automotive Technology: Brake and Suspension Certificate	Oracle DBA Series Track
Automotive Technology: Heating and Air Conditioning Specialist	Oracle Developer Series Track
Child Development - Academic CDA	Pharmacy Technician
Child Development Certificate	Physical Therapist Assistant
Clinical Technician	Registered Nursing - Associate Degree
Criminal Justice - Corrections	Texas Peace Officer Sequence Certificate
Criminal Justice - Law Enforcement	Truck Driver Training
Diagnostic Medical Imaging - Radiology	Vocational Nursing
Heating, Air Conditioning and Refrigeration Technology	Webmaster Certification: Design/Media Track

Source: ACC dean, Workforce Continuing Education, August 2002.

In 2001, ACC and Austin WorkSource secured a High Tech Initiatives grant and an Achieving Performance Excellence grant that use ACC as the training institution of choice.

The High Tech Initiatives is a grant from Capital IDEA and Eastside Telecomm to train workers in high-demand, high technology skills. Capital IDEA is a coalition of community-based organizations and employers whose mission is to provide unemployed or underemployed

Central Texas adults access to economically self-sufficient growth jobs through long-term training and support services. Through this partnership, ACC will receive \$294,000 to train 110 students.

The Achieving Performance Excellence grant is a joint partnership with ACC, Austin WorkSource, Seton Hospital and St. David's Hospital to train current workers in nursing. Through this partnership, ACC will receive \$280,000 in tuition, books and fees for 120 students.

To further foster business and industry involvement, the Greater Austin Chamber of Commerce, Austin WorkSource and the Capital Area Training Foundation are co-located at the ACC Highland Business Center on the same floor as the ACC Tech-Prep program and the ACC Workforce Education associate vice president. The organizations pay rent to ACC that includes utilities, maintenance and janitorial service. Austin WorkSource also rents space at the ACC Eastview campus where its staff provides workforce development services.

COMMENDATION

ACC has developed collaborative partnerships with workforce boards and business and industry associations to develop a highly trained workforce.

FINDING

The ACC president and the Board of Trustees have enhanced communication with businesses and community organizations with a targeted speaker's bureau program. This project is a collaborative effort of the entire Marketing and College Relations Department. The Press Relations staff schedule board members and the president to speak to specific audiences and prepare a profile of the area, including demographics, so that the speakers are well prepared to present.

The Publications staff prepares graphics and printed support materials for the presentation; the Marketing executive develops the presentation; and the Marketing executive and the Press Relations director accompanies board members to some of the presentations. After each presentation, the Press Relations Office records comments and prepares an electronic summary report to document community feedback. Informal feedback indicates that the audiences as well as board members value the presentations.

Among many other groups, board members and the president have made presentations to the Cedar Park Kiwanis, University Area Rotary Club, Downtown Austin Optimist Club, Metropolitan Breakfast Club, Leander

ISD, Elgin Chamber of Commerce, Hispanic Chamber of Commerce and the Anderson Mills Neighborhood Association.

Participants in focus groups with community and business leaders and ACC staff noted that these presentations were an effective way to communicate key issues to the community. The community and business leaders said they were well informed of ACC news and activities.

COMMENDATION

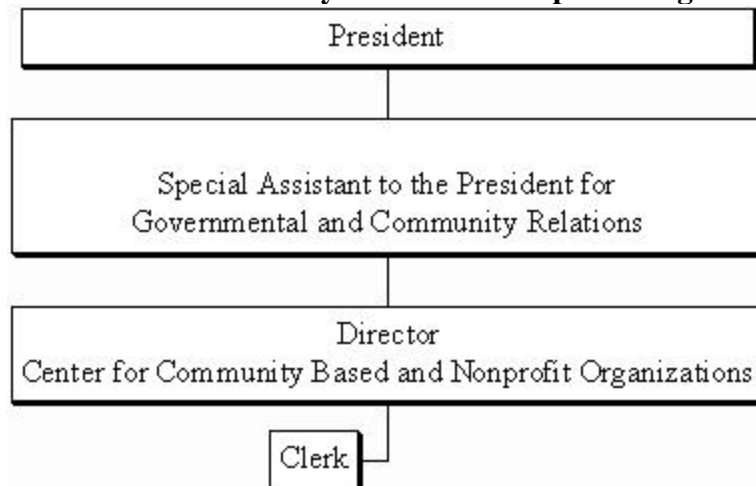
ACC effectively communicates news to community leaders through its speaker's bureau.

FINDING

In November 2000, ACC initiated a community partnership after several unsuccessful attempts to partner with other Austin area organizations to write proposals for grants. The college found that a number of local community-based and nonprofit groups lacked the organizational capacity needed for successful grant applications and growth. The ACC Center for Community-Based and Nonprofit Organizations (Center) assists community-based and nonprofit organizations in becoming more effective by strengthening their staff, volunteer and organizational capacity.

As shown in **Exhibit 9-14**, the special assistant to the president for Governmental and Community Relations supervises the Center director.

Exhibit 9-14
ACC Center for Community-Based and Nonprofit Organizations



Source: ACC Organizational Chart, 2001-02 and interviews.

The Center director has a full-time clerk to assist with operations. Both are funded by ACC and are included in the budget for the special assistant to the president for Governmental and Community Relations.

Through partnerships with community-based organizations, nonprofits and private businesses, the Center provides workshops, publications and other learning opportunities to the nonprofit community. Almost all Center services are provided at no cost to participants. The only charges are if a particular session includes taking an assessment instrument such as the Birkman Inventory or in rare cases where the college pays for a presenter.

As a community partnership, the Center facilitates connections between the business community and nonprofit sectors, promoting greater use of business and educational assets so they can be leveraged to strengthen nonprofits' ability to achieve their diverse missions.

The Center maintains a comprehensive Web site, <http://www2.Austin.cc.tx.us/npo>, linked to ACC's Web site. The Web site includes publications that can be downloaded, an online discussion forum, nonprofit job postings in the central Texas area, resource libraries, a comprehensive database of nonprofit organizations and an online journal, Strategic Creativity. The Center also maintains a database of e-mail subscribers and sends weekly announcements to subscribers regarding the Center's activities. In June 2002, the Center collaborated with the Austin Community Action Network (CAN) to serve as a clearinghouse for grant opportunities for the nonprofit community.

The Center director recruits pro bono services of experts and practitioners to provide workshops at the ACC Highland Business Center and to write articles and publications directed toward the nonprofit community. ACC staff also serves as facilitators and trainers for the workshops. Businesses, individuals and other organizations are solicited to underwrite the cost of producing the publications and sessions. Examples of some of the workshops and activities provided by the Center are shown in **Exhibit 9-15**.

Exhibit 9-15
ACC Center for Community-Based and Nonprofit Organizations
Examples of Workshops and Activities Offered in 2002

Date	Session Topic
January 23, 2002	How to Set Up a New Nonprofit Organization
February 6, 2002	Public Relations and Media Relations for a Small Nonprofit

February 20, 2002	Getting Government Grants
February 22, 2002	What You Ought to Know About Governing and Managing Nonprofits in the State of Texas
March 27, 2002	Planning Your Organization's Future, AKA Strategic Planning
April 3, 2002	Leading Lights Luncheon, "What Nonprofits Ought To Know About the Economic Forecast"
April 5, 2002	Management Skills for First Time Supervisors
April 19, 2002	NPO Ethics and Conflicts of Interest Issues
May 16, 2002	Organizational Self Study/Assessment
May 21, 2002	Managing Conflict Among Volunteers and Staff
June 7, 2002	Accelerated Learning for NPO Capacity-Building
June 13, 2002	Core Competencies of Facilitation Skills

Source: Director of the ACC Center for Community-Based and Nonprofit Organizations interview, June 2002.

Since its inception, the Center has provided over 150 workshops and learning opportunities, such as community networking luncheons, and served more than 1,500 participants from 450 community-based and nonprofit organizations. Participants complete evaluations for each session so that the Center can improve its services and offerings.

COMMENDATION

The ACC Center for Community-Based and Nonprofit Organizations provides comprehensive training and resources to the community through its partnerships with businesses and volunteer organizations.

FINDING

The Austin Community College Riverside Campus, in partnership with Advanced Micro Devices (AMD), conducted a two-week Summer Youth Academy (Academy) held on the Riverside Campus for 40 Montopolis and Del Valle area middle school students. Held during the summers of 1996 through 2000, AMD has underwritten the majority of the cost of the Academy through the ACC Foundation. The Travis County Health and Human Services Department, also a partner in this project, assisted with Academy costs. The W.K. Kellogg Foundation provided funds to expand the Academy in 2001 to serve a total of 80 students in two separate

Academies each year. The provost of Eastview and Riverside Campuses manages the Academy.

Based on the premise that Austin's future workforce rests with the students enrolled in and who graduate from the public school system, the Academy strives to retain these students in the education system by providing them with supplemental, enrichment skills that will assist them in succeeding in school. The project encourages these students to continue their education by providing them with an enjoyable learning environment on a college campus in which they can develop self-esteem, achieve new skills and explore future goals and opportunities that higher education can provide.

The Academy strives to achieve the following goals:

- Build a partnership with the Riverside Campus neighborhood community of parents and middle school students to foster an appreciation of educational opportunities at ACC;
- Develop activities and programs that demonstrate to middle school students and their parents that a community college education is a viable and attainable goal upon high school graduation;
- Provide enrichment activities that foster the attainment of foundational academic skills, including critical thinking, problem-solving, independent thinking and decision-making;
- Provide students with activities that promote self-esteem, and through career-exploration opportunities help students establish longer-term education and career goals; and
- Promote the development of effective communication, team-building and conflict resolution skills.

ACC faculty and staff develop and teach Academy modules. **Exhibit 9-16** shows examples of typical modules.

**Exhibit 9-16
Summer Youth Academy Activities**

Module	Description	Outcome
Automotive	Students learned to change oil in a car, check fluid levels and check the air in the tires.	The students learned an introduction to automotive maintenance.
Building Birdhouses	Students learned how to measure, cut, and sand wood. They learned how to use a table saw, skill saw and drill.	Students created their own birdhouses. The students incorporated the skills of problem solving, independence, critical thinking and building self-

		esteem.
Color Poetry	Students wrote poems based on their emotional reactions to a color. They wrote their words to reflect how their color made them feel.	Individual student poems were compiled into a book of poems. Their activity fostered independent and creative thinking and communication skills.
Conflict Resolution	In a group setting, students learned the importance of listening and techniques to prevent violence and conflicts.	Students learned how to solve problems to prevent conflicts with family members and classmates.
Creating a Web Page Design	Students were taught how to create a Web page on the computer and how to format it.	Students received a diskette with written instructions on how to continue creating their own Web page at home or school.
Golf	Students learned how to swing a golf club properly and putt.	Students learned golfing techniques and the importance of concentration.
Jeopardy Game	The students broke into two groups to play. They were asked questions on how to succeed in college and learned what questions to ask when they are enrolling in college. Examples: What are a scholarship, grant and loan?	Students learned about ACC programs, financial aid options and college opportunities and received ACC rulers, pencils or koozies.

Source: ACC provost, Eastside and Riverview, June 2002.

Students attend the Academy from 9 a.m. to 2:30 p.m. each day, and ACC provides breakfast and lunch. Additionally, ACC provides students with Academy t-shirts that they wear daily, allowing them to be recognized easily by the ACC campus community. During the two-week period, students, who are divided into four groups, complete 20 to 22 interactive learning modules under the supervision of a group leader.

Academy students have taken biology field trips, tested water samples and taken all-day trips to Sea World. On the final day of the Academy, students display all of the projects they have created for their families and friends, enjoy a catered barbecue lunch and have a "graduation ceremony" where they receive certificates of completion, group pictures and individual pictures of themselves in some activity.

Students complete a survey at the end of the Academy rating the modules that they enjoyed the most. During the fall, both parents and students complete questionnaires mailed to their homes, which allow them to provide more comprehensive feedback about what effect, if any, the Academy has had on their school experiences. Based upon this feedback, ACC makes annual adjustments to the curriculum.

The students have enjoyed and benefited from the Academy experience, and their parents have been very appreciative, with most noting very positive changes in their children. Another benefit is the effect that the Academy has had on participating faculty and staff. All have felt renewed and energized by the experience, and many said that having to create activities that are challenging, entertaining and interactive for middle school students has improved their teaching strategies for their college students.

COMMENDATION

The ACC Summer Academy for youth has developed positive relationships between ACC and Montopolis and Del Valle students.

FINDING

ACC does not encourage volunteers and does not have any formal organizations associated with the college to provide volunteer services. The college states that while it does not have a formal volunteer policy, the college is concerned about liability issues with underage students and volunteers who may come in contact with students and discourages the use of volunteers.

The college does use a few retirees to assist with registration. Despite this "informal policy," the Center for Community-Based and Nonprofit Organizations, which operates through the special assistant to the president for Governmental and Community Relations, uses a volunteer advisory board as well as volunteers who provide the workshops sponsored by the Center. This is one of the few departments that effectively use volunteers, although their efforts are directed toward community-based and nonprofit organizations rather than students.

The college also has made a commitment to students serving as volunteers in the community through the Service Learning program, directed by the special assistant to the president for Governmental and Community Relations. The program is staffed by a faculty member with release time to work on the program and by a half-time coordinator position.

Other community colleges use volunteers to augment their programs and services and to involve the community in college activities. Collin County Community College uses community volunteers on advisory committees and in foundation development activities.

Recommendation 87:

Develop a volunteer program for ACC.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The special assistant to the president for Governmental and Community Relations convenes a task force to determine appropriate use of volunteers for each campus and administrative area.	January 2003
2.	The task force develops a model volunteer program establishing leadership among volunteers, recruiting volunteers, training and providing orientations, placing volunteers, showing appreciation and evaluating volunteer involvement.	February 2003
3.	Task force members follow the volunteer program within their area and support team members by training and securing resources.	April 2003
4.	Task force members evaluate the process and prepare an annual report of all volunteer activities and accomplishments.	April 2004

FISCAL IMPACT

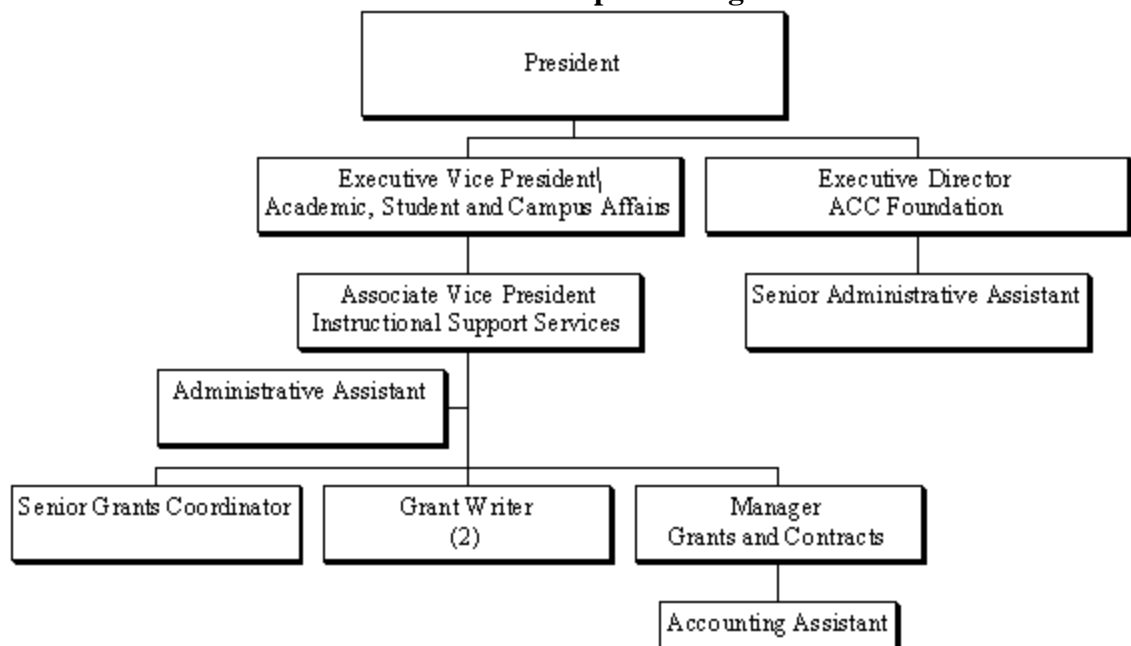
This recommendation can be implemented with existing resources.

Chapter 9

C. FOUNDATION AND GRANTS DEVELOPMENT

Bringing in additional sources of funds to the college through foundations and grants allows community colleges to provide scholarships for needy students and finance initiatives not funded through the college budgeting process. The organization of ACC's Foundation and Grants Development is shown in **Exhibit 9-17**.

Exhibit 9-17
ACC Foundation and Grants Development Organization



Source: ACC Organizational Chart, August 2002.

Grants Development Office

The Grants Development Office was transferred to the associate vice president for Instructional Support Services in August 2002. Grants Development staff include the dean, a senior grants coordinator, two grant writers, a manager of grants and contracts, an administrative assistant and an accounting assistant.

The budget for the Grants Development Office is shown in **Exhibit 9-18**.

Exhibit 9-18
ACC Grants Development Budget
2000-01 and 2001-02

Expenditure Category	Budget 2000-01	Budget 2001-02	Percent Increase 2000-01 to 2001-02
Salaries	\$312,076	\$362,402	16.1%
Employee Benefits Pool	\$10,299	\$10,872	5.6%
Supplies Pool	\$7,676	\$8,500	10.7%
Travel Pool	\$8,700	\$11,700	34.5%
Operating Cost Pool	\$3,149	\$9,149	190.5%
Duplication	\$2,702	\$4,700	73.9%
Telephone	\$4,129	\$4,879	18.2%
Non-Capitalized Pool	\$1,250	\$1,250	0.0%
Total	\$349,981	\$413,452	18.1%

Source: ACC Budget director, June 2002.

FINDING

The ACC Grants Development Office has created a system that increased departmental participation in grant acquisition as well as increased grant funding to the college. The amount of grants ACC has received increased from \$4,797,326 in 1997-98 to \$9,959,838 as of July 2002 as shown in **Exhibit 9-19**.

Exhibit 9-19
Total Amount of Grant Funding Received by ACC
1997-98 through July 2002

Year	Grant Funding	Percent Increase from Previous Year
1997-98	\$4,797,326	N/A
1998-99	\$6,328,890	31.9%
1999-2000	\$6,416,114	1.3%
2000-01	\$10,328,749	61.0%
2001-02	\$9,959,838	(3.6%)

Source: ACC Grants and Contracts manager, July 2002.

To assist ACC staff in pursuing additional funding for the college and their departments, the Grants Development staff developed an ACC Grants and Contracts Policy and Procedures manual and a "request to locate funding" form. Both are on the ACC Grants Development Web page link to the ACC Web site.

The manual includes:

- A flow chart of the grant development process;
- Preproposal concept approval form;
- Routing sheet for final approval for submission to funding source;
- Programmatic and fiscal management checklists for funded projects; and
- Project closeout checklist.

The process of grant development begins with the request to locate funding form **Exhibit 9-20**. Department deans or managers complete the form and submit it to the dean of Grants Development.

**Exhibit 9-20
ACC Request to Locate Funding Form**

Request to Locate Funding
<i>In order to locate funding for your department, we will need the following information</i>
Name: _____
Date: _____
How can we get in touch with you (phone #, e-mail, etc.) _____ _____
Academic or College department where you work: _____
Potential Funding Source(s) if known: _____ _____
Description of Need: _____ _____ _____
Objective of Project: _____ _____ _____
Relation of the Project to the Mission and Purpose of Austin Community College: _____ _____ _____
Target Population: _____ _____ _____
Are you willing to assist in writing the grant and be a resource of information? _____

Source: ACC Grants and Contracts manager, June 2002.

The Grants Development Office received 53 requests from ACC departments for grant funding in fiscal 2002 as compared to 29 requests in fiscal 2001. Requests for grant assistance from ACC departments in 2001-02 were more than \$8.9 million as compared to requests of less than \$6.5 million in 2000-01. In 2001-02, the Grants Development Office secured grant funding for 11 departments submitting requests (**Exhibit 9-21**).

**Exhibit 9-21
Grants by ACC Department
2001-02**

Department	Amount of	Amount
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	Grant Request 2001-02	Funded 2001-02
Adult Education	\$1,019,242	\$1,554,558
Associate Degree Nursing	\$316,968	\$266,968
AVP Academic Programs	\$0	\$0
AVP Instructional Support Services	\$0	\$0
Biology/Chemistry/Math	\$1,002,000	\$228,024
Building Construction Technology	\$0	\$163,380
Business Studies	\$160,000	\$164,000
Childhood Development Center	\$245,000	\$426,265
Collegewide	\$2,035,000	\$0
Computer Studies	\$1,330,000	\$26,266
Continuing Education/Customized Training	\$226,699	\$899,156
Faculty Development	\$120,000	\$0
Health Sciences	\$260,000	\$0
Institutional Effectiveness	\$0	\$30,000
Instructional Resources & Technology	\$491,254	\$2,943,783
Library	\$0	\$457,262
International Programs	\$0	\$441,338
Marketing / E-Commerce	\$0	\$0
Math/Science	\$403,000	\$174,947
Non-Profit Center	\$240,229	\$0
Psychology	\$0	\$0
RVS Provost Office	\$0	\$36,891
Social & Behavior Sciences	\$2,500	\$0
Special Population/Student Services	\$526,000	\$496,000
Speech	\$0	\$0
Student Development/Student Services	\$200,000	\$0
Virtual College of Texas	\$0	\$232,000
Workforce Education/Tech Prep	\$374,548	\$988,767

Workforce Education/Small Business	\$0	\$0
Total	\$8,952,440	\$9,529,605

Source: ACC Grants and Contracts manager, June 2002.

In some instances, departments did not submit a request because they had received grant awards for multiple years of funding or the Grants Development Office initiated the request directly to the funding source. In other instances, departments submitted requests in a prior year, but received funding during 2001-02.

COMMENDATION

The Grants Development Office has developed collaborative working relationships with ACC departments that have resulted in increased grant funding.

Austin Community College Foundation

The Austin Community College Foundation (the Foundation) was incorporated in 1991 as a Texas nonprofit corporation to support the educational mission of ACC by providing funding for student scholarships, and ACC programs and facilities through donor gifts and endowments. Endowments are funds received from a donor with the requirement that the principal is not expendable under terms of the endowment charter, and the earnings from the principal are to be used as the donor specifies.

The executive director of the Foundation is an employee of ACC and is responsible for the day-to-day affairs of the Foundation. The executive director is assisted by a secretary. No other employees work for the Foundation.

The executive director of the Foundation reports to a Board of Directors that is separate from the ACC Board of Trustees Board. This Foundation board consists of 30 members and the president of ACC. The Foundation increased board membership from 23 members in 2001 to 30 members in 2002, the maximum number allowed under its bylaws.

FINDING

The Foundation has increased its scholarships for students from 14 in 1996-97 to 162 in 2001-02 as shown in **Exhibit 9-22**.

Exhibit 9-22
Cumulative Report on Foundation Scholarships

Year	Number of Scholarships	Scholarship Amount	Average Amount Per Scholarship
1996-97	14	\$25,500	\$1,821
1997-98	35	\$41,000	\$1,171
1998-99	36	\$52,000	\$1,444
1999-2000	87	\$122,245	\$1,405
2000-01	110	\$183,500	\$1,668
2001-02	162	\$232,900	\$1,438

Source: ACC Foundation, June 2002.

The Foundation provides a number of scholarships for students as shown in **Exhibit 9-23**.

Exhibit 9-23
Scholarships Provided by the ACC Foundation
2002-03

Program	Scholarships Available	Description
Accounting	Irwin Fine	Tuition, fees and books up to \$250
Adult Education	Peierls Foundation	One-time \$1,000 scholarship for one year
Applied Science	Assistance League of Austin	Tuition, fees and books up to \$2,500 for one year
	Bowman	\$1,000 for tuition, fees and books up to \$500 per semester
	Career Pathway - Technology	Varies
	Rourke Family Foundation	\$4,000 over four semesters for tuition, fees and books
Building Construction Technology	Faulkner Family Endowed	Based on funds available

Developmental	"Ryan" Endowed	Based on funds available
Digital Publication & Graphics Technology	Ben Clough Endowed	Based on funds available
Emergency Medical Services	Maxine Black Endowed	Based on funds available
Financial Management or High Tech	Thomas M. Madison & O.B. Ross/Merrill Lynch Endowed	Based on funds available
Fine Arts Students	Fine Arts Endowed	Based on funds available
Honors Students	Boone Baker	Based on funds available
	Honors Program	Varies
Hospitality Management	Austin Hotel & Motel Association Hospitality	Maximum of \$500
Legal Assistant	Ruth Townley Endowed	Based on funds available
Nursing	S. Austin Hosp. Aux. Endowed	Based on funds available
	Travis Co. Medical Alliance Endowed	Based on funds available
Photography	Reagan Bradshaw Endowed	Based on funds available
Semiconductor Manufacturing Technology	AMD	Tuition, fees and books up to \$2,000 for one year
	Applied Materials	Tuition, fees and books up to \$2,500 for one year
	Cypress Semiconductor	Tuition, fees and books up to \$2,500 for one year
	R.W. Galvin Endowed	Tuition, fees and books for one semester
	International SEMATECH	Varies
	Motorola	Tuition, fees and books up to \$1,000 for fall semester, can be re-awarded up to \$1,000 for spring semester
	SEMI/Frank Squires	Tuition, fees and books up to \$2,500 for one year

	Tokyo Electron	Tuition, fees and books up to \$2,000 for one year
Visual Communication Design	Ben Clough Endowed	Based on funds available
	Edwina Fredlund Traverso	Based on funds available
General	ACC Classified Employees Association	\$100 for tuition and books
	ACC Emeritus Association	Tuition, fees, books and supplies up to \$400
	Delco Endowed	Based on funds available
	Pat Dobbs Endowed	Based on funds available
	Peggy Hale Croshaw	Based on funds available
	Bob Lain Endowed	Based on funds available
	Military Order of the Purple Heart Service Foundation, Inc.	Tuition and fees for one of two computing courses
	Ruth Stephens Memorial	Varies
	Star of Texas Fair & Rodeo	Varies
Stasny-Siegmund	\$400 per academic year	

Source: ACC Scholarship Opportunities booklet, 2002-03.

Students are informed about scholarships through counselors, college advisors, the ACC Student Financial Aid Handbook and the Scholarship Opportunities booklet the Foundation produces. Scholarship information is also located on the ACC Web site.

The Foundation obtains funding from a number of sources. **Exhibit 9-24** outlines the Foundation's major funding sources.

Exhibit 9-24
ACC Foundation Major Funding Sources
1999 through 2002

Program/Activity	Description
Peierls Foundation	Provides funds for GED scholarshins and GED stinends.

	outreach activities to support the GED program and funds for the Support Center, which provides childcare and textbook payments to eligible students
Semiconductor Executive Council	Provides funds for 45 semiconductor scholarships
Military Order of the Purple Heart	Provides scholarship opportunities for veterans and their spouses for selected computer courses
Assistance League of Austin	Provides student scholarships and enrollment fees for children of ACC students and mentor program for scholarship recipients
In-kind Donations	Provides a broad range of items including equipment, supplies and computer software to ACC departments
Endowed Scholarships	Allows individuals to make contributions that recognize or memorialize relatives, teachers, loved ones or other special people

Source: Executive Director ACC Foundation, June 2002.

The Foundation has increased its donations and fund balance significantly over the past five years (**Exhibit 9-25**).

Exhibit 9-25
ACC Foundation Donations and Fund Balance
1997-96 through 2001-02

Year	Contributions to the Foundation	Restricted Donations Fund	Unrestricted Donations Fund	Fund Balance
1996-97	\$51,000	\$48,223	\$6,725	\$54,948
1997-98	\$139,400	\$66,788	\$8,045	\$74,833
1998-99	\$144,000	\$72,843	\$6,705	\$79,548
1999-2000	\$197,000	\$241,495	\$8,910	\$250,405
2000-01	\$408,000	\$720,689	(\$2,103)	\$718,586
2001-02*	\$524,000	\$862,300	\$2,600	\$864,900

Source: ACC Foundation executive director, June 2002. Fund balances reflect Foundation's fiscal year end of May 31.

*2001-02 numbers are unaudited and subject to change according to the ACC Foundation executive director.

Restricted donations are those earmarked for specific purposes, including scholarships and childcare services. The Foundation received \$2,600 in unrestricted donations for 2001-02. The Foundation realized a loss in its unrestricted donations fund in 2000-01 due to a loss in its investment portfolio. As well as the \$524,000 in cash contributions, donors contributed in-kind gifts of \$676,000 for a total of \$1.2 million in 2001-02.

In addition to funding scholarships for students, the ACC Foundation funds and supports a number of special projects, as shown in **Exhibit 9-26**.

Exhibit 9-26
ACC Foundation Special Projects and Initiatives

Projects and Initiatives	Description
500 Club	A giving program for individuals that provides financial support for students, faculty and educational programs at ACC
Children's Lab School	Provides playground equipment and enrollment fees for children of ACC students
Classified Employee Association Emergency Fund	Provides assistance for ACC classified employees following a catastrophic situation
Faculty Development	Provides assistance for faculty development day. Faculty development day gives ACC instructors the opportunity to share teaching and learning theories and ideas with their colleagues and with others from around the state and nation
Faculty Emergency Fund	Provides assistance for ACC faculty following a catastrophic situation
Foundation Challenge	Supports the Semiconductor Manufacturing Technology program at ACC
International Program	Assists ACC students who travel abroad for work study
Memorial Fund	Fund given to the Foundation for individual memorials
Nursing Program Collaborative	Supports the associate degree in Nursing and Vocational Nursing programs at ACC
Peierls Foundation Adult	Established by the Peierls Foundation for

Education Program	scholarships, testing stipends, outreach and recruitment in the Adult Education program at ACC
Randall's Good Neighbor Program	The ACC Foundation can be assigned to a Randall's Grocery Card by giving the cashier the number 464 before groceries are scanned and a percentage of the total purchases is donated directly to the Foundation
SMT Marketing/Recruitment	Supports marketing and recruiting efforts in the Semiconductor Manufacturing Technology program at ACC
Squires Faculty Fellowships	Supports semiconductor faculty at ACC
Student Emergency Fund	Provides assistance for ACC students following a catastrophic situation
Summer Youth Academy	Funded by AMD, the Summer Youth Academy primarily targets the seventh and eighth grade student in the Montopolis area near the ACC Riverside campus. The project is an effort to retain those students in the educational system by providing them with supplemental skills that will assist them in experiencing success in school

Source: Executive Director ACC Foundation and ACC Web site, June 2002.

Special projects funded through the Foundation include \$40,000 for the Academy.

The majority of the Foundation's donations have come from individuals, nonprofit organizations including local foundations and businesses in the community. The Foundation raises money through industry breakfasts and one-on-one meetings with potential donors. The ACC Foundation has hosted industry breakfast meetings with specific targeted industries to obtain support for scholarships in a particular industry. Breakfast meetings have been held with members of the legal and accounting communities. Additionally, Foundation board members are encouraged to contribute to the Foundation's 500 Club. Eighty-two percent of the board contributed to the Foundation in 2001-02.

COMMENDATION

By working with local businesses and foundations, the ACC Foundation has increased the amount of scholarship money awarded to students and provided funds for special projects benefiting ACC and the community.

FINDING

The Foundation does not calculate an overall rate of return on its investments and has not identified benchmarks against which to measure performance. As a result, the Foundation has no way of determining how well its investments are performing in comparison to the market or other foundations established for similar purposes. One of the Foundation's investment objectives is to *"provide growth of both income and capital to enable the Foundation assets to increase on a real basis after adjusting for inflation and fees."* Without an overall rate of return, the Investment Committee does not know whether this objective is being achieved or to what extent. Moreover, the Investment Committee cannot evaluate its investment strategy without some indication of how successful its approach is in comparison to other alternatives.

The Investment Committee, chaired by the treasurer, consists of the chair, chair elect and at least two directors selected by the chair, who serve a two-year staggered term. The Investment Committee supervises Foundation investments and meets quarterly one month prior to regular board meetings. The Board of Directors approved the Foundation's investment and spending policy in August 1998 and amended it in November 1999. In addition, the board approved an internal financial control policy in February 2002. In July 2002, the Foundation amended its investment and spending policy to require a review of the investment policy annually and the performance of the investments and to make a report at the annual meeting of the Foundation board.

Exhibits 9-27 and **9-28** summarize the provisions of these policies.

Exhibit 9-27 Summary of ACC Foundation's Investment and Spending Policy Provisions

Section	Summary Description
I-Purpose	Sets forth investment objectives and procedures and provides a framework for making investment decisions.
II-Administration	Establishes the Investment Committee as the administrator of the investment portfolio.
III-Objectives	Sets forth safety, liquidity, return, diversity and growth as portfolio objectives.
IV-Guidelines	Sets forth asset allocation principles and guidelines regarding specific fixed income, equity and unauthorized investments.
V-Annual	Establishes the Annual Investment Plan as the vehicle for the

Investment Plan	Investment Committee to address asset allocation, selection of professional management, if any, and spending policy annually.
VI-Investment Policy Review	Establishes procedures for the annual review of the Investment Policy.
VII-Investment Manager	Authorizes the Investment Committee to interview and recommend an investment manager for the portfolio at such time as it deems professional management of the portfolio necessary.
VIII-Spending Policy	States that a 3 Percent annual rate of return will be paid on all endowments; any deficit in actual rate below 3 percent will be advanced by the Foundation's unrestricted funds; future earnings on endowments over 3 percent will be used to pay the advances from the unrestricted funds.

Source: ACC Foundation's Investment and Spending Policy, approved 1998, amended 1999.

Exhibit 9-28
Key Provisions of ACC Foundation's Internal Financial Control Policy

Section	Key Requirements
I-Bank Accounts	<ul style="list-style-type: none"> • The Board must authorize all check signers. • Two signatures required on checks greater than \$5,000.
II-Cash Receipts	<ul style="list-style-type: none"> • The administrative assistant opens mail, restrictively endorses checks, logs incoming receipts and prepares deposits. The executive director records receipts in the accounting records and copies all checks. Each month, deposits are reconciled to the receipt log. • Deposits are made within five business days of receipt.
III-Cash Disbursement	<ul style="list-style-type: none"> • Checks are prenumbered and used in sequence. • Blank checks are kept in locked filing cabinet. • Voided checks are mutilated and records retained. • Supporting documents accompany check when presented for approval.

	<ul style="list-style-type: none"> • Executive director prepares checks.
IV-Check Signing	<ul style="list-style-type: none"> • The Board must authorize all check signers. • Blank checks are not to be signed.
V-Bank Reconciliation	<ul style="list-style-type: none"> • The administrative assistant prepares bank reconciliation monthly and the executive director reviews. • Checks outstanding over 60 days are reviewed.
VI-Debt & Other Liabilities	<ul style="list-style-type: none"> • Only the Board can authorize borrowings. • The executive director maintains debt agreements.
VII-Reports to the Board of Directors	<ul style="list-style-type: none"> • The executive director maintains schedule of reports prepared for the board. • Income statement and balance sheet presented to the board monthly.
VIII-Accounting Records	<ul style="list-style-type: none"> • The executive director maintains accounting records. • Backup tapes of financial records are made monthly and kept offsite during evening hours, weekends and holidays.
IX-Financial Internal Control Policy Revisions	<ul style="list-style-type: none"> • The board approves and may amend the Internal Financial Control Policy.

Source: ACC Foundation's Internal Financial Control Policy.

As of May 31, 2002, the Foundation's year-end had 24 endowments totaling \$611,650 and investments with a book value of \$901,222 and a market value of \$841,335. The Investment Committee allocates the Foundation's investment portfolio among cash, bonds and equity securities, with the goal of achieving a 50/50 split between equity and income securities. The investment mix, based on book value as of May 31, 2002, the Foundation's year end, was 20 percent cash, 43 percent equities and 37 percent equity securities.

Exhibit 9-29 presents an analysis of investment activity for fiscal 2002, as well as a breakdown of portfolio composition as of May 31, 2002.

Exhibit 9-29
Austin Community College Foundation
Analysis of Investments-Fiscal 2002

Analysis of Investments	Book Value	Market Value
Beginning Investment Assets-May 31, 2001	\$759,728	\$737,230
Receipts Contributions	509,401	509,401
Investment Income	34,034	34,034
Distributions	(378,251)	(378,251)
Net Realized Gains (Losses)	(13,326)	(13,326)
Changes in Net Unrealized Appreciation/Depreciation	(10,364)	(47,753)
Ending Investment Assets-May 31, 2002	\$901,222	\$841,335
Portfolio Composition:		
Cash	\$176,215-20%	\$176,215-21%
Equities	\$388,521-43%	\$321,152-38%
Fixed Income Securities	\$336,486-37%	\$342,995-41%
Other		\$973
Total	\$901,222-100%	\$841,335-100%

Source: ACC Foundation Quarterly Investment Reports, May 2001 through May 2002.

Total return consists of two components: yield and capital appreciation. Yield is the income earned from interest and dividends stated as a percentage of average market value over the period. Capital appreciation is the change, increase or decrease in the portfolio's market value over the period, adjusting for cash added to or taken from the portfolio, expressed as a percentage of beginning market value. The combination of yield and capital appreciation is the total gross return on a portfolio.

Many organizations offer performance measurement services that measure total fund returns and returns produced by individual fund components. These organizations also compare manager returns to returns produced by other organizations with similar investment philosophies and objectives. Moreover, the National Association of College and University Business Officers publish annually a comprehensive endowment study that has

performance, asset allocation and other useful data on managing endowments.

Recommendation 88:

Compare the results of the total return on the investment portfolio to appropriate benchmarks.

The Foundation should calculate an overall return rate on its investments and publish the rate in its quarterly investment reports. In addition, the Foundation should identify appropriate indexes against which to measure investment performance. These might include popular indexes such as Standard & Poor's 500, the T-bill rate or other foundation managers with a similar investment philosophy, parallel goals and comparable asset mix.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The ACC Foundation executive director develops a methodology for calculating total return on the Foundation's investment portfolio.	January 2003
2.	The ACC Foundation executive director submits the methodology to the Foundation Board for review and approval.	February 2003
3.	The ACC Foundation executive director begins using the model to calculate returns on the portfolio and includes the return rate in quarterly investment reports on a current and comparative basis.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Despite significantly increasing its revenues, the ACC Foundation remains dependent upon the college for funding most of its staffing and operating costs and therefore has no incentive to control costs. Through a memorandum of understanding with ACC signed in 1997, the college funds the Foundation's expenses. The Foundation is housed at the ACC Highland Business Center, and the college donates staffing costs, office space, supplies, travel, duplication services and telephones. The budget for the Foundation is shown as **Exhibit 9-30**. Most non-profit organizations endorsed by the Better Business Bureau have operating costs of less than 15 percent of total revenue generated. With contributions of \$408,000 in 2000-01 the \$113,000 is 27.7 percent of total contributions.

Exhibit 9-30
ACC Foundation Budget
1997-98 through 2001-02

Expenditure Category	Budget 1997-98	Budget 1998-99	Budget 1999-2000	Budget 2000-01	Budget 2001-02	Percent Increase Over Five Years
Salaries	\$61,076	\$63,904	\$67,756	\$88,897	\$96,867	58.6%
Employee Benefits Pool	\$2,225	\$2,304	\$2,469	\$2,934	\$2,906	30.6%
Supplies Pool	\$1,642	\$3,442	\$3,442	\$6,792	\$6,792	313.6%
Travel Pool	\$800	\$3,315	\$3,315	\$3,315	\$3,315	314.4%
Operating Cost Pool	\$2,317	\$2,938	\$2,938	\$6,588	\$6,588	184.3%
Duplication	\$1,171	\$1,800	\$1,800	\$1,800	\$1,800	53.7%
Telephone	\$1,080	\$1,300	\$1,300	\$1,300	\$1,300	20.4%
Non-Capitalized Pool	\$150	\$150	\$150	\$1,250	\$1,250	733.3%
Total	\$70,461	\$79,153	\$83,170	\$112,876	\$120,818	71.5%

Source: ACC Foundation executive director, June 2002.

The budget for the Foundation has increased more than 71 percent from 1997-98 to 2001-02, but because the Foundation does not have to support itself, the Foundation has placed little emphasis on fundraising efforts for unrestricted operational support. The Foundation uses these unrestricted funds for its annual audit and IRS Form 990 tax return filed by organization exempt from income tax. In addition, these unrestricted funds pay for directors and officers insurance, brochure mailing costs, fundraising planning studies and endowment obligations when the income is used to cover realized losses.

The Foundation initiated its first annual fund drive, "Friends of the ACC Foundation," in fall 2002, focusing on scholarships for students. While this can benefit students, other colleges and universities use an annual fund drive or a capital campaign to solicit donations for direct operational support in addition to raising funds for scholarships.

It is standard practice for colleges and universities to provide support and staffing to their foundations initially, but as the foundations mature, they

become a nonprofit organization and start paying their own operating costs. In a survey completed in 2000 by the Council for Resource Development regarding how community college foundation operations are funded, out of a total of 36 community colleges surveyed, three paid no expenses for their foundations and the foundations were totally self-supporting; 29 shared expenses between the college and the foundation; and four community colleges paid all staff and expenses. The 29 colleges and foundations that shared expenses maintained a variety of arrangements:

- Nineteen colleges paid all staff and overhead, but the foundation paid for direct costs including audit and solicitation expenses.
- Three colleges paid for the director, but the foundation paid for support staff and direct expenses.
- One college paid for operating expenses, but the foundation pays for staff.
- Three colleges pay for all staff and expense but the foundation pays them an annual fee (\$17,000, \$30,000, \$51,000).
- Three colleges set a percent of expenses, and the foundation paid the balance (80/20 and 50/50).

The San Jacinto College Foundation initiated a capital campaign, "Beyond 2000 - Tomorrow's Education," with a working goal of \$3 million and a challenge goal of \$4 million to be raised over three years with allocations to scholarships, technology, and faculty and staff development. San Jacinto College Foundation, as with a number of community college foundations around the country, is working to become financially independent from the college.

Recommendation 89:

Eliminate the ACC Foundation's dependency on the college's budget to cover administrative expenses.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The ACC Foundation board develops a capital campaign plan to raise funds for its administrative expenses and eliminate its dependency on ACC for funding its administrative expense.	January 2003
2.	The ACC Foundation board surveys other foundations for best practices.	January 2003
3.	The ACC Foundation board begins fundraising efforts for its capital campaign and monitors the results.	May 2003
4.	The ACC Foundation and the Foundation's Board of Directors.	September

	along with the ACC president and Board of Trustees revise the memorandum of understanding with the college to reflect the independence of the Foundation from ACC for its administrative expenses.	2003
5.	The ACC Foundation and the Foundation's Board of Directors continue the capital campaign annually.	May 2004 and Ongoing

FISCAL IMPACT

The fiscal impact to ACC includes the administrative expenses of the ACC Foundation 2001-02 budget, a total of \$120,818. The fiscal impact assumes that the Foundation would not realize enough funds to become self-sustaining until 2003-04.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Eliminate the ACC Foundation's dependency on the college's budget to cover administrative expenses.	\$0	\$120,818	\$120,818	\$120,818	\$120,818

FINDING

Neither the college nor the Foundation maintains a database of alumni, and ACC does not have an alumni association. The college made several attempts previously to start an alumni association, but was unsuccessful in maintaining one. The individuals assigned to the alumni association effort were unable to develop the association beyond the initial stages of developing a database.

A number of other community colleges maintain contact with their alumni and sponsor alumni associations. Tyler Junior College (TJC) has a very active alumni association, available to all former students. Alumni association members pay dues either annually or can become lifetime members. All graduates of the college are enrolled automatically as annual members of the TJC Alumni Association for a period of two years from their graduation date. At the expiration of their courtesy membership, graduates have the opportunity to renew. The TJC Alumni Association has a Web page on the college's Web site, which includes application forms for joining the association, a guest book so alumni can stay in touch with former classmates, reunion information, campus events and current news. The dues from the alumni association membership pay for the cost of maintaining the association.

Recommendation 90:

Develop an alumni association.

Having an alumni association would help the college improve its community relations and increase the support base for the college. The director of the alumni association or a former student representative should serve on the ACC Foundation Board to strengthen relationships between the Foundation and ACC alumni.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The ACC Foundation Board, the ACC Foundation executive director, and the special assistant to the president for Governmental and Community Relations create a task force to develop a plan to form an alumni association and survey other colleges for best practices.	January 2003
2.	The task force initiates a database of alumni that can be the nucleus of the ACC alumni association.	May 2003
3.	The Foundation appoints the director of the alumni association or a former student representative to serve on the ACC Foundation Board.	May 2004 and Ongoing

FISCAL IMPACT

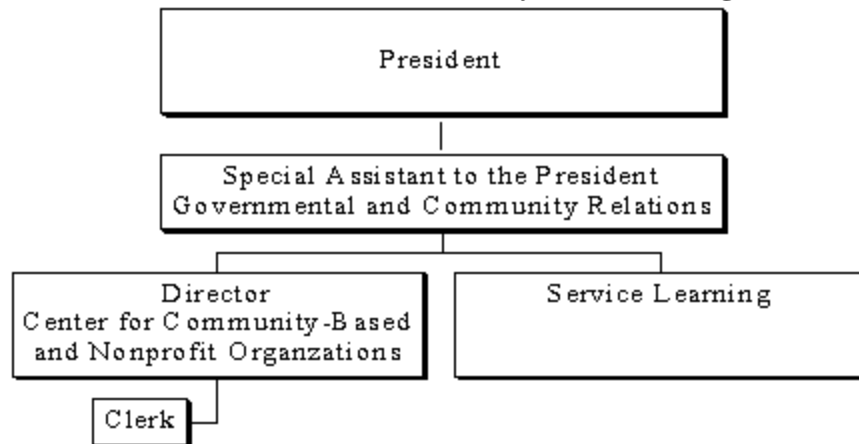
This recommendation can be implemented with existing resources.

Chapter 9

D. GOVERNMENTAL RELATIONS

The special assistant to the president for Governmental and Community Relations has responsibility for governmental and community relations, elections and the Center for Community-Based and Nonprofit Organizations. In August 2002, ACC reorganized some key functions and expanded the position to include service learning. The organizational structure of Governmental and Community Relations is shown as **Exhibit 9-31**.

Exhibit 9-31
ACC Governmental and Community Relations Organization



Source: ACC Organizational Chart, August 2002 and interviews.

FINDING

The college has been effective in working with the Texas State Legislature. The special assistant to the president is responsible for monitoring and reviewing state legislation and representing the college in legislative committee hearings. One of the major responsibilities of the special assistant is to help the board and the president work with the Texas State Legislature on the college's legislative priorities. The college does not use lobbyists in its efforts.

ACC works with the Texas Association of Community Colleges (TACC) in developing legislative priorities for all community colleges across Texas. The TACC legislative priorities for 2001 are shown as **Exhibit 9-32**.

Exhibit 9-32
Texas Association of Community Colleges Legislative Priorities
2001

Request	Rationale
#1: Formula Funding	The progress made during the 76th legislative session towards full funding of the community and technical college formula should continue. The legislature should increase the community and technical college formula appropriation to 81 percent of the cost of instruction and administration consistent with Texas Association of Community College's (TACC) five biennia (five legislative sessions or 10 per year) plan to full formula funding.
#2: Workforce Development	As the primary provider of workforce development and training, Texas public community and technical colleges' efforts to meet this critical need should be enhanced by increasing the appropriation for the Skills Development Fund, reforming the Smart Jobs Fund and funding the High Priority Program Development Fund.
#3: K-12 Partnerships	The 77th Legislature should provide support for collaborative efforts between community and technical colleges and K-12 institutions and other higher education institutions.
#4: Employee Benefits	The 77th Legislature should avoid shifting the cost of health insurance benefits to community and technical college faculty and staff by fully funding the ERS appropriation request.

Source: ACC Governmental and Community Relations, June 2002.

The college develops its own legislative priorities in addition to working with the TACC. ACC's board and president develop a set of legislative priorities in advance of the legislative session and prepare a briefing document to use in speaking with legislators and their aides. The briefing document states the desired change, the action required by the legislature to enact the change and the rationale for making the change.

The briefing document includes pertinent information regarding ACC, including student headcount, comparative exam results for ACC and other community colleges, Texas Legislative Budget Board performance measures for community colleges and excerpts from the ACC master plan. The ACC legislative priorities for 2001 are shown in **Exhibit 9-33**.

Exhibit 9-33
ACC Legislative Priorities
2001

Request	Purpose
#1: Texas Public Education Grant, to remove the limitation of 6 percent by amending Ch. 56.033 of the Education Code	This proposed change would provide community and junior colleges the latitude to set aside a higher percentage of funds, more in line with the allowable percentages for four-year institutions.
#2: State financial aid for the most needy	This legislation targets increased funds for financial aid for those students who most need financial support to attend college. ACC seeks legislation that provides funding for the most disadvantaged students, those with no personal or family "Expected Contribution."
#3: Expansion of Adult Education funding for those on TANF	Temporary Assistance for Needy Families funds currently have minimal set-asides for Adult Education. We would request that the legislative set-asides from existing TANF funding be increased for Adult Education programs.
#4: Tuition waivers for recent high school or GED TANF recipients	ACC requests to extend the length of time allowed for Temporary Assistance for Needy Families eligible high school or GED completers to receive tuition waivers. The current law provides for tuition waivers to be available for one year after high school or GED.
#5: Tuition flexibility to offer discounted or reduced tuition, with community college boards of trustees allowed broader powers for determining	This change would allow college boards to have more flexibility to make decisions on discounted or reduced tuition, and at the same time allow colleges to expand course offerings, have better utilization of resources, facilities and equipment. Community colleges should also have the same rate reduction as universities.
#6: In-district tuition for students in specialized technical programs from higher education institutions in Mexico	ACC requests the option of charging in-district tuition for students from institutions in Mexico to attend certain ACC programs (such as Semiconductor Manufacturing) where the college has agreements with these partner institutions.
#7: Community college boards could convert to single-member districts without requiring the entire board to run	ACC requests a change to the current law to allow single-member district elections in which board members can serve out unexpired terms before running for re-election.
#8 Williamson County	Southwest Texas State University (SWTSU) is

higher education facility	requesting funding for the construction of a multi-use facility for higher education in Williamson County. SWTSU is the lead university for MITC, the Multi-Institution Teaching Center serving North Austin and Williamson County. ACC would be, along with other MITC partners, co-located at the facility.
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Source: ACC Governmental and Community Relations, June 2002.

The briefing document helps ACC communicate information about itself to the Legislature. The special assistant to the president for Governmental and Community Relations works with the Legislature on an ongoing basis before and during the session to ensure that the need for the legislative priorities are communicated. In 2001, the Texas Legislature approved all of ACC's legislative priorities.

COMMENDATION

ACC uses an effective communication process to accomplish its legislative priorities.

Chapter 10

PLANT OPERATION AND MAINTENANCE

This chapter examines Austin Community College's (ACC's) plant operation and maintenance functions in the following sections:

- A. Facilities Planning, Condition and Utilization
- B. Facilities Organization and Management
- C. Custodial Management
- D. Construction Program Management
- E. Energy Conservation and Management
- F. Safety and Security
- G. Transportation Services

Facility planning and managing construction and renovation projects are significant activities for most colleges or universities. Planning for facilities based on student growth, program needs and legislative requirements is essential to satisfy student needs without overcrowding or the use of substandard facilities or costly alternatives. An efficient system that ensures construction projects are properly managed can control costs, provide quality workmanship and help meet deadlines. Facilities must also be routinely maintained and cleaned to ensure a safe and healthy environment for students, faculty and staff.

Community colleges are the only segment of the state's higher education system that builds and maintains facilities without state financing. Local community college districts have taxing authority for this purpose. For this reason, most facilities standards and reporting requirements promulgated by the Texas Higher Education Coordinating Board (THECB) for the other areas of public higher education are recommended but not required for community colleges. As a result, each community college district devises, to a large extent, its own facilities management plan.

BACKGROUND

ACC occupies six academic campuses and two administrative centers in the metropolitan Austin area. The sites range from four to 41 acres and average 18 acres. The college owns five of the campuses-Cypress Creek, Eastview, Northridge, Pinnacle and Riverside and leases the Rio Grande campus from the Austin Independent School District (AISD) in a carryover arrangement from the time when ACC was established as a part of AISD. The lease agreement runs through August 31, 2020.

The total physical plant consists of 997,445 gross square feet (GSF). There are 31 permanent academic buildings totaling 591,112 GSF, six buildings

that are either administrative or non-academic totaling 198,611 GSF and eight leased facilities totaling 207,722 GSF. The leased facilities include the Rio Grande campus, faculty offices and storage. In addition, ACC operates seven evening centers at high schools in the out-of-district service area (Bastrop, Fredericksburg, Hays, Georgetown, Lockhart, Round Rock and San Marcos). Classes also are offered at AISD's Akins High School, the Highland Business Center and the Downtown Education Center, which is a leased facility.

ACC continues to expand, renovate and improve its academic facilities to support its educational programs in the eight-county service area. Construction of the new 89,000 GSF Health Sciences building, located on the Eastview campus, began in June 2002 with occupancy scheduled for fall 2003. Phase two of the project is tentatively scheduled for construction in 2004. Plans also include the 2004 renovation of the recently acquired Albertson's building to create the ACC south campus.

ACC has three primary sources of revenue-state reimbursement, local property tax and tuition. Capital construction is funded through the use of bonds that are repaid by student fees. No state funds are available for capital expenditures. Tax revenue can be used for the construction of facilities if designated through a bond election.

Chapter 10

A. FACILITIES PLANNING, CONDITION AND UTILIZATION

Facility planning is a decision-making process that provides an orderly way to improve facilities and satisfy requirements for additional space. Effective facility planning, coupled with space management, is essential if available resources are to be maximized.

ACC facility planning is mandated by several board policies. Board Policy A-1, Mission of the College, states "the College shall create a good place to work, to learn..." while Board Policy E-1, Master Planning, further states that the "College Master Plan of a multi-range nature (long, medium, short) encompasses the needs of the entire institution with specific attention given to educational, financial and physical development planning." Board Policy E-2, Provision of College Facilities, requires a multi-year facilities plan to be updated and submitted for board approval biennially as part of the integrated college master plan. The funding source for facilities maintenance and improvements is established by Board Policy G-4, Facilities Improvement and Maintenance, and authorizes a building fee charged per credit hour. For 2001-02, this fee was \$12 per credit hour.

The facilities task force, appointed by the executive vice president of Academic, Student and Campus Affairs, is responsible for developing, updating and monitoring the facilities master plan. In accordance with Board Policy E-2, the ACC facilities master plan is prepared for a period of three years. The associate vice president of Facilities and Operations chairs the task force and has the final responsibility for the plan. The facilities task force is the college's representative body that helps Facilities and Operations provide effective and efficient service. The task force members include the provost and executive deans, campus managers, buildings and grounds manager, facilities project managers and coordinators, the associate vice president of Academic Programs, the associate vice president of Workforce Programs, the director of Business Operations and one representative each from the Faculty Senate, Classified Employees and Professional and Technical Employee groups.

With the exception of major new construction projects, the facility planning process at ACC is integrated with the college's annual budget process as documented in the annual operating budget manual. The budget process links the comprehensive master plan and annual board directives to the college's operational units. The process includes short and long-range facility needs.

Between 1998 and 2002, ACC's primary building space increased by 16.4 percent from 815,012 GSF to 948,623 GSF. The increase was due largely to the construction of the Eastview campus and the Service Center. Facilities space will grow to 1,037,623 GSF in the fall 2003 with the completion of phase one of the new Health Services building at Eastview. Another 60,971 GSF will be added when the Albertson's building is renovated in 2004-05. **Exhibit 10-1** shows the growth of ACC facilities since 1998.

Exhibit 10-1
Growth of Primary Building Space in Gross Square Feet
1998-2002

Campus	Ownership	1998	1999	2000	2001	2002
Highland Business Center	ACC	113,424	113,424	113,424	113,424	113,424
Cypress Creek	ACC	41,964	41,964	41,964	41,964	41,964
Pinnacle	ACC	108,150	108,150	108,150	108,150	108,150
Riverside	ACC	213,526	213,526	213,526	213,526	213,526
Service Center	ACC	0	0	0	55,007	55,007
Eastview	ACC	0	78,604	78,604	78,604	78,604
Northridge	ACC	154,817	154,817	154,817	154,817	154,817
Rio Grande	AISD	183,131	183,131	183,131	183,131	183,131
Total		815,012	893,616	893,616	948,623	948,623

Source: ACC Building Inventory, August 20, 2002.

The leased space at the Rio Grande campus includes the Main building, Annex building, Attache building and the Peach Street building. AISD occupies approximately 17 percent of the Annex building. ACC has long-term leases with AISD for the Main and Annex buildings at nominal costs and leases the Attache and Peach Street buildings from property owners at market rates.

Other facilities in Austin and Taylor are leased at market rates. In 1990, ACC paid \$5 million for the 1990-2020 lease period on the Main Building; therefore, there are no annual lease payments on this building. ACC has paid AISD more than \$6.6 million in long-term leases and will continue with an annual lease payment of \$25,514 until 2020 for the Annex building. In addition, ACC has made more than \$7.2 million in major repairs, renovations and improvements to the facilities. The Attache

and Peach Street buildings essentially are used for faculty offices, conference and work space. ACC leased these two buildings to provide office space so it could free up more revenue-generating classroom space in the Main building and group faculty office space by common disciplines. The Rio Grande campus is located in an area of Austin that provides no space for new construction; therefore, any expansions have relied on leasing space.

Exhibit 10-2 shows examples of leased space, lease terms and costs. ACC generates \$90,444 annually by leasing space in the Highland Business Center and at the Eastview campus to WorkSource (previously the Capital Area Workforce Development Board), Capital Area Training Foundation and the Capital Area Tech-Prep Consortium.

Exhibit 10-2
Examples of ACC Leased Building Space
2001-02

Building/ Landlord	Purpose	Lease Term	Space (GSF)	Annual Cost	Cost/ GSF
Rio Grande Annex/AISD	College	August 31, 2020	23,416	\$25,514	\$1.09
Rio Grande Main/AISD	College	August 31, 2020	135,484	*\$0	N/A
Peach Street/ Littlefield	Rio Grande College	August 31, 2001	3,300	\$70,560	\$21.38
Attache/ Waterloo	Rio Grande College	August 31, 2002	6,276	\$123,780	\$19.72
Erwin Teggerman	ACC Fire Academy (Taylor)	August 31, 2003	None (Vacant Lots)	\$9,000	N/A
Theodore Timmerman	ACC Fire Academy (Taylor)	August 31, 2003	8,639	\$29,520	\$3.42
Highland Resources	Downtown Education Center	March 31, 2003	9,046	\$150,000	\$16.58
Metric Place/ Metric Inc.	Northridge Photography Lab	August 31, 2004	2,000	\$42,000	\$21.00
Fastview	WorkSource	August 31, 2009	2,774	\$33,288	(\$12.00)

College/ACC				(Income)	
Highland Business Center/ACC	Capital Area Training Foundation	August 31, 2002	2,039	\$24,468 (Income)	(\$12.00)
Highland Business Center/ACC	Small Business Development Center	August 31, 2002	1,369	\$16,428 (Income)	(\$12.00)
Highland Business Center/ACC	ACT Center	August 31, 2002	610	\$7,320 (Income)	(\$12.00)
Highland Business Center/ACC	Capital Area Tech/Prep Consortium	August 31, 2002	474	\$5,688 (Income)	(\$12.00)
Highland Business Center/ACC	Hospitality Council	August 31, 2002	271	\$3,252 (Income)	(\$12.00)

Source: ACC Facilities & Operations Staff, July 2000; Tenant Leases, August 20, 2002 and ACC Building Inventory, August 20, 2002.

**Five million dollars were paid to AISD for the 1990 - 2020 lease term; therefore, no annual payments are made.*

FINDING

ACC does not have officially adopted and approved space planning standards and procedures. This means that the associate vice president of Facilities and Operations and the facilities task force do not have the essential data they need to determine the type and amount of space required to examine, evaluate and analyze the needs of a department or a unit requesting additional space. ACC has completed a collegewide space inventory that has been distributed to campus and academic administrators, but it has no formal process for space allocation, nor does it have established space standards or practices to guide the task force in making planning decisions. ACC's facility planning process is primarily a matter of finding lower priority space and making it available to satisfy the space requirements of new or upgraded programs as the need arises.

In 1999, ACC hired an outside consultant to develop benchmarks for key indicators of college effectiveness. The study showed that ACC provides 11 assignable square feet (ASF) of classroom space per full-time student equivalent (FTSE), less than the 14-22 square feet that the Association of Higher Education Facilities Officers recommends.

Other space utilization benchmarks are expressed in percentage of available class hours. For example, the Council of Educational Facilities Planners, International suggests a utilization rate of 60 percent of available class hours. ACC's utilization rates at all six campuses are higher than this standard. The ACC fall 2001 classroom utilization rates for Monday through Friday from 7:00 a.m. to 10:00 p.m. are shown in **Exhibit 10-3**.

Exhibit 10-3
ACC's Classroom Utilization Rates
2001-02

Campus	Utilization Rate Percentage
Cypress	84%
Eastview	69%
Pinnacle	85%
Rio Grande	77%
Riverside	74%
Northridge	92%

Source: ACC Comprehensive Master Plan Draft, March 2002.

In fall 2001, ACC's Office of Institutional Effectiveness (OIE) performed a space utilization study at all six campuses to identify the maximum number of students in a given classroom by hour. OIE developed three comparative data indices: average enrollment by time block, percentage of room utilization and the capacity used during the time block. Data are reported for each campus building with a grand total for the entire campus. Utilization and capacity rates were not calculated for each building and campus, as study parameters were different for individual room types, meaning that room utilization data are not comparable to THECB standards. The OIE report is a beneficial document for assigning and controlling class space, but has limited use for short- and long-range facility planning.

Without the development and implementation of space standards for facility planning, it is difficult to meet all the standards recommended by the THECB. It is important to note that THECB standards were developed for universities, however, and community colleges generally have smaller classrooms. Comparing ACC to THECB standards for lower division academic facilities and vocational institutes reveals:

- ACC's facilities utilization practices are similar to "adapted THECB standards" for both laboratory and lecture space, with ACC providing about one-tenth less lecture space than suggested but nearly identical lab space;
- ACC's assignment of approximately 72 square feet per full-time equivalent (FTE) faculty would be in the range of the THECB standard, if the standard did not include office space for adjunct faculty; and
- ACC's learning resource space is substantially less than what the THECB recommends for libraries that exclude the media, audio/visual, television and distance-learning infrastructure.

Without space planning standards, it is nearly impossible for institutions to establish and adhere to benchmarks when they purchase, lease, build and/or renovate facilities to accommodate program, student, staff and operational needs.

In June 2002, a community college consultant submitted the results of a space utilization study to ACC. The report proposes an up-to-date set of facility planning standards that address the college's specific needs. To date, however, the college has not adopted these standards.

Recommendation 91:

Develop and implement space standards and a space planning process, including written policies and procedures.

ACC can use the standards proposed in its 2002 space utilization study as the basis for developing official ACC space standards that can be incorporated into the space planning process. Additionally, ACC should adhere to the best practice established by the Association of Higher Education Facilities Officers for institutional space planning. Developed and refined over several years, the Association's space-planning program requires that these practices be part of a continuous process, not an annual exercise.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations and the facilities task force develop a draft of space standards and a space planning process, which includes policies and procedures.	January 2003 - March 2003
2.	The associate vice president of Facilities and Operations prepares a final draft of the space standards and planning process. and presents it to the task force for review and	April 2003

	approval.	
3.	The associate vice president of Facilities and Operations forwards the space standards and planning process to the president and board for approval.	May 2003
4.	The associate vice president of Facilities and Operations implements the space standards and process and monitors them on a continuous basis.	June 2003 and Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC does not have a facilities condition survey of all facilities. The condition codes shown in **Exhibit 10-4** for each primary building provide only the general condition of the entire facility. The codes do not reflect the condition of specific building systems, including structural, roofing, flooring, mechanical, HVAC and electrical, which is essential for establishing a deferred maintenance plan and a preventive maintenance program.

Although historical records of renovations and repairs are limited, the associate vice president of Facilities and Operations estimates that 40 percent of ACC's facilities are in satisfactory condition. To upgrade the remaining 60 percent of unsatisfactory facilities would require both minor and major renovations and the upgrading of sub-standard electrical, mechanical, HVAC, communications and life support systems. Most work would be "minor," costing less than 25 percent of a building's estimated replacement value. Approximately 17 percent is considered to be in the "moderate-major" range of 20-50 percent of estimated replacement value.

The current condition of ACC facilities is due to several factors, including design, construction, age, normal wear and tear and the lack of effective maintenance. The condition of each ACC primary building is shown in **Exhibit 10-4**. The condition codes are:

- 1=Satisfactory;
- 2=Remodeling A (less than 25 percent replacement cost);
- 3=Remodeling B (25-50 percent replacement cost);
- 4=Remodeling C (greater than 50 percent replacement cost);
- 5=Demolition (for safety reasons); and
- 6=Termination (for other than safety reasons).

Exhibit 10-4
General Condition of ACC Primary Facilities

Campus	Building	Year Built	Last Remodel	Condition Code	Replacement Value
Cypress	Main	1991	2000	1	\$9,288,000
	Portable 1	1998		1	\$230,850
	Portable 2	1998		1	\$145,350
	Portable 3	2001		1	\$345,600
Subtotal					\$10,009,800
Eastview	1000	1999	2001	1	\$3,653,500
	2000	1999		1	\$8,684,500
	3000	1999		1	\$4,634,000
	5000	1999		1	\$1,530,000
	7000	1999		1	\$477,000
	Portable 1	2002		1	\$403,200
Subtotal					\$19,382,200
Highland Business Center	Main	1979	2001	2	\$28,229,500
	Maintenance	2000		1	\$75,900
Subtotal					\$28,305,400
Northridge	1000	1988		2	\$7,350,500
	2000	1988		2	\$8,161,500
	3000	1991		2	\$7,802,500
	4000	1998		2	\$14,759,500
	Portable 1	1999		1	\$233,250
	Portable 2	1999		1	\$144,900
Subtotal					\$38,452,150
Pinnacle	Main	1984	2001	2	26,546,250
	Portable 1	1999	2001	1	\$144,000
	Pump House	1984	2001	2	\$251,250
Subtotal					\$26,941,500

Rio Grande	Main	1915	2000	3	\$33,871,000
	Annex	1930	2000	3	\$5,854,000
	Portable 1	2000		1	\$145,350
	Skills Center	1940	2001	5	\$3,489,300
Subtotal					\$43,359,650
Riverside	A	1990		1	\$14,304,500
	B	1990		1	\$4,045,500
	C	1990		1	\$6,896,500
	D	1950		4	\$7,686,250
	E	1996	2000	2	\$1,643,250
	F	1950		4	\$509,700
	G	1994		1	\$12,057,250
	H	-		2	341,250
	S	1997	2001	1	3,911,250
Riverside (cont.)	Grounds	1950	2001	3	\$377,250
	A200/300	-		1	\$465,300
	A400	-		1	\$145,200
Subtotal					52,383,200
Service Center		2001		1	\$8,251,050
Total					\$227,084,950

Source: ACC Building Inventory, August 20, 2002.

Best practices for space planning and condition assessment throughout higher education indicate that current building condition surveys, space utilization inventories, space standards and formal procedures are essential elements of an efficient and effective facility planning and maintenance management program. Inadequate information can create inefficiencies in building use as well as in costly building maintenance in the future.

Recommendation 92:

Develop a facilities condition survey.

ACC staff can develop the survey, but it will require a team effort of the Facilities and Operations Department and the facilities task force.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations prepares a project plan and timeline for developing a building condition survey.	March 2003
2.	The associate vice president of Facilities and Operations and the facilities task force establish a project team and make assignments required to develop the survey. The maintenance supervisors and building technicians will be the key personnel on the survey team.	April 2003
3.	The project team performs field inventories of all major building systems and equipment, makes visual and operational checks to determine deficiencies and records results.	May 2003 - December 2003
4.	The associate vice president of Facilities and Operations and the facilities task force compiles the survey data in a final report by campus, building, building system and equipment item.	January 2004 - March 2004

FISCAL IMPACT

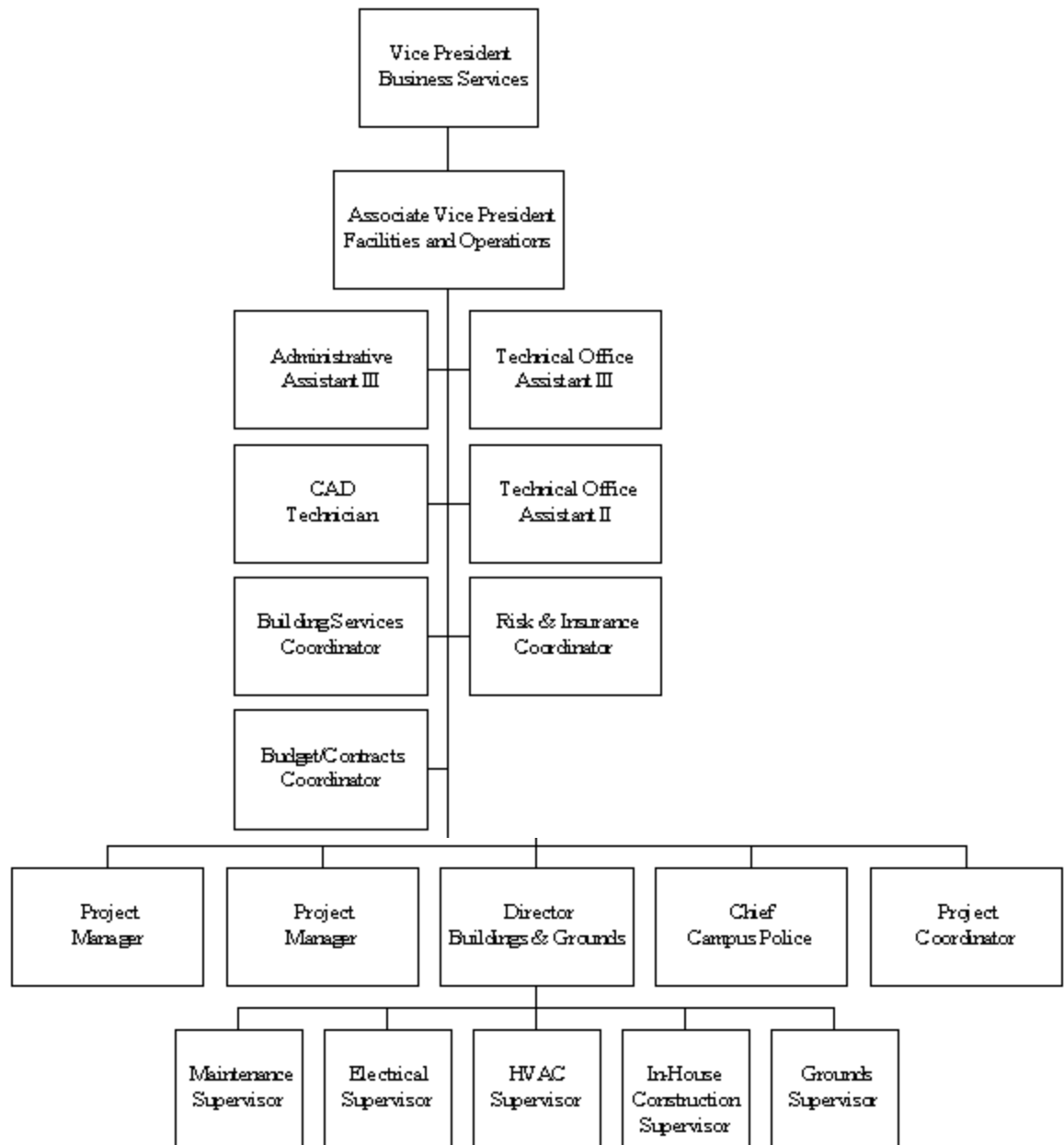
This recommendation can be implemented with existing resources.

Chapter 10

B. FACILITIES ORGANIZATION AND MANAGEMENT

An associate vice president of Facilities and Operations who reports to the Vice President, Business Services, manages the ACC Facilities and Operations Department. Two management positions, the director of Buildings and Grounds and the chief of Campus Police, report directly to the associate vice president of Facilities and Operations. Three project management positions and seven administrative support positions report to the associate vice president. The organization of the department is shown in **Exhibit 10-5**.

Exhibit 10-5
Facilities and Operations Department
2002



Source: ACC Facilities and Operations Department, August 2002.

The associate vice president of Facilities and Operations provides general management, supervision and professional direction to the Facilities and Operations Department. The position is responsible for facility planning, construction management, facilities maintenance and repair, grounds maintenance, real estate services and campus police. The director of Buildings and Grounds is responsible for directing, coordinating and budgeting for buildings and grounds maintenance and in-house construction at all college locations.

ACC has experienced considerable turnover of management personnel in key positions over the past seven years. The associate vice president of Facilities and Operations position, created in 1996, was occupied from September 1996 until January 1998 when the person left for other employment. The position was filled six months later and was occupied until August 2000 when the person left for personal reasons. The current associate vice president was hired in December 2000. The director of Buildings and Grounds was hired in June 1994 and stayed until February 1999, when he accepted another position at ACC. The position then was filled from June 1999 until May 2002 when the person left the college for other employment.

Three positions are assigned to the construction management program: two project managers and one project coordinator. One of the project managers is responsible for the design and construction of the Health Sciences building located on the Eastview campus. The other project manager has the same responsibilities, but for small projects.

FINDING

The Facilities and Operations Department does not have a formal organizational unit that smoothly and efficiently controls the flow of work through the organization. Maintenance and in-house construction work is controlled informally through the director of Buildings and Grounds. The responsibility for various aspects of the work is delegated to five supervisors (Building Maintenance, Electrical, HVAC, In-house Construction and Grounds) and support personnel, all of who report to the director. The director and supervisors also coordinate their activities with project managers and the Risk and Insurance Coordinator when necessary.

The shop supervisors are accustomed to working independently with some support provided by technical office assistants, who report directly to the associate vice president of Facilities and Operations, in planning, scheduling, procurement of parts/materials and coordinating the work with other shops and the building occupants. One of the technical office assistants is responsible for the Computerized Maintenance Management System, which uses MicroMain software purchased in 2001 and was being installed at the time of this review. All maintenance work orders are routed through a Campus Manager's office and entered into the MicroMain system at the campus. Maintenance technicians and the technical office assistant receive the work request simultaneously, which reduces previous delays caused in part by the use of a manual paper work order system.

One of the peer colleges, North Harris Montgomery Community College, has a work control center that effectively supports its facilities and operations plan for maintenance and in-house construction projects.

Recommendation 93:

Establish a work control center in the Facilities and Operations Department.

Maintenance tasks can be performed more efficiently and timely by centralizing tasks in a work control center under the director of Buildings and Grounds. The work control center will be a "funnel" through which all building maintenance and in-house construction work passes for planning, scheduling, craft coordination, cost accounting and generation of management reports.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations creates a work control center by placing the technical office assistants II and III under the director of Buildings and Grounds.	January 2003
2.	The associate vice president of Facilities and Operations defines the new responsibilities and tasks of the technical office assistants.	January 2003
3.	The associate vice president of Facilities and Operations writes new job descriptions for the technical office assistants, detailing the specific responsibilities and duties and obtains approval from the director of Human Resources.	January 2003
4.	The associate vice president of Facilities and Operations develops policies and procedures for the operation of the work control center and submits to the facilities task force for review and approval and to the administration for approval as required.	January 2003
5.	The associate vice president of Facilities and Operations prepares a bulletin explaining the operational responsibilities of the control center and distributes the bulletin collegewide.	March 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC has not developed and implemented a deferred maintenance plan. Although the associate vice president of Facilities and Operations

recognizes the need and benefits of such a program, resources have not been available to proceed.

In the ACC fiscal 2001 budget, major maintenance, repairs and replacements, as well as a radio system and new vehicles, all are budgeted under a broad category entitled "Preventative Maintenance Program for FY 2001." Projects and costs are shown in **Exhibit 10-6**.

Exhibit 10-6
Summary of ACC Preventative Maintenance Budget

Item	Budget
Roof Repairs	\$50,000
Painting	\$85,000
Floor Covering	\$100,000
Vehicle & Motor Repairs	\$50,000
Mechanical Repairs & Maintenance	\$75,000
HVAC Maintenance & Replacement	\$50,000
Parking Lot/Walkways Repairs	\$75,000
Two-Way Radio System	\$90,000
Irrigation Repairs	\$12,000
Elevator Repairs	\$10,000
Exterior Building Repairs	\$25,000
Total	\$622,000

Source: ACC Fiscal 2001 Budget.

None of these projects were identified and funded through an established deferred maintenance plan. Instead, the Facilities and Operations staff determined the need during the budget cycle and funded them from the facilities improvement and maintenance fee. Due to the size and scope of these projects, Facilities and Operations frequently bid out and awarded contracts on some of these items. In-house personnel complete some tasks such as painting, HVAC maintenance, irrigation repairs and exterior building repairs.

Deferred maintenance is maintenance work deferred to a future budget cycle or postponed until funds are available. The objective of addressing deferred maintenance is to restore facilities as close as practical to the

original constructed conditions and then continue with planned and preventive maintenance programs until useful life requires replacement. Deferred maintenance projects are normally funded one time and generally spread out over several years, depending upon the total backlog of work and the resources that can be allocated annually. The normal budget process funds maintenance work performed after the completion of deferred maintenance.

The best practice for deferred maintenance plans developed by higher education facilities managers consists of three basic steps: (1) identifying the current condition of buildings, equipment and systems, (2) estimating the cost to correct all deficiencies and (3) establishing a timeline to complete the work with a corresponding budget plan.

Step one requires a facilities audit or condition survey. The purpose of the audit is to evaluate the functional and physical adequacy of a campus. A comprehensive audit establishes a database that includes (1) a description of building components, (2) an analysis of building conditions and (3) an overall rating of a building's condition. Typical criteria for performing the audit are:

- Defining major repair and renovation priorities to eliminate deferred maintenance;
- Restoring functionally obsolete facilities to a usable condition;
- Eliminating conditions potentially damaging to property or presenting safety hazards;
- Identifying energy conservation measures; and
- Providing accessibility for the handicapped.

Step two is the preparation of detailed cost estimates including labor, materials, parts and all other costs involved to perform the maintenance and repairs. The work is separated into performance packages that then are placed in a priority system for funding, bidding and completion.

Step three is the development of a timeline, typically three to five years, and an annual budget to complete the work. The data and information developed in the three steps are combined to form a comprehensive deferred maintenance plan.

Recommendation 94:

Develop and implement a deferred maintenance plan.

The projects identified on the deferred maintenance plan would be funded from the facilities improvement and maintenance fees and included in the normal budgeting process.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations prepares a project plan and timeline for developing the deferred maintenance plan.	January 2003
2.	The associate vice president of Facilities and Operations and staff prepare cost estimates to correct all the deficiencies identified in the survey.	March 2003
3.	The associate vice president of Facilities and Operations prepares a timeline for performing the deferred maintenance and prioritizes the work.	June 2003
4.	The associate vice president of Facilities and Operations organizes the work into packages that will be performed by contractors and the work that can be performed in-house with a coordinated timeline.	June 2003
5.	The associate vice president of Facilities and Operations reviews the deferred maintenance plan with the facilities task force.	July 2003
6.	The associate vice president sends the deferred maintenance plan to administration for approval and presentation to ACC Board of Trustees.	August 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC has not developed and implemented a formal preventive maintenance program. The electrical and HVAC supervisors have begun preventive maintenance programs in their areas of responsibility, but have been limited by the lack of time they and their technicians can dedicate to developing and implementing a formal program. ACC's current preventive maintenance practices include replacing HVAC filters, servicing HVAC units, cleaning diffusers and return grilles, and working on electrical panels and transformers. Maintenance staff does not work during college breaks.

Preventive maintenance consists of periodic building and equipment inspections to identify conditions that would cause equipment breakdowns or avoidable depreciation and correction of these conditions. This function includes cleaning, adjustments, lubrication and minor repairs and parts replacement. Preventive maintenance is performed periodically in accordance with written preventive maintenance instructions.

Preventive maintenance is a stand-alone program with the work scheduled weekly on an annual basis and performed by skilled technicians. The MacroMain maintenance management system used by ACC has the capability for scheduling, tracking and cost accounting of all prescribed preventive maintenance. Preventive maintenance work is not scheduled, performed and controlled by a maintenance organization's work order system. For a preventive maintenance program to be effective, it must be properly developed and implemented and the work performed in accordance with the preventive maintenance instructions as scheduled.

Although the ACC annual facilities budget designates funds for a preventive maintenance program, none of the fiscal 2001 funded projects are preventive maintenance by definition. The projects are for repairs, replacements or planned maintenance work.

Two of the peer colleges, San Jacinto and North Harris Montgomery, have formal preventive maintenance programs while the third, Collin County, is developing one.

Recommendation 95:

Develop and implement a formal preventive maintenance program.

A preventive maintenance program will help ACC preclude a risk of unforeseen equipment and systems failures; shortened building and equipment life and costly maintenance costs.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	Facilities and Operations supervisors, electricians, HVAC technicians and maintenance technicians make an inventory of equipment to be included in the preventive maintenance program.	January 2003 - March 2003
2.	Electrical, HVAC and maintenance supervisors write preventive maintenance tasks for equipment with performance frequencies and estimate work hours required to perform tasks.	April 2003 - May 2003
3.	Supervisors prepare an annual schedule for performing preventive maintenance work and balance work hours available with work hours required for each week of the year.	June 2003
4.	The technical office assistant enters all data and information into the MicroMain computerized management system.	July 2003
5.	Facilities and Operations supervisors and staff implement the program.	August 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Facilities and Operations Department does not have formal written maintenance management policies and procedures. Many maintenance procedures, however, have been established and institutionalized on an unwritten basis, and the department has relied on the continuity provided by its long-term employees. According to ACC officials, formal policies and procedures are in the process of being developed.

The primary purpose of a policy and procedures manual is to ensure employees are informed and consistency is maintained in an organization's operations. A policy and procedures manual also ensures employees are treated fairly and held to common standards and procedures. In the absence of a current policies and procedures manual, supervisors and employees do not know what the organization is supposed to do, what is expected of employees, what are the work standards or how various situations are to be handled.

Maintenance management best practices have shown that formal management procedures are essential for effectively managing and maintaining buildings. At a minimum, such procedures should cover work requests/work orders; work identification; job planning; cost estimating; materials procurement and control; work scheduling; effectiveness measurement of performance and costs; and historical statistical data.

Recommendation 96:

Develop and implement formal maintenance management policies and procedures.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations and staff develop written maintenance management policies and procedures.	March 2003 - May 2003
2.	The associate vice president of Facilities and Operations presents the policies and procedures to the facilities task force for review and approval.	June 2003
3.	The associate vice president of Facilities and Operations sends the policies and procedures to the college administration for approval as required.	July 2003

4.	The associate vice president of Facilities and Operations publishes and implements the policies and procedures.	August 2003
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 10

C. CUSTODIAL MANAGEMENT

ACC has provided custodial services with both in-house employees and private contractors and, at times, has used a combination of both. From 1995 through 2000, each campus was responsible for ensuring adequate custodial services, which were outsourced to janitorial contractors. Contractual problems and unsatisfactory work led to a change in 2001, when ACC assumed in-house responsibility for all custodial services.

The Facilities and Operations Department has centralized responsibility for all custodial services. At ACC, this means that, although custodial supervisors or campus managers supervise custodians on a day-to-day basis, custodial staff members are part of the Facilities and Operations Department. The department's Budget/Contracts coordinator is responsible for overall management of custodial services as well as the outsourced janitorial service, Varsity Contractors, Inc.

In spring 2001, during the budget development process for fiscal 2002, campus administrators, custodial supervisors and the associate vice president of Facilities and Operations proposed several options, including (a) totally in-house custodial services, (b) totally outsourced services and (c) a combination of in-house and outsourced services. After review by the administration and the board, officials decided to use a combination of ACC custodial staff for daytime services and outsource nighttime services to a private vendor. ACC awarded a one-year contract, renewable for three years, to Varsity Contractors, Inc. to perform nighttime custodial services, beginning October 1, 2001. ACC decided to outsource the work based on a cost-benefit analysis and the experience of the contractor at other institutions.

ACC can cancel the \$776,152 contract at any time for breach of contractual obligation. The associate vice president of Facilities and Operations or his designee is the contract administrator.

FINDING

ACC's daytime custodial staff exceeds industry standards to complete required tasks. The janitorial contractor is responsible for providing cleaning services in accordance with contract specifications at the six college campuses, the Highland Business Center and the Service Center. The contractor is also responsible for cleaning outside entrances and policing sidewalks, parking areas, driveways and lawns. The contractor is not responsible for "daytime services," such as cleaning missed by the

night crew, emergency janitorial service or policing restrooms, public spaces or lounge areas. ACC day custodians perform all daytime services.

Exhibit 10-7 shows the custodial staffing distribution for the eight ACC primary facilities.

**Exhibit 10-7
Custodial Staffing
2001-02**

Campus	ACC (Day)	Contract (Night)	Total	Gross Square Feet (GSF)	GSF per Custodian ACC and Contract	GSF per Contract Custodian
Riverside	7	11	18	213,526	11,863	19,411
Eastview	3	5	8	78,604	9,826	15,721
Rio Grande	5	4	9	183,131	20,348	45,783
Northridge	6	10	16	154,817	9,676	15,482
Pinnacle	2	3	5	108,150	21,630	36,050
Cypress Creek	1	1	2	41,964	20,962	41,964
Highland Business Center	2	7	9	113,424	12,603	16,203
Service Center	0	3	3	55,007	18,336	18,336
Total	26	44	70	948,623	13,552	21,560

Source: ACC Data Request #124, Varsity Employee Roster, January 15, 2000 and ACC Facilities Inventory, June 2002.

Daytime non-custodial tasks include setting up and breaking down furniture and equipment for classes and special events, cleaning after special events and picking up trash around the exterior of the building.

A best practice guideline, for determining custodial staffing levels, suggested by the Association of Higher Education Facilities Officers, is 19,000 gross square feet per custodian. Actual staffing needs vary depending upon an institution's cleanliness and sanitation standards, the age and condition of the buildings and the amount of non-custodial work performed. **Exhibit 10-8** shows custodial staffing and cost comparisons between ACC and three peer colleges.

Exhibit 10-8
Custodial Staffing and Cost Comparisons
ACC and Peer Colleges

Data	ACC	San Jacinto	Collin County	North Harris Montgomery	Average without ACC
Building space in gross square feet (GSF)	948,623	1,748,543	995,019	1,430,795	1,391,452
Number of custodians	70 (44 contract; 26 in-house)	83 (contract)	46 (contract)	72	67
GSF/custodian	13,552	21,067	20,377	19,872	20,439
Custodial costs	\$1,353,288	\$2.25 M	898,945	\$1.57M	\$1,572,982
Custodial costs/GSF	\$1.43	\$1.29	\$0.90	\$1.10	\$1.10

Source: Peer College Survey, June 2002; ACC 2002 Budget, Varsity Contractors, Inc. Roster.

The ACC custodial staff of 44 contract and 26 in-house employees handles custodial services for 948,623 gross square feet (GSF) of building space. For contract employees, the average GSF per custodian ranges from a low of 15,482 at Northridge to a high of 45,783 at the Rio Grande campus with an average of 21,560 GSF for the eight sites. For the combined total of 70 employees, the average GSF per custodian ranges from 9,676 at Northridge to 21,630 at Pinnacle.

The average gross square feet per custodian for the three peer colleges is 20,439. This is 6,887 GSF, or 50.8 percent more than the 13,552 GSF per custodian at ACC for the combined contract and in-house staff. The GSF per ACC contract custodian is 21,560, which compares favorably with the average of the peer colleges. The average custodial cost per GSF at the peer colleges is \$1.10. This is \$0.33, or 30 percent, more than the comparable cost at ACC. The normal academic operating hours at the three peer colleges are equal to or greater than the operating hours at ACC. The daily academic hours at San Jacinto College are 6:00 a.m. to 11:00 p.m. At Collin County College, the academic day is from 7:00 a.m. to 11:00 p.m. According to the staffing guideline of 19,000 GSF per custodian, the staffing practices of the peer colleges and cost comparison data, ACC is overstaffed to provide economical custodial services

collegewide. This overstaffing occurs with the crews that provide daytime services.

A review of ACC custodial job descriptions indicates that custodial staff are either performing or duplicating many of the routine cleaning tasks that are the contractor's responsibility. During TSPR interviews, the campus managers said that their custodians must inspect the buildings every morning and perform work that was missed the previous night. The ACC custodians clean entryways and pick up trash around the buildings, which also is a contractor responsibility. This is an expensive and inefficient use of custodial services. The number of custodians required at the 19,000 GSF guideline is shown as **Exhibit 10-9**.

**Exhibit 10-9
Custodial Staffing
2001-02**

Campus	Gross Square Feet (GSF)	Total Number of Custodians (ACC and Contract)	Number of Custodians Required for 19,000 GSF Standard	Number of Custodians Required for Special Events	Difference
Riverside	213,526	18	11	2	(5)
Eastview	78,604	8	4	2	(2)
Rio Grande	183,131	9	9	2	2
Northridge	154,817	16	8	2	(6)
Pinnacle	108,150	5	6	1	2
Cypress Creek	41,964	2	2	1	1
Highland Business Center	113,424	9	6	1	(2)
Service Center	55,007	3	3	0	0
Total	948,623	70	49	11	(10)

Source: ACC Data Request #124, Varsity Contractors, Inc. Employee Roster and ACC Facilities Inventory, June 2002.

ACC daytime custodial staff has a number of other responsibilities in addition to custodial duties, such as setting up and cleaning up after special events. College staff and student groups, professional associations, universities and community groups use the Riverside, Eastview, Rio Grande and Northridge campuses heavily for special events. The Riverside and Northridge campuses hosted approximately 100 special events during 2001-02, and Eastview held 200. The number of attendees range from five to 200, and each required some level of support from the custodial staff and/or after-event cleaning.

Recommendation 97:

Implement custodial allocation formulas that conform to industry standards.

ACC should hold the contractor in strict compliance with the janitorial contract to reduce the workload of the daytime custodians. ACC also should reduce the frequency of performing certain cleaning tasks during the day and review the number of work hours actually required to support special events annually. Additional custodians are needed at each of the larger campuses to support special events, and each campus should have at least one custodian who can help with such events and handle emergencies.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations implements a hiring freeze of additional custodians.	January 2003
2.	The associate vice president of Facilities and Operations and the campus managers prepare a list of the positions to be eliminated.	January 2003
3.	The associate vice president of Facilities and Operations approves the list and sends it to the vice president of Business Services for approval.	January 2003
4.	After approval, the executive vice president forwards the list to the associate vice president of Human Resources to eliminate the positions.	February 2003
5.	The associate vice president of Human Resources, or designee, prepares required documents and notifies employees affected by the positions eliminated.	February 2003

FISCAL IMPACT

The average annual salary of an ACC in-house custodian is \$20,362. With benefits of 3 percent, the total annual salary cost is \$20,973 (\$20,362 +

\$611 benefits) per custodian. Eliminating 10 custodial positions will save the college \$209,730 annually (\$20,973 x 10). In the first year, the savings will be one-half of the annual amount, as reductions in staffing will not begin until the second half of fiscal 2003.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Implement custodial allocation formulas that conform to industry standards.	\$104,865	\$209,730	\$209,730	\$209,730	\$209,730

FINDING

The ACC custodial services contractor is not performing satisfactorily and is not complying with technical contract specifications. In the ninth month of a 12-month contract, Varsity Contractors, Inc. has not corrected the problems that campus managers have identified.

The contract specifies that the work will be performed from 10 p.m. to 6 a.m., Sunday through Friday, unless a specific campus requires additional hours. It also states that the contractor should use holiday periods when college staff is gone for major cleaning tasks. The contract has a "deduction for non-performance" clause that allows ACC to reduce contractor payments according to contract reduction tables for failure to satisfactorily accomplish contract requirements.

During TSPR interviews, campus managers and the provost expressed dissatisfaction with the custodial services provided by the contractor. The following complaints are fairly consistent across the six campuses and constitute a breach of Varsity's contractual obligations:

- Staffing is not consistent from day to day or week to week;
- The contractual shift schedule is not always adhered to;
- Daily work reports are incomplete and do not always reflect the work performed;
- Custodians are careless with building security and keys;
- Employees lack proper training;
- The contractor has not always used holiday periods for major cleaning tasks; and
- The ACC day custodians often have to clean areas that were not cleaned by the contractor.

Campus managers have full responsibility for monitoring contract custodial services on their campuses and work regularly to correct the problems. However, they also must direct the work of the day custodians,

who are ACC employees, and ensure that their campuses run smoothly day and night. Monitoring the janitorial contract to the extent required poses an additional hardship and drain on resources, and using campus managers to do this makes it difficult to ensure that contract obligations are executed collegewide as specified.

Recommendation 98:

Enforce the technical provisions and specifications of the collegewide custodial contract.

Since the custodial contract provides for reducing the contractor's payment for poor service, college officials should do so when performance is sub-standard. It is the responsibility of the associate vice president of Facilities and Operations as the contract administrator and the Purchasing manager to invoke the "deduction for non-performance" clause as needed to ensure that ACC is receiving the custodial services paid for under the contract. If the contractor continues to be out of compliance, ACC should re-bid the contract.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations meets with the six campus managers to develop a detailed list of contract discrepancies for each campus, which includes specific dates, time and factual information.	January 2003
2.	The associate vice president and campus managers meet with the contractor's local management to discuss and verify discrepancies and specify corrective action required. The associate vice president's administrative assistant makes an accurate record of the discussions, agreements and disagreements.	January 2003
3.	The associate vice president gives the contractor's local manager written notice that discrepancies must be corrected within 30 days and sends a copy to the contractor's corporate office.	January 2003
4.	After 30 days, campus managers send the associate vice president a report on the contractor's actions to correct the discrepancies.	February 2003
5.	For any discrepancies not corrected, the associate vice president calculates the amount to be deducted from the contractor's current payment and sends it to Purchasing, ensuring that all calculations are in accordance with the contract reduction tables.	February 2003 and Ongoing

6.	The associate vice president meets monthly with campus managers and the contractor's local management to review the contractor's performance and determine whether or not to renew the contract.	March 2003 and Monthly Thereafter
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FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

Custodial services at ACC are not organized to ensure that work is performed efficiently and economically. The custodial plan for 2001-02, which recommended that Facilities and Operations manage custodial services collegewide and that ACC contract with a single vendor for the night custodial services, has only been partially implemented. The associate vice president of Facilities and Operations defined department and campus manager responsibilities in a memo: The Facilities and Operations department would be responsible for (1) managing the custodial contract, (2) managing the custodial budgets, (3) procuring and distributing supplies and (4) developing custodial standards, training and quality assurance programs collegewide. The campus managers would supervise the ACC day custodial staff and coordinate the contractor's night custodians.

As implemented, ACC awarded a contract for collegewide custodial services, and the campus managers supervise the daytime custodial staff and coordinate work with the contractor. This was done at the request of the campus managers to give them greater control over the quality and completeness of the work. The Building Services coordinator, who was also responsible for the recycling and waste management contract, the pest control contract and building signage, assumed centralized management of the custodial contract and staff. When that position became vacant in late 2001, duties were dispersed to other staff. The Budget/Contracts coordinator assumed responsibility for custodial management in addition to other duties (coordination of building leases, budget and contracts). Cutbacks in the fiscal 2002 budget subsequently resulted in the Building Services coordinator position being frozen. During TSPR interviews, the Budget/Contracts coordinator stated that the additional responsibilities had not affected her workload.

Varsity Contractors Inc. is responsible for providing sufficient supplies for both daytime and nighttime activities. ACC supplements supplies and equipment for the daytime staff. Varsity is responsible for training their personnel to perform under their best practices standards. ACC staff use custodial standards developed in 2000, receive training from their

supervisors and, like all ACC employees, must complete 24 hours of professional development annually.

While campus managers are diligent about keeping their buildings clean and sanitary, they are not professional custodial managers, and they have other management responsibilities. They do not have the time or experience to develop and implement an effective custodial management program based on best practices for their individual campuses.

An effective custodial management program includes cleaning standards, work standards, work methods and procedures and a training program. For a collegewide operation, best practice suggests that a combination of centralized and campus-based management is more effective, efficient and economical than either a totally centralized or decentralized system. There are several reasons why custodial management of a large system works well with at least some centralization:

- Custodial services are a vital part of the total building maintenance responsibility;
- Custodial services are normally budgeted and funded as plant costs;
- The facilities manager is responsible for controlling the custodial services budget;
- Housekeeping standards, methods and procedures can be developed and applied collegewide;
- Equipment and supplies can be purchased in large quantities;
- Standardized training programs can be established collegewide;
- and
- When custodial services are outsourced, a single contract administrator is provided to ensure that contract requirements are performed uniformly collegewide.

Recommendation 99:

Establish a combination centralized and decentralized system for managing custodial services and hire a collegewide custodial manager.

Combining the two management structures would centralize certain collegewide responsibilities in the Facilities and Operations Department, creating consistency and improved quality assurance across the college. The department should have responsibility for the following on all campuses:

- performing a custodial audit to determine the current status on each campus staffing, job assignments, cleaning schedules, cleaning

methods and procedures, equipment and supplies, non-cleaning activities and training;

- developing collegewide standards for housekeeping methods and procedures, staffing; and quality assurance;
- determining equipment and supplies requirements and procuring collegewide for greater efficiency;
- administering cleaning services contracts; and
- providing advice and guidance to campus managers as needed.

The campus managers would have an indirect responsibility for supervising the ACC day custodians.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations prepares a policy statement that establishes and assigns the responsibility for custodial services to the Facilities and Operations Department.	January 2003
2.	The associate vice president presents the policy to the facilities task force for review and recommendation.	January 2003
3.	The associate vice president sends the policy to college administration for approval.	February 2003
4.	The president forwards the policy to the board for approval.	March 2003
5.	The associate vice president distributes the policy collegewide.	May 2003
6.	The associate vice president of Facilities and Operations does not fill the vacant building services coordinator position, and the director of Human Resources eliminates it from the position inventory.	June 2003
7.	The associate vice president of Facilities and Operations writes the job description for the new custodial supervisor position and submits it to the director of Human Resources for approval.	July 2003
8.	The associate vice president of Facilities and Operations advertises and fills the custodial supervisor position.	August 2003

FISCAL IMPACT

The recommended custodial supervisor position (annual salary of \$34,606 plus benefits of 3 percent = \$35,644) can be funded partially with an annual cost of \$2,253 by eliminating the vacant building services coordinator position (annual salary of \$32,418 plus benefits of 3 percent = \$33,391). The difference in the two salaries and benefits is the resulting annual fiscal impact beginning in 2003-04 (\$35,644 - \$33,391 = \$2,253).

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Establish a combination centralized and decentralized system for managing custodial services and hire a collegewide custodial manager.	\$0	(\$2,253)	(\$2,253)	(\$2,253)	(\$2,253)

Chapter 10

D. CONSTRUCTION PROGRAM MANAGEMENT

The ACC Facilities and Operations Department manages approximately \$10 million in construction contracts annually. Projects range from office or classroom renovations to construction of new buildings. Most of the projects are in the \$25,000-\$200,000 range and average about \$58,000. The construction work is divided into three categories: (1) construction services under \$25,000, (2) construction services costing \$25,000 but less than \$100,000 and (3) construction services costing more than \$100,000.

The board has mandated that ACC officials identify and assist enterprises defined as historically underutilized businesses (HUB), including those that are small, minority or woman-owned. ACC accepts HUB certification from the State of Texas, the Texas Building and Procurement Commission, the City of Austin and Capital Metro.

Although there are no enforceable goals for HUB participation, ACC has typically awarded approximately 30-35 percent of all construction and professional services contracts to HUBs. The major projects completed by ACC since 1998 are indicated in **Exhibit 10-10**.

Exhibit 10-10
Construction Projects Completed
1998-2001

Campus	Project	Year	Cost
Cypress Creek	Portable Building 2	1998	\$79,586
	Portable Building 3	2000	\$91,243
Eastview	New Campus	1999	\$11,235,474
Northridge	Portable Building 1 and 3	1998	\$116,831
	Portable Building 4	2000	\$117,114
Pinnacle	Portable Building 1	2000	\$110,589
Rio Grande	Portable Building 1	2000	\$53,417
Service Center	New Building	2001	\$4,700,000
Riverside	Mock Clean Room	2001	\$233,000

Source: ACC Facilities and Operations staff, May 2002.

In June 2002, ACC broke ground on the first phase of construction on the Health Sciences Building located on the Eastview campus. The building will contain 88,865 gross square feet of space with a total project cost of \$17.2 million and is scheduled for occupancy in the fall 2003. As is the case for all capital projects, the project is funded from bond proceeds. The ACC Board of Trustees selected the construction manager-at-risk delivery method; that is, the contractor proposed a guaranteed maximum price for the contract, which ACC officials evaluated and accepted. They obtained architectural and engineering services by reviewing and evaluating requests for qualifications and proposals. ACC's representative on the project is a project manager from the Facilities and Operations Department.

The traditional delivery process for a construction project requires the skills and services of a project team of three principal participants: the college, the designer and the builder. Each of these normally involves other participants as part of the team effort, such as consultants, a geo-tech testing firm, subcontractors, and/or suppliers of materials and equipment. The college enters into a contract with an architect/engineer to plan and design a project to satisfy the college's particular needs. During the design phase, the college sets criteria for design, cost and completion and provides decision-making inputs to the architect/engineer.

After the bidding process, the college enters into a contract directly with the contractor, who is then responsible directly to the college for building the project in accordance with the plans, specifications and all laws and building codes. The contractor is also responsible for the integrity of the new building and must guarantee the work. The architect/engineer is contractually committed to the college to make site visits during construction to assess materials and review completed work for compliance with plans, specifications and design only. Any request for detailed inspections during construction must be specified in the architect's contract at an additional cost. In addition to periodic visits, the project architect/engineer is also responsible for certain contract administration functions including review of the contractor's pay requests, review of shop drawings, evaluation of contractor claims and change orders, interpretation of plans and specifications during construction and a final inspection upon completion.

FINDING

The Facilities and Operations Department does not have standardized or best practice procedures and methods to efficiently manage and administer major construction projects. The project managers must depend upon their past experience in project management and administration for ACC's major construction projects.

The lack of standard procedures is especially problematic because of ACC's high employee turnover rate. In the last six months of 2000, all three project managers left ACC, and one project coordinator hired in July 2001 left in May 2002. Two new project managers were hired in February and June 2001. During the period when the project manager positions were vacant, the associate vice president of Facilities and Operations had to manage the projects in addition to fulfilling his other duties and responsibilities. According to the agenda for their September 16, 1999 meeting, the facilities task force was in the process of developing an index and a draft of procedures for construction management and administration, but the documents were not completed, approved and published for use. In January 2001, the current associate vice president also developed an index and a draft of procedures for construction management and administration to be reviewed by the facilities task force. To date, the procedures remain in draft form and unpublished.

The American Institute of Architects (AIA), Associated General Contractors of America (AGC), American Society of Civil Engineers (ASCE), Engineer's Joint Contract Documents Committee (EJCDC) and the National Society of Professional Engineers (NSPE) all have models for such procedures.

Construction management procedures often incorporate a best practice known as the "one-to-one concept." This procedure eliminates much conflict during construction, reducing exposure claims producing problems and results in greater efficiency for all parties to the contract. Under the concept, the college designates a single individual to be the sole spokesperson representing the college's interests. The person is normally the college's project manager. Under this arrangement, all orders issued to the contractor that would effect changes in the design or cost must be issued through the project manager.

Recommendation 100:

Develop and implement standard procedures, methods and administrative forms for ACC construction management and administration.

If ACC does not develop contract administration and construction management procedures that provide for consistent and effective completion of construction contracts, projects will continue to be fraught with disputes, risk exposure and inefficiency. Information and suggestions on how to develop and implement these standards can be obtained from several professional organizations, whose methods have evolved over the last 50 years as best practice standards.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations and staff complete draft copies of the procedures.	April 2003
2.	The associate vice president of Facilities and Operations presents the procedures to the facilities task force for review and approval.	May 2003
3.	The associate vice president of Facilities and Operations sends the procedures to college administration for approval.	June 2003
4.	The associate vice president of Facilities and Operations implements the procedures.	June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

The Facilities and Operations Department does not have a manual of design criteria, guidelines and standards. ACC project management staff, maintenance staff and end-users are involved during the programming, design and construction document phases of all projects. Maintenance supervisors include design input in design reviews. Their input is frequently limited due to other demands on their time.

Architects/engineers are occasionally reluctant to accept input from ACC maintenance staff, preferring to use their own criteria and standards, but they can usually be persuaded to change when presented with valid rationale. During the TSPR interviews, the ACC electrical, HVAC and grounds supervisors expressed concern that the college does not have formal design standards for new buildings and irrigation systems.

Design criteria, selection of materials and equipment and quality of construction directly influence the effect that a building's age has on its life-cycle maintenance and operational costs. The lack of a formal design standards program can result in many different types of building systems and equipment built over time long periods requiring a large variety of repair and replacement parts. This increases the quantity and type of parts inventory that the maintenance organization needs to stock or can obtain quickly from a vendor. It costs more and takes more time to train maintenance technicians because they must be able to perform maintenance on many types of equipment.

Standards are often incorporated into a project architect/engineer contract to be included in their design and specifications. Such standards generally cover floor types and covering, ceiling types and finish, paint, glazing,

plumbing fixtures, lighting fixtures, roof design and materials, building security, safety and fire systems, locks and keying systems, building electrical and HVAC systems. Other important standards often included in contracts for new buildings are the provision for adequate space to accommodate the maintenance functions including custodial closets, equipment rooms, access and working space in vertical duct and pipe chases, ceiling access panels, permanently mounted lights and ladders, cradle hoists for cleaning, repair and maintenance of building exteriors and window washing.

Recommendation 101:

Prepare a design standards manual.

With a manual of design standards, ACC can effectively convey its design wants and needs to the architect/engineer and can ensure it will cost less to maintain the facility.

ACC should develop and provide the architect/engineers with institutional design criteria, standards and guidelines. The information is often specified as requirements in the architect's agreement. The best practice for developing design standards is to involve not only the project managers, but also the maintenance personnel and custodial supervisor.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations and project managers develop the initial standards with input from the maintenance supervisors.	June 2003
2.	The associate vice president of Facilities and Operations and project managers update the manual on regular basis.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 10

E. ENERGY CONSERVATION AND MANAGEMENT

Energy rates vary from college to college because some colleges generate their own power, while others must negotiate with local utility companies. Regardless of how an institution accesses energy, costs are increasing year after year, and energy conservation is fiscally and environmentally responsible.

ACC's total utilities budgets for 1998 through 2002 are indicated in **Exhibit 10-11**. Actual utilities expenditures for fiscal 1998 through 2001 are also shown. The total cost per gross square foot (GSF) in 2001 was \$1.97. The cost per GSF remained constant for 1999, 2000 and 2001. The utilities budget increased 37 percent from 1998 to 2002 and 32 percent between 2001 and 2002. The actual expenditures from 1998 through 2001 increased 13.8 percent. This increase resulted from rate increases imposed by the utility providers.

Exhibit 10-11
ACC Utilities Budget and Expenditures
1998 through 2002

Year	Budget	Expenditures	Space (GSF)	\$/GSF
1998	\$1,510,000	\$1,639,111	815,012	\$2.01
1999	\$1,544,121	\$1,765,342	893,076	\$1.98
2000	\$1,544,121	\$1,780,882	893,076	\$1.99
2001	\$1,571,706	\$1,865,203	948,623	\$1.97
2002	\$2,071,706	N/A	948,623	\$2.18

Source: ACC Annual Budgets & Building Inventory, June 2002.

Exhibit 10-12 shows utilities cost comparisons between ACC and the three peer colleges. The exhibit also shows which colleges have energy management programs in place.

Exhibit 10-12
Electrical Cost Comparisons with Peer Colleges
2001

Data	ACC	San	Collin	North Harris
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		Jacinto	County	Montgomery
Total Electrical Cost	\$1,627,103	\$1,492,146	\$1,507,654	\$2,170,000
Electrical Cost per GSF	\$1.72	\$0.85	\$1.52	\$1.52
Energy Management Program	No	Yes	No	Yes for 50% of the campuses

Source: Peer College Data, July 2002.

FINDING

ACC has taken a major step to curtail future energy consumption. In November 2001, the college awarded Honeywell, Inc. a \$4.3 million contract to perform major energy retrofits at the Cypress Creek, Pinnacle, Northridge and Riverside campuses. The scope of work at each campus includes lighting and mechanical retrofits, water conservation, irrigation control systems and a computerized energy management system. The project is scheduled for completion in September 2002. The contract also has a support services agreement that requires Honeywell to provide energy auditing and analysis services and energy guarantee provisions. These services will commence after the job is completed and accepted at an annual cost of \$6,570.

Honeywell guarantees ACC that the retrofitted facilities and systems will realize the total energy and operational cost avoidance over the term of the energy guarantee provision of 15 years. As specified in the contract, the guaranteed energy and operational cost avoidance will be a minimum \$430,977 per year for a total of \$6.5 million for the 15-year term. In order to fully realize these savings, ACC plans to adhere to the contractually stipulated "Energy and Operational Cost Avoidance Guarantee Practices" (EOCAGP). These practices include operating and maintenance procedures agreed upon by Honeywell and ACC.

Honeywell's guaranteed savings obligations under the agreement are contingent on ACC following the EOCAGP and meeting other stipulations such as the timely reporting of utility bills. If ACC fails to fully perform any of its obligations, Honeywell has the right to adjust its guaranteed savings obligation.

COMMENDATION

ACC executed a minimum guaranteed savings contract of \$430,977 annually with Honeywell Inc. to perform energy conservation retrofits at Cypress Creek, Pinnacle, Northridge and Riverside campuses.

FINDING

Although ACC has taken a major step to curtail future energy consumption, it does not have an ongoing energy conservation and management program. The associate vice president of Facilities and Operations has written a draft of a basic program, but it has not been reviewed and approved by the facilities task force and college administration. The proposal specifies individual practices that students and college employees can perform in day-to-day activities to save energy, including turning off lights in unoccupied buildings and keeping thermostats set to optimum temperatures in summer and winter. The drafted plan acknowledges that the Facilities and Operations Department has a responsibility to the taxpayers, faculty, staff and students to manage the ACC physical plant in a manner that does not waste the college's energy resources, while providing an optimal educational environment and workplace. Although the college does not have published design standards, ACC officials consider energy efficiency in the design review process for construction of new ACC facilities and in the retrofit of existing buildings.

An ongoing energy conservation program helps organizations accurately monitor energy use, which reduces the risk of excessive costs and premature equipment maintenance or replacement.

Vending machines provide an interesting opportunity to save energy. The average soft drink machine uses two fluorescent bulbs, which total 80 watts. Add to this the energy required to operate the ballast, a component required to alter the electricity when using fluorescent bulbs. At a very conservative estimate of only 2 kilowatt-hours per day, a soda machine uses an annual total of 730 kilowatt-hours just for lights. At an average rate of \$0.10 per kilowatt hour, this amounts to \$73 per year for just one machine. ACC has 46 vending machines collegewide.

Recommendation 102:

Implement a comprehensive energy management program.

Even by establishing a basic conservation program, ACC can save thousands of dollars a year. With the current electricity costs of \$.10 per kilowatt-hour, raising building temperatures by two degrees and shutting off lights when possible will quickly translate into utilities savings. Disconnecting the lights in vending machines alone could save an estimated \$3,358 annually. Additional annual savings will depend upon the conservation measures established in the program and how well the college community participates in the program.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations and staff finalizes the energy management program plan.	March 2003
2.	The associate vice president of Facilities and Operations presents the program to the facilities task force for its review and approval.	April 2003
3.	The associate vice president of Facilities and Operations sends the program to the president for approval.	May 2003
4.	The associate vice president of Facilities and Operations implements and continuously monitors the program.	May 2003

FISCAL IMPACT

Energy savings from collegewide conservation measures could result in significant savings to the college, but are conservatively limited here to the savings that could be achieved through disconnecting vending machines shown above. First year savings are prorated.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Implement a comprehensive energy management program.	\$839	\$3,358	\$3,358	\$3,358	\$3,358

Chapter 10

F. SAFETY AND SECURITY

A safe and secure environment is essential for students, faculty and other college employees. A safety and security program includes prevention, intervention and enforcement as well as cooperation with municipal and county governments. The college's safety and security program is the result of the coordinated efforts of the college's Risk Management Office and the ACC Police Department.

The Risk Management Office has one full-time employee who reports directly to the associate vice president of Facilities and Operations and is responsible for the following:

- providing assistance in the identification and mitigation of environmental, health and safety hazards that could adversely affect the college community and damage or destroy college property;
- overseeing compliance with local, state and federal regulatory requirements for environmental, health and safety;
- establishing environmental, health and safety practices, procedures and management system to protect the college community to the greatest extent possible;
- coordinating a comprehensive emergency plan that includes exercised procedures to respond to chemical incidents, accidents, injuries, fires and natural hazards/disasters;
- providing appropriate education and training for the college community in environmental, health and safety regulations, safe practices and procedures and hazard identification/elimination;
- providing appropriate property insurance and Worker's Compensation coverage for work related accidents;
- providing a strong safety and loss prevention system, to include injury reduction and hazard elimination;
- drafting appropriate administrative rules and policies to achieve a uniform management approach to environmental, health and safety requirements.

The Risk Management and Insurance coordinator carries out the Risk Management Office's daily activities. The coordinator disseminates safety program requirements to appropriate division chairs, campus managers and supervisors in their areas of responsibility. The coordinator also is a member of the ACC police task force, which includes the campus managers, provost and executive deans and the Police Department. The

task force, which meets at least once a semester, provides a vehicle for other departments to present their needs to the Police Department.

The Risk Management and Insurance coordinator has provided training in the following areas:

- emergency evacuation procedures;
- employee protection (biochemical, bomb threat procedures);
- hazard communication;
- hazardous waste training; and
- emergency procedures.

The Risk Management Office analyzes the impact of federal, state and local laws and regulations on ACC's safety program and recommends necessary changes. During the past year, the Risk Management and Insurance coordinator has drafted health and safety policies as well as some educational and training activities. The Risk Management and Insurance coordinator also has drafted a comprehensive set of programs and procedures necessary to help ensure the safety of students, staff and faculty.

The ACC Campus Police Department is a public service-oriented law enforcement agency charged with providing police protection to students, faculty, staff and property. It is staffed by commissioned, state-licensed police officers responsible for enforcing federal, state and local laws in addition to ACC rules and regulations.

Police Department officers are trained to handle a full range of community college services, including emergency requests, fire emergencies, traffic accident investigations, auto thefts and any other unlawful acts including reported infractions of ACC drug and alcohol policies.

ACC's Police Department operates at each campus to help ensure public safety and security needs. The department seeks active interaction with its stakeholders to provide, among other services, public assistance in the following:

- opening locked vehicles;
- unlocking doors on campus;
- escorting students and staff to personal vehicles;
- providing directions both on and off campus;
- issuing parking permits;
- enforcing general laws; and
- issuing building keys and controlling access.

The Austin Police Department or the appropriate sheriff's department having jurisdiction over the campus where an incident occurs is promptly notified of the following situations:

- deaths of any type;
- robberies - excluding theft;
- arson;
- major burglaries;
- kidnapping and hostage situations;
- confirmed sexual batteries or felony sex crimes;
- any situation where an employee discharges a weapon at a suspect or is a victim of firearms discharged; and
- any other situation in which the on-duty supervisor feels contact should be made.

FINDING

The ACC Police Department prepares and distributes literature that covers safety tips, hotline telephone numbers and traffic and parking regulations. This information is readily available at all campuses and can be easily accessed through the ACC Web site. The department prepares a monthly report of crime statistics and submits it to the Texas Department of Public Safety as required by the Student Safety Responsibility Act. A 12-month summary of these offenses is shown in **Exhibit 10-13**.

Exhibit 10-13
ACC Reported Crimes by Campus
2000-01

	HBC	RGC	EVC	ROR	WWD	CYP	NRG	RVS	PIN	DTC	AKN	Total
Murder	0	0	0	0	0	0	0	0	0	0	0	0
Sex Offense, Forcible	0	0	0	0	0	0	0	0	0	0	0	0
Sex Offense, Non- forcible	0	0	0	0	0	0	0	0	0	0	0	0
Robbery	0	0	0	0	0	0	0	0	0	0	0	0
Aggravated Assault	0	0	0	0	0	0	0	0	0	0	0	0
Burglary	0	6	2	0	0	1	4	1	0	0	0	14

Motor Vehicle Theft	0	0	0	0	0	0	0	1	0	0	0	1
Liquor Law Violations	0	1	0	0	0	0	2	1	0	0	0	4
Drug Violations	0	2	1	0	0	0	0	0	0	0	0	3
Weapons Violations	0	0	0	0	0	0	0	0	0	0	0	0
Totals by Campus	0	9	3	0	0	1	6	3	0	0	0	22

LEGEND: HBC=Highland Business Center; RGC=Rio Grande; EVC=Eastview; ROR=Round Rock H.S.; WWD=Westwood H.S.; CYP=Cypress; NRG=Northridge; RVS=Riverside; PIN=Pinnacle; DTC=Downtown Center; AKN=Akins H.S.

Source: ACC Police Department, 2000-01.

COMMENDATION

The police department's distribution of safety and regulation literature promotes improved security for the college and community.

FINDING

The ACC Police Department is under-funded and understaffed. There are not enough officers employed to ensure adequate coverage of all campuses. Often, only one officer is stationed at any one of the campuses and must handle any duties that may arise. Full-time clerical support is not available, resulting in the officer spending a majority of time with administrative issues, rather than patrolling the grounds and providing a security presence on campus. Currently, the Police Department has five vacant patrol officer positions. Officers on duty work mandatory overtime to handle the shortages and provide coverage for all unfunded mandates. **Exhibit 10-14** shows the budgeted overtime and the actual overtime paid for the past five years.

**Exhibit 10-14
ACC Police Department
Overtime Budget Versus Actual Overtime Expenditures
1998 - 2002**

Year	Budget	Year to	(Over)/Under
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		Date Actual	Budget
1998	\$22,113	\$32,105	(\$9,992)
1999	\$22,113	\$52,873	(\$30,760)
2000	\$19,113	\$18,763	\$349
2001	\$22,113	\$88,188	(\$66,075)
2002	\$22,113	\$95,515	(\$73,402)

Source: ACC Purchasing Department, 1998-2002.

Vacant positions provide an adverse working environment for the Police Department. Complaints by department staff indicate that starting salaries for police officers are too low to hire and retain quality individuals. A review of the classified job salary ranges indicates that officer's band/grade/sub-grades are listed as B-2-2, the same as Administrative Assistant II, Admissions Assistant II and Maintenance Technicians.

The Police Department feels very strongly that the pay, especially starting pay for officers, is a major hurdle in hiring staff to fill the vacant positions. ACC's pay scale for police officers ranges from \$20,866 to \$33,781; however, the acting police chief stated that police officers' salaries generally begin within the first four steps of the B-2-2 salary range, that is between \$20,866 and \$22,654, and that officers receive a one-step increase after a year on the job. A survey of peer colleges reveals that ACC's starting salaries for police officers are the lowest among peer college districts, as shown in **Exhibit 10-15**.

Exhibit 10-15
Police Officer Salary Ranges
ACC and Peer Colleges
2001-02

College	Salary Range, Low-End	Salary Range, High-End
ACC	\$20,866	\$33,781
Collin County	\$28,000	\$32,000
San Jacinto	\$28,236	\$32,232
North Harris Montgomery	\$28,179	\$28,179

Source: TSPR Survey, July 2002.

ACC's starting salaries for police officers are also very low compared to local area law enforcement agencies as shown in **Exhibit 10-16**.

Exhibit 10-16
Police Officer Salary Ranges
ACC and Local Law Enforcement Agencies
2001-02

Local Law Enforcement Agency	Salary for Police Cadets	Salary Range, Low-End Police Officer	Salary Range, High-End Police Officer
ACC Police Department	N/A	\$20,866	\$33,781
University of Texas Police Department	\$31,200	\$34,464	\$52,968
Austin Police Department	\$32,000	\$37,746	\$60,139
Round Rock Police Department	N/A	\$35,000	\$52,090
Travis County Sheriff Department	N/A	\$32,473	\$32,473

Source: ACC and Local Law Enforcement Agencies, Interviews, August 2002.

The ACC police budget is so deficient that the department cannot provide essential equipment, supplies or continuing training for officers. Officers do not obtain training beyond that which is state-mandated because of budget constraints and more importantly because the department cannot afford for officers to be away from work in training. The acting police chief stated that the department lacks sufficient funds for uniforms, overtime, supplies (vests, night sticks and chemical agents), staffing, vehicles and training. In fact, officers interviewed stated that they are supplying their own weapons, nightsticks and chemical agents, among other items required to do the job. Department officers also stated that they have received no training since being hired other than hazardous materials training.

Recommendation 103:

Increase patrol officers' salaries to ensure vacant positions are filled, officers are retained and campuses are safe and secure.

Staffing all vacant positions will reduce the amount of overtime worked by officers. By reviewing salary structures and the budget, the police department will be better able to maintain a full staff by attracting and retaining qualified patrol officers. In order to adequately fill the vacant

positions and retain patrol officers, ACC should consider raising salaries. These actions will support the police department's main objective of providing campus safety and security.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The police task force meets to conduct a salary analysis for patrol officers, develop a salary mid-point, revise current recruiting strategies for police officers and review adequacy of the police department's budget to implement the safety directive.	January 2003 - February 2003
2.	The police task force develops recommendations for salary structures, which includes raises for patrol officers based on the new mid-point, and recruitment strategies and develops the 2003-04 department budget.	March 2003
3.	The associate vice president of Facilities and Operations presents recommendations to college administration for approval.	April 2003
4.	The administration adopts the recommendations.	May 2003
5.	The associate vice president of Facilities and Operations works with the Human Resources Department to recruit for the vacant positions.	April 2003 - August 2003
6.	The associate vice president of Facilities and Operations fills the vacant positions and implements salary increases.	September 2003

FISCAL IMPACT

The estimated fiscal impact is based on raising salaries for patrol officers by a total of \$60,000 annually to adequately fill the vacant positions and retain officers (\$2,000 x 30 positions = \$60,000). However, filling the vacant positions should eliminate the overtime pay that averages \$35,976 annually, resulting in an estimated annual cost of \$24,024 (\$60,000 - \$35,976), beginning in 2003-04.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Increase patrol officers' salaries to ensure vacant positions are filled, officers are retained and campuses are safe and secure.	\$0	(\$24,024)	(\$24,024)	(\$24,024)	(\$24,024)

FINDING

The ACC Police Department does not have a database or back-up tape system to house and record appropriate information concerning previous cases or an individual's background. Written reports are generated for each call that an officer receives at each campus, but these reports are not necessarily shared with the other campuses. This is troublesome as one campus may not be aware of another campus' prior contacts. For example, if a campus police officer conducted a search on an individual's identification, he would not find any previous contact with other ACC police that may have resulted in outstanding warrants or restraining orders. The lack of timely information may jeopardize the safety and well being of students, faculty and/or the public.

ACC's Police Department also does not have adequate access to ACC's computer system, Datatel. The Police Department does not have access to the name-and-address entry (NAE) screen of Datatel; therefore, the department cannot ask for or receive pertinent information necessary to efficiently provide security services on a timely basis. For example, if information is needed to check out an individual's background, the officer must personally go to the Registrar's Office and check on the computer system.

Recommendation 104:

Develop a database and a back-up tape system that will interface with ACC's computer system.

ACC should be able to create a database that can be incorporated into ACC's Datatel system at a minimum cost. This database should be developed, tested and evaluated to ascertain its effectiveness.

ACC should ensure that the Police Department receives adequate admittance to the Datatel system, including greater access and required screens, such as the NAE screen that will enable officers to quickly and efficiently obtain necessary information. With the NAE screen, officers can ask for and promptly receive information on an individual without having to identify the individual's social security number, which can be difficult to ascertain and verify.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations and the associate vice president of Information Technology meet with the police task force to review the feasibility of developing a database and tape back-up system using ACC's	January 2003
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	existing computer system to ensure access to the Datatel system for police officers.	
2.	The associate vice president of Facilities and Operations and the associate vice president of Information Technology develop recommendations for creating a database through ACC's computer system, developing a tape back-up system and expanding the police department's access to the Datatel system.	February 2003 - March 2003
3.	The associate vice president of Facilities and Operations forwards the recommendations to college administration for approval.	March 2003
4.	The associate vice president of Facilities and Operations and the associate vice president of Information Technology implement the approved recommendations.	April 2003 - June 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Chapter 10

G. TRANSPORTATION SERVICES

ACC owns 54 vehicles and leases 10 vehicles for the administration. Buyers in the Purchasing Department purchase all college vehicles by soliciting bids when the user department submits a purchase requisition. Most vehicles have been purchased, while others are leased. **Exhibit 10-17** shows the number of ACC-owned vehicles by department.

Exhibit 10-17
ACC Vehicle Inventory by Department

Department	Number of Vehicles
Campus Police	10
Facilities	23
Inventory and Receiving	7
Taylor Fire Academy	8
Information technology	3
Dean, Applied Technology	1
Drama	1
Hospitality management	1
Total	54

Source: ACC Purchasing Department, June 2002.

Each college department is in charge of its own vehicles from originating the purchase requisitions to operation and maintenance to ultimate disposal. ACC does not provide centralized transportation services for faculty, staff or students.

When the need arises for transportation services, such as field trips, officials rent vehicles for that purpose. Vehicle rental costs per year are identified in **Exhibit 10-18**.

Exhibit 10-18
ACC Vehicle Rental Expenditures
1998 - 2002

Year	Rental Expenditures
1998-99	\$3,020
1999-2000	\$4,188
2000-01	\$8,499
2001-02	\$2,866

Source: ACC Purchasing Department, June 2002.

ACC vehicles are replaced when the user department determines that a replacement is needed. The old vehicle is traded in, sold through sealed bids or transferred to another ACC department, which frequently occurs. For example, an old truck was transferred to the Taylor Fire Academy and three high-mileage cars were transferred to the Campus Police once the originating department replaced them.

FINDING

ACC leases seven vehicles for administrative staff, two for the Small Business Development Center and one for Video Services. The Video Services lease is paid through a revenue-generating account for video telecom and video production services provided by the Video Services Department. According to their operators, vehicles are used for business purposes only, that is, for meetings across the college district and within the college service area, for local professional development activities and for driving from one campus to another. The vehicles were leased for a three-year period with the lease expiring for six of them on November 16, 2002. The lease for the college president's vehicle expires April 18, 2003. The lease expires for two other vehicles on March 24, 2003, and the remaining vehicle lease ends on May 5, 2003. ACC told the review team that the leases expiring in November would not be renewed. Leased vehicles, operators and related information are shown in **Exhibit 10-19**.

Exhibit 10-19 ACC Leased Vehicles for Administrative Staff

Department/Operator	Vehicle	Mileage	Lease Amount per Month
President	2000 Buick	N/A	\$553
Executive Vice-President	Pontiac Grand Am	19,997	\$290

Executive Dean	Pontiac Grand Am	30,995	\$290
Executive Dean	Pontiac Grand Am	20,000	\$290
Provost	Pontiac Grand Am	17,993	\$290
VPEA	Pontiac Grand Am	28,000	\$290
Associate vice president of Facilities and Operations	Pontiac Grand Am	21,287	\$290
Small Business Dev.	Pontiac Grand Am	13,165	\$378
Small Business Dev.	Pontiac Grand Am	14,288	\$378
Video Services	Mazda MPV LX Van	14,390	\$471

Source: ACC Purchasing Department, June 2002.

The college pays for all costs related to the vehicles leased for faculty and staff, including leases, maintenance, repairs, gasoline and car washes. Other faculty and staff who use personal vehicles for business activities are reimbursed by the college at the state rate of 30 cents per mile. A survey of peer colleges found that an average of two vehicles is leased for faculty and staff. These are usually leased for the president and vice president, while all other faculty and staff use personal vehicles for college business purposes and are reimbursed at the college's approved mileage rate.

In a July 1, 2002 report to the board, the full-time faculty suggested reducing or eliminating leased vehicles used by administrators or sharing one vehicle among several people. On June 28, 2002, the ACC budget committee made a similar recommendation.

Recommendation 105:

Eliminate leased vehicles for faculty and staff that are not cost effective.

With the exception of the vehicles leased for the president, the executive vice president and the van for Video Services, the remaining leased vehicles represent unnecessary expenditures. It is more cost-efficient to

use the state mileage rate on personal vehicles than to continue the high number of vehicle leases for faculty and staff.

ACC should immediately review current vehicle leases for termination rights and clauses on the seven remaining vehicles. It may be prudent, based on language contained in the leases, to continue leases until the expiration dates. However, the leases should not be renewed, and new leases should not be initiated.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The college president and the associate vice president of Facilities and Operations conduct a cost-benefit analysis of the vehicle leases.	January 2003
2.	The president instructs the director of Purchasing to review lease agreements for termination or jump-out clauses.	February 2003
3.	The director of Procurement terminates lease agreements at the earliest opportunity.	March 2003

FISCAL IMPACT

Assuming an average mileage rate of 8,000 miles per vehicle per year and taking the average cost of \$315 per vehicle per month times 12 months, or \$3,780; oil changes every 3,000 miles (\$20 x 2) or \$40; and conservatively assuming that the vehicle is filled with gas twice a month at \$50 times 12 months, or \$600, the average yearly total amount comes to \$4,420 per vehicle. Applying the ACC rate of \$.30 per mile, based on the average of 8,000 miles per year per vehicle, equals \$2,400 per vehicle. This difference of \$2,020 (\$4,420 - \$2,400) per vehicle per year multiplied by the seven vehicles equals \$14,140 in savings per year (\$2,020 x 7) and \$9,427 for two-thirds of the first year. This figure does not include other maintenance or repairs to vehicles.

Recommendation	2002-03	2003-04	2004-05	2005-06	2006-07
Eliminate leased vehicles for faculty and staff that are not cost effective.	\$9,427	\$14,140	\$14,140	\$14,140	\$14,140

FINDING

No single individual or department at ACC has responsibility for vehicle maintenance, which results in a lack of continuity in quality of service and

a lack of accountability. Further, ACC has not developed policies and procedures for vehicle acquisition, usage, maintenance and disposition.

ACC does not have a vehicle maintenance department, facilities or the staff to operate such a program. Instead, each department or the driver/operator is responsible for vehicle maintenance, which means that there is no guarantee that preventative maintenance is performed or that any vehicle repair work done is necessary and reasonable. Without central coordination of vehicle maintenance and repairs, it is difficult to assure proper vehicle safety and oversight of repair costs.

In addition, the director of Purchasing confirmed that operators do not always adhere to ACC's purchasing policy before servicing or maintaining their vehicles. ACC requires that operators complete and submit purchase orders with an estimated cost of repair or service before a vehicle is taken in for service. However, since this does not always happen, invoices submitted for payment are the only records that the purchasing department receives indicating that the vehicle has received repairs and/or maintenance. This results in unauthorized, after-the-fact purchases.

Recommendation 106:

Develop and implement policies and procedures on vehicle acquisition, maintenance and disposal and develop strong punitive measures for unauthorized purchases.

The maintenance of all vehicles should be vested in one department rather than fragmented throughout all departments to ensure accountability. As there is no transportation department, one department should serve in an oversight capacity to ensure that all vehicles are used for business-related activities, that they receive regularly scheduled maintenance and that all repairs are necessary and reasonable.

The college should develop comprehensive policies and procedures that will have accountability for vehicle maintenance and disposal. Implemented policies must be disseminated to all departments and administrative staff who operate vehicles. The college also should develop punitive measures for ACC employees who engage in unauthorized vehicle servicing without obtaining proper ACC purchase orders and cost estimates. Vendors should be reminded that a purchase order represents a binding contract on the college and, without a valid purchase order, the college is not obligated to pay invoices received.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations	January 2003
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	assigns responsibility for vehicle acquisition, maintenance and replacement to the director of Purchasing.	
2.	The director of Purchasing drafts vehicle procurement, maintenance and use policies and procedures, including procedures for staff to serve in an oversight capacity, and submits them to the associate vice president of Facilities and Operations.	January 2003 - February 2003
3.	The associate vice president of Facilities and Operations reviews the draft and sends the procedures to college administration for approval.	March 2003
4.	The associate vice president of Facilities and Operations implements the program.	April 2003

FISCAL IMPACT

This recommendation can be implemented with existing resources.

FINDING

ACC does not have an efficient vehicle maintenance tracking system. To determine the repair cost for any vehicle, the Purchasing Department has to pull up all purchase orders by department and add the costs per vehicle. Vehicle operators must remember when their vehicles are due for an oil change or tune up. Since there is no mechanism in place to remind operators of scheduled maintenance, it is unclear whether vehicles have been maintained. **Exhibit 10-20** shows the maintenance costs per year for 1998-99 through 2001-02. They were derived from adding all purchase order amounts from vendors supplying maintenance services.

Exhibit 10-20
ACC Vehicle Maintenance and Repair Expenditures
1998-02

Year	Expenditures
1998-99	\$49,685
1999-2000	\$28,834
2000-01	\$46,333
2001-02	\$46,749

Source: ACC Purchasing Department, June 2002.

Many organizations use an efficient database maintenance tracking system to track and record vital vehicle maintenance information such as the date of last service, mileage since the last service, any history of recurring problems, costs related to service and scheduled maintenance prompts.

Recommendation 107:

Develop a vehicle tracking database system that will interface with ACC's computer system to ensure adequate vehicle maintenance and repairs.

A simple database system would automate maintenance of all vehicles. Since ACC does not operate a vehicle maintenance program and no mechanism exists to remind operators of scheduled maintenance or service, such a system is vital to ensure the effective servicing of all vehicles in a timely manner. The system would provide immediate access to maintenance schedules and other essential information, such as cost tracking, an element that is presently missing. The system also can include reporting capability that can be printed at regular intervals and given to other departments to inform them when vehicles should be scheduled for routine maintenance.

IMPLEMENTATION STRATEGIES AND TIMELINE

1.	The associate vice president of Facilities and Operations, the director of Purchasing and the associate vice president of Information Technology review the feasibility of developing a database system through ACC's existing computer system.	January 2003
2.	The associate vice president of Facilities and Operations and the associate vice president of Information Technology develop recommendations for creating a database through ACC's computer system.	February 2003
3.	The associate vice president of Facilities and Operations forwards the recommendations to college administration for approval.	March 2003
4.	College administration approves development of the database system.	April 2003
5.	The associate vice president of Facilities and Operations and the director of Purchasing determine necessary reports required.	April 2003
6.	The associate vice president of Information Technology, or designee, develops the database system.	April - May 2003
7.	The director of Purchasing and the associate vice president of Information Technology train staff on the system.	June 2003

8.	The director of Purchasing, in conjunction with the Information Technology Department, implements the system.	July 2003
9.	The associate vice president of Information Technology, or designee, maintains the database system.	Ongoing

FISCAL IMPACT

This recommendation can be implemented with existing resources.

Appendix A

PUBLIC FORUMS AND FOCUS GROUP COMMENTS

Part 1

The narrative comments below are the actual comments from the public forum and focus groups and do not reflect the findings or opinions of the Comptroller or the review team.

COLLEGE RELATIONS

- Failure to develop "institutional memory" - keep in touch with alumnus.
- Establish an Alumni Association.
- Work with alumni to support ACC Foundation.
- They should have online registration
- Let students know who decides what poetry or stories that are used in Rio Review or other journals if there are any.
- Gather and disseminate ACC alumni success stories.
- Why bother? This is supposed to be a two-year school. Please do not waste money on useless alumni services. Concentrate on more evening classes.
- Better parking. I mean why bother with a permit if more than likely you won't get to park. Also, focus on security. I would bring my bike but do not want it stolen. Focus on the needs of the students here and now. Leave the alumni things to the four-year institutions.
- I would like to see more community-business-school alignments - the programs in place where ACC responds to local business needs are effective. Could we use that model in the community as well?
- Parking is bad. Spend money on more parking, not on alumni services, etc.
- I can't find parking. It's unfair how some students have "easy" in the same subject, when I need to study harder than others.
- I feel this area is underutilized. We need to increase community support including scholarships, grants and endowments from outside ACC. Also, establish better relations with community at large (not just businesses). We need the individual citizen support to expand tax base and increase the tax beyond five cents per \$100.00.
- Do we still have a horticulture department? Why don't they do an outreach to businesses on Lamar Boulevard and plant native plants on their property along the street? It would make Austin much prettier. Maybe Home Depot could donate plants.

- Needs to be more proactive. Also, needs to keep college community and community informed of activities and goals.
- I think ACC does a fairly good job of getting itself in the public eye with TV and print advertisements and billboards. I thought the college could have done a much better job advertising the "sale" it had on classes that met during low enrollment time periods. Maybe it would not have lost as much money from that program ("sale").
- Good news about faculty accomplishments is rarely published even though it is sent through the proper office.
- No student has enrolled in a summer class and had it cancelled. Not only is this not true (as evidenced by this college students) but it is salt in the wound to position it as "hardly a reduction in the amount of education being offered" according to Edward Osborn, ACC Accent, May 2002.
- I feel that ACC is providing a needed service to Austin and the adjacent communities. The abundance of classes and locations offers several options for possible students but because of the size of the population that a single college such as ACC serves, I can understand where several problems can begin and grow.
- Quit spending so much on advertising. It is interesting to note that when the college was attempting to control enrollment and reduce classes, they were heavily involved in advertising.
- Public relations are more like president advertising. The faculty, the students and staff never get highlighted or featured.
- Cypress campus needs more attention and money to keep the voters happy and keep this tax base. Students need more classes to choose from and more services. Instructors need department heads on campus, not remote administrators who are unavailable. Cut costs by cutting administration and its' remodeling. Let administrators drive their own cars and cut their travel.
- The Marketing Department has been very helpful to us. The Center for Non-profit is great and should help us get more connected.
- We need to make much stronger use of faculty, staff and students to take ACC's message of value and service to the Austin community. Also, we need more aggressive grass roots marketing of our programs.
- The Institutional Support is doing a great job supporting the community through center for non-profit and campus access.
- The Transfer/Function/Articulation Office & Support functions extremely well.

ASSET AND RISK MANAGEMENT

- What cash flow forecasting? Perhaps if it was done accurately, we wouldn't be in the mess we are now.

- Spend some money to acquire some student parking where attendant doesn't tell you that it's an hour and a half wait in line to just get in the parking lot. Can I get a refund for my parking pass?
- Increasing tuition fees is not the answer to your deficit problem.
- Where does all the cash from parking tickets go? The city should at least put it towards school instead of capitalizing off of the students. Help us out!
- Parking situation is embarrassing. Is this the best we can offer students?
- More openness in budget making faculty, staff and student input needed.
- ACC needs a comprehensive and logical system for disposal of hazardous waste. What we have now is inadequate and dangerous.
- Don't send us all those books with plan specifics and doctors lists unless someone requests them. Just make a place in the library where all those documents are available.
- Our risk management department responded quickly to complaints about air quality in the office. They found some mold and made the necessary repairs (including carpet replacement) quickly.
- ACC benefits are good, but should have social security taken out.
- Revenue expectations were high because the college based the revenues on interest rates. Someone at the college should have seen that interest rates were declining and they should have planned appropriately.
- Last spring, they offered one-half classes for every class at certain times, nights, weekends, etc. There was no discrimination for which classes were put on one-half price, no matter whether or not it was popular or not it was put on sale.
- The college is not making food revenue projections and the board is not watching those projections and the subsequent budget.
- Provide more or proper funding for learning labs. In terms of student retention, these facilities are one of the schools' most valuable assets.
- Rio Grande campus has residue of hazardous materials (mercury). An employee there has become very, very ill. This needs to be cleaned up.
- In order for ACC courses to transfer to other institutions, we have to maintain certain standards. One of these has to do with science lab activities that are appropriate for college-level courses. Apart from the other deficiencies in equipment, we have serious safety problems in many science labs. The worst problems are a total lack of ventilation in rooms in which hazardous chemicals are used (RVS, NRG, RGC) and a lack of safety eyewashes and safety showers in science labs. Some labs and storage areas don't have any emergency lighting for power failures. I would like to see ACC's administration take this liability risk seriously and divert

funds from frivolous entertainment to protecting the lives and safety of students and staff. It's just a matter of setting priorities where they belong.

- The board of directors, administration and other employees of ACC face a tremendous liability (in terms of fines and jail sentences) because we are not in compliance with regulatory agencies. Until we are in compliance (and maybe even exceed the requirements of those agencies) the administration should increase their efforts to fund the Risk Management Office and safety initiatives collegewide.
- Stop adding campuses. Each new one duplicates services provided by existing ones.
- I would check and see if ACC is adequately insured and properly (legally) making claims for damaged property.
- ACC needs to do a valid hot box test for mercury at RGC.
- All faculty benefits should be withheld from paychecks over 9-month period.
- There is too much staff travel between campuses increasing the potential for accidents.

FINANCIAL MANAGEMENT

- Too much of the budget is spent on entertaining - look at food, and travel expenses - they are outrageous.
- Payroll has improved.
- Spend less money on having people think up ways faculty can take on more duties online. More time consuming and frustrating- leads to resentment and low morale. Faculty and PC's need to be focused on students and not learning technical ways of staffing, timesheets, etc. over and over.
- Top-heavy administration. Too much release time award to faculty for do nothing positions.
- Do away with Provosts, Deans and Associate Deans.
- Tuition installment plan:
 1. Cannot make a payment over the phone with a credit card (must drive to a campus);
 2. "Late fee" barely disclosed in fine print of installment plan contract; and
 3. Only "reminder" of payment due is a postcard that arrives after the due date, and there is no grace period for late fee.
- This kind of reactive vs. proactive student services management has caused me to leave ACC to attend a school that is "on the ball."
- Failure to do accurate forecasting of suspected financial status.
- Cutting out classes that pay for themselves (for example, English Composition).

- Who is in-charge in the financial management? How come we realize money is gone after the fact? Why did the president get to keep his raise after we found the deficit?
- Why is it that budget shortfalls are made up by increased tuition?
- Cut food cost spending. Why can't we have a meeting without food?
- Administrative expenses and increases in salary of administration need to be eliminated during budget shortfalls.
- A review of employee benefits and retirement is needed. Dedicated staff continue to deliver according to the mission of the college. At risk to their financial health, retirement is not an option for so many of the faculty.
- Two consecutive years of deficits! What financial management? What competent financial manager would have predicted increased interest revenues this year?
- Keep experimenting with things like discounts for hard-to-fill classes, but commit to at least a semester. Be more flexible.
- I feel our current software (Datatel) does not give enough information to be able to track mistakes in our budget areas. It is impossible for us to look into things like transfers and other transactions. We have limited access to our accounts.
- The budget committee has a number of recommendations. Be sure to look at them. A few things that aren't probably worth the expenditure when ACC has so little money, like cars so many administrators and excessive administrative travel.
- Does ACC subsidize big corporations by giving them more than ACC gets from them in return? Shouldn't these corporations fund their fair share of programs that benefit them? For example, I have heard that the semi-conductor program is an expensive one, which loses money for ACC rather than being a break-even or almost even situation.
- Instructional Support Business Services does well, given limited staff and resources in carrying out best practices in this area.
- One area of great concern is income tax withholding and contributions to retirement plans (ORP's, annuities, etc.). Faculty have discovered that too little money was being withheld for income taxes. Retirement contributions are sometimes very delayed in getting to the actual retirement companies (but they are taken out of our paychecks promptly). We would love to have verification that all contributions (appropriate dollar amounts) have been sent by ACC and received by our retirement plans. Also, please verify that correct amounts are being withheld for income taxes.
- Terrible financial management. How can we buy a \$3 million campus (South campus) when we're in the hole that much? We

spend large amounts on advertising but not on staff to help the students who come.

- The financial problems of the college are an indication of problems. While I believe the early retirement program last year and the reduced tuition program this year are partly to blame for this, I wonder why we are pouring so much money into the nursing program.
- It's a shame that the top ACC administrators are paid competitive salaries at top wages and have the additional benefits of financially aided automobiles and other amenities.
- Why is the system inadequate to predict immediate future needs? ACC has been confronted more than once with financial shortfalls that other large organizations seem to avoid. The response of the administration has been to reduce services and reduce the number of classes offered. This seems to add to the loss of revenue. Accountability should also be expected of the organizational structure and employees at the higher administrative level. Salary structures should be evaluated at the dean's level and up to the president.
- The purchase of the store in South Austin seems to be an unnecessary dilution of ACC's limited resources. South Austin citizens are adequately served by two campuses, RVS and PIN.
- Projection of revenues, this year in particular, seems to have been done with little sense of realism. The college administration seems to have a poor grasp of revenues from sources such as continuing education tuition.
- The big question is "where did the money go?" and how can the college justify a tax increase when the administration hires an associate vice president just before the academic year, and a few months later we have a budget deficit.
- The school has done very poorly in this area. I do want to mention that the president took quick care of a deficit he inherited. But two years ago there was a very serious problem. This is the only job of the many I have had in my life in which paychecks had errors. Far more serious is the recent financial deficit. To make this situation worse, remedies have hurt the students. The school has cut sections for Spring 2002, Summer 2002 and upcoming Fall 2002. Student services have been cut also. For example, my students have complained about reduced hours this summer at learning labs and testing centers.
- Discontinue arena registration. Do not use adjunct faculty to collect money at registration. I know it is in the job description but change it. They are qualified to do more important things.
- All teachers should be paid equitably. Adjuncts should be paid an equal rate to full time teachers, some money per LEH, for those with equal education and experience. Equal pay for equal work.

- ACC recently bought a store on Stassney Lane across from Crockett High. They plan to build a campus in the building, but they will need a bond election to increase taxes to pay for the new building. At the same time, as a student, there are not enough sections of classes to meet the demand. ACC should sell the store on Stassney and increase the classes offered at other South Austin campuses.
- The payroll and benefits department is a joke. Companies like Motorola and Sematech manage to get out accurate payrolls on a regular basis, but why can't ACC? And forget about getting any help with a snafu. Every contact I've had with payroll has been a struggle. It doesn't hurt for them to be polite.
- This college will need more money. We will have to go to the voters to ask for a tax increase. The last time we asked for money, the voters turned us down. One reason we lost is because the president had treated the college community with such arrogance and contempt that his potential protax workers (faculty and staff) either held their nose and voted yes or voted against the increase. But no one worked for the tax increase. The faculty and staff could have made the difference.
- Is there presently an internal auditor? If so, are they free to report to the board on any issues without interference from the president or any other administrator?
- The payroll department has a record of poor performance and no one seems to be able to get this area to improve. Check on money spent to hire outside consultants. ACC is an educational institution with a wealth of knowledgeable people. Could our taxpayers' dollars be better spent by using some of our own resources? You might be surprised about the thousands of dollars spent in consultants. In particular, check out the amount of money used for a consultant in the Business Office during 1999.
- We need more funds devoted to parking. We need to give teachers better interviews so that I will not ever get a teacher again who does not have the facility of the English language. As a visiting UT student, I thought it was an embarrassment to ACC to have a faculty member who could not communicate.
- ACC does not have a "check and balance" system regarding the hire and supervision of interpreters. Each year, this area goes over budget. So far, no change has been made. We are on our way to a tight budget year.
- Where did ACC's money go? Faculty, staff and students were not involved in the decisions to overspend our budget but primarily ACC's students have suffered as follows: a) not enough classes available; b) not enough developmental classes available; and 3) hiring freeze.

- Administrative travel is out of control. Why do we need to be visiting Nigeria and trying to establish schools in Cuba when citizens in East Austin do not have a sufficient campus or service from ACC? Keep our tax dollars in Austin or at least in Texas.
- Relocating the main center (HBC) several times over the past few years is costly.
- Take away rental cars from everyone and pay mileage just like other staff get.
- Food is brought for staff who do testing for four hours and they are brought expensive sandwiches for a 4-hour testing session. The grading session is held at the end of each semester. Plus, they get paid \$16.00 an hour for four hours work. Money is wasted on food.
- Portable buildings are not used to the maximum. Testing room (Room 4108) was taken away for two new staff members. Portable buildings are mostly empty. Why not put new staff in portable building. Money is wasted because portable buildings are empty.
- Is it true that ACC pays for his home and car? If so, then charge him rent and pay him mileage just like everyone else.
- The previous boards have not exercised any financial oversight. Therefore, I believe that internal controls have become lax.
- From the outside, ACC appears to be unbusinesslike. The more courses it sells (courses to students) the more money it loses. So, when it has a financial shortfall, it makes sense to cut classes.
- ACC seems to give too much away for free, like classes to high school students (most of whom could pay) and day care for children of students.
- Since ACC loses money on its students and can't serve all the students who want to get, obviously ACC could charge more for its product.
- It is traditional for the citizens at large to support the education of our youth. Young adults and those older are not "youth" anymore. The beneficiaries of advanced education should pay for it-the students themselves, the companies they are training to join, and only last and least, the taxpayers at large.

PURCHASING/WAREHOUSING

- Rather than having to drive to warehouse to look for surplus equipment, put the inventory on the web. That would save trips and more people would look at "used" vs. buying new.
- Mandate checking warehouse for furniture or equipment prior to purchases.
- Online purchasing works really well. Great strides are made in purchasing area over last several years.
- Auction obsolete equipment and furniture to staff and students.

- The only positive thing about Datatel System is the purchasing aspect.
- We need an inventory system. Haven't received inventory report or conducted an inventory in four years.
- We should be allowed to keep a general stock of materials on hand to eliminate extra mileage charges.
- I haven't had a mileage increase in a while. Only one in last 10 years and that was for one cent. We need an increase in mileage reimbursement.
- The current \$0 budgeting plan for purchasing is not practical. This was implemented, in part, because some areas of the college were moving money from one budget account to another. Instead of dealing directly with those departments, the college began this \$0 budgeting plan. As always, punish everybody for the overstepping of a few. This should be ACC's motto. They act as if it is.
- Every office has an ACC phone directory but because they're too expensive, we can only have one or two per department. We're told to use the web but computers often go down or are slow.
- Purchasing of supplies has gotten easier but I have found supplies cheaper at other stores. However, too much processing of paperwork is necessary to follow through.
- Improve timeliness of request processing and payment to vendors.
- Purchasing department need to be trained in customer service.
- Why does the input to vendor information is retained when information is outdated?
- I don't think tuition is too high, but other students' costs could be lowered if classes didn't change textbooks so often. This would mean more used books could be available at a lower cost to the student I know ACC could use some leverage to get them to make supplies more affordable.
- College wastes its equipment and supplies by allowing them to be sent to the warehouse and sold for pennies while other departments repurchase same items.
- We buy too much retail.

Appendix A

Part 2

The narrative comments below are the actual comments from the public forum and focus groups and do not reflect the findings or opinions of the Comptroller or the review team.

GOVERNANCE AND LEADERSHIP

- Need to accelerate shared governance. Don't follow leaders.
- The board is too political.
- The organizational structure is too top heavy with administrators.
- Positions fill AVP without posting per leadership.
- Master plan should mesh with the college facilities master plan.
- Institute true shared governance.
- Better communication.
- Have the AVPs and Deans in meetings where major decisions are made that impact their area. Also, they need to be involved in the decision rather than just told results.
- Have students on board in some capacity.
- Stop expanding to new campuses, which spreads resources thinner.
- Top-heavy administration taking too much money for salaries/perks.
- We need more money for instructors, classrooms and maintenance. This isn't Rocket Science - why can't we see and follow through on the obvious.
- What kept an audit from happening years ago when requested by the senate? We'd be a lot better off now. Leadership is putting us in violation of SACS rules.
- The administration is constantly thinking up new plans, re-inventing wheel, changing again and again. PC's being asked to do more and more, train more and more, learning technical processes which may be different tomorrow. Training is generally not held in a convenient location. The training is not one-on-one and not particularly helpful or effective.
- Spend less on technology and more on fine arts.
- There is no shared governance. The board and president lack integrity.
- Do we need to expand to new campuses? It is difficult to take classes at more than one location and the system of "focusing" programs at different locations makes it hard to schedule a reasonable course load. Offer more variety at the existing locations.

- I think the Distance Learning programs are a great idea, but need some further expansion. It still seems difficult to find classes offered of a certain type (for example, over the net) during the sessions needed. Because ACC's Distance Learning is accessible to all of Austin, I would think beefing it up would be a good idea.
- Cutting popular courses and reducing the number of courses available does not make sense for a college.
- Fewer VPs - but where did that salary go? Perhaps bringing back additional VPs would help for better governance.
- The recent purchase of South Austin location campus worries me. Where will the money come from to remodel and run the campus? Many campuses here have bare minimum staffing.
- Eliminate the international travel.
- Get out of international education (I'm not referring to foreign students.)
- There are too many superfluous levels of administration, like provost with cell phones, cars and no meal duties.
- Reduce layers of management.
- There is no shared governance as mandated by SACS. Everything is top down and all committees, taskforces, etc. are for show. The fact that the administration makes decisions about what courses are to be offered where, and what titles courses will have, bears this out.
- Biggest difficulties come from arbitrary, impulsive decisions at the very top, which are mandated without consultation or consideration of effects on programs and students.
- Micromanaging from the presidential level causes extra effort and expense when other options might have been considered.
- Lack of upward communication from TFC/PC level to administration. There are not even periodic meetings to gather input and ideas - only occasional meetings to send decisions down to "masses."
- Cost to employee morale and initiative due to punitive, rigid, and uncivil communication from the top.
- Failure to utilize cross-level communication to identify and solve problems. No meetings of collegewide mid-level leadership to provide input to administration on key issues. Forums that have been held or master plan are good, and visions and values groups was effective, but these are done as individuals, not as groups with responsibility for implementing policy and practices.
- We don't need campus administrators like provost. Campus managers can handle the jobs for a lot less money. We could probably do without deans too, but at least they could teach if they're going to exist.

- Most of the faculty, administrators and other employee groups are dedicated employees who are passionate about providing education and services to students.
- The faculty senate does not represent the faculty at large. There is a silent majority that's generally satisfied and too busy doing their jobs to get involved in issues outside of teaching.
- The adjunct faculty association does not represent the majority of adjuncts for the same way.
- More emphasis on what's good about the college. There are so many dedicated, clever people working here but the atmosphere is still one of animosity between levels of management to staff. The two days I can think of where everybody seemed a little more harmonious were graduation to EVC's ground breaking day. We need to celebrate our accomplishments more. Everybody contributes.
- Does the board circumvent the open meetings act by overusing e-mail to discuss issues? Often, it appears that they know how the vote is going to go before the discussion begins.
- Shared governance is a myth perpetuated by this administration. Just about the only way it can be said that we have such a system is that rules and decisions are made, then shared with everyone else. No one really cares to get input from anyone outside of the president and the EVP.
- The ACC president came to implement changes. The employees at ACC don't like change. He has implemented the one college concept and the faculty continues to undermine his efforts. They also don't support the changes in Human Resources because they have implemented consistency and policies and employees and their supervisors can't do whatever they like as they once did. The focus needs to be on students, not employees. Employees have excessive leave, benefits and good pay but they can only find fault with the administration. The problem starts at the top with the board. They listen to employees' gripes and do not discuss student-centered issues. They get involved in day-to-day issues and don't let the president manage them.
- Doesn't ACC need a strong nepotism policy?
- Get a copy of the September 2000 resolutions of no confidence from the faculty senate. Areas of concern are itemized and many are still problems.
- ACC does not have a good system of upward evaluation of administrators. It needs a system similar to that for faculty evaluation: conducted predictably at a certain time of year, a comprehensive form with a number of different items, the opportunity for comments, the inclusion of all affected persons (as with all our students for faculty) in the survey process. Upward evaluations should also have a part in the overall evaluation,

promotion and retention of administrators. Instead the good ones are often fired and the weak ones promoted.

- Be sure to study the three "Employee Satisfaction Surveys." There is a new one with information from this school year. These reports match my own experience well. I believe that they are quite reliable. Employees aren't negative about everything. These reports indicate areas that are working well. They also indicate that the greatest levels of dissatisfaction are with the president and with some areas in Human Resources.
- The board could use a stronger "conflict of interest" policy. It doesn't seem sufficient for a board member just to abstain from voting when an issue comes up affecting his/her business concerns. The other board members usually support it so that the one vote isn't needed anyway.
- Are lawsuits at ACC draining taxpayer dollars? We keep hearing about various possible suits but of course they are never publicized so we don't know how much money and this is costing the taxpayer. If ACC treated people better, could we reduce this cost?
- ACC has lost some very good administrators.
- The board could often save a lot of money if it would listen to its employees. Faculty members listen to its employees. Faculty members knew that the "half-priced tuition" program was very poorly planned. We knew that many of the afternoon classes that were offered for half price often filled and made a lot of money for ACC. The point was supposed to be to offer "half price" for classes that historically had very few students. The faculty knew that a disaster was coming but the board and administration was not interested in our information. They think they know it all and we know nothing.
- ACC has a bloated administration that costs the taxpayers a lot. It tries to pretend that it has a lean administration by calling most of the administrators "professional/technical" employees. Is this label widely used at other community colleges to include so many persons with administrative duties?
- Eastview is delightful. Riverside is also great. Get rid of executive deans and then the other four campuses will also be great.
- Can we find any black males to be leaders at ACC? When we do get them, we run them off. Has anyone noticed?
- I have worked for ACC since 1996; I just received an AA, as well. So speaking as both a student and an employee, I think the college is doing very well for what resources it has. I have not had a bad teacher, most are exceptional. I have worked on three campuses and find that the two built by ACC have some problems (for example, water problems at RVS and leak problems at EVC.) I think the administration tends to panic at the hint of crisis and does not always think through its decisions. A little planning and

consultation might make procedural changes a little easier to implement.

- Eastview is a fine campus. It needs marketing to draw students from other parts of the city. The small workforce programs that are here do not draw enough to keep academic classes full. Perhaps a concentrated academic program could be placed here. Also, it could be marketed better.
- An area of conflict between faculty and administration deals with faculty development. This area of conflict, we believe has also led to an increasing cost in the creation of a superfluous structure. According to SACs, faculty development is a must for accreditation. Faculty is the key and it's responsible for its own development. This development usually takes place by participation in conferences across the nation, either as a presenter or just attending them. Faculty development has created classes such as Computer Programming, which improves teaching skills. Most of these courses are of interest, but cannot develop the knowledge pertinent to the discipline of the faculty since they are not discipline based.
- The administration has become rather chaotic and ineffective regarding the service given to students. The breaking up of the old system of division heads collegewide and department heads at each campus, brought with it a gap as to whom a student could turn to for problem solving. This broken chain of command created quite a bit of confusion to many. After noticing that the new system did not work, and hearing complaints and suggestions from faculty, administration still continued to look for a new solution to a non-problem. Today, we are a bit better, but services to students are not where they were prior to 1997.
- Austin Community College used to be a wonderful place to work. Employees, faculty and staff were valued and appreciated. Unfortunately, that is no longer the case. Faculty morale is at an all-time low and a few faculty have decided that they could be valued elsewhere and have quit. The administration is known for saying one thing in private but doing another in public. There is administrative interference in everything from scheduling of classes to changing of classes without any regard to faculty input. Faculty are the ones knowledgeable about schedule building, but they are the last to know when changes occur even though it affects the students they teach.
- The absence of black men in leadership roles is disgusting. The few we had are gone for one reason or another but none has been replaced with another black male. The college talks about diversity in faculty, but the issue of diversity in administration ranks is silent. This is very demoralizing to all faculty staff at ACC.

- Faculty is constantly being blamed for all the problems here. The budget oversight was blamed on faculty overload. Well, if that's a benefit, why would faculty not take advantage of it? It's the only way we can be close to average as far as pay is concerned. We are striving to get the college to pay us an average salary with other community colleges in Texas. If we didn't have the opportunity to teach an overload, we'd be worse off.
- Shared governance is an issue here, meaning there is none. The administration may give us an opportunity to speak our voices through committees, but the end result is those discussions and resolutions often go ignored, time and time again.
- The faculty at ACC are wonderful. They work endless hours and try to participate in every opportunity afforded to them, but we feel that we are not valued at this institution at all. The image of the college is at stake, and while a lot is riding on if this referendum passes or not, I doubt very seriously that it will, and if it doesn't it will be because of the past behaviors of our president. This college needs to value its faculty and opinions, and start seriously participating in shared governance. If not, I cannot see ACC being able to serve the public as well as it should. The president also needs to put teaching awards back at graduation. This was taken away a few years ago against the wishes of the all faculty.
- Board lacks respect for employees. One BOT openly stated to faculty and staff that only the community mattered.
- The administrators are totally unprejudiced. We never have given students, faculty or anyone else reason to say anyone is different.
- ACC has no alumni organization that I know of. Alumni funds are great ways to raise funds. Why does ACC not have one?
- Public relations are very poor. We advertise to get students to come in until late in the registration period which sets up the expectation that they can still get into classes. When in reality, many classes are already full.
- ACC commercials are sometimes an embarrassment. ACC looks bad in the media. We can't handle budget, staffing is too short, many offices don't answer phones or return phone calls because they're too busy. Many offices don't even have voice mail or leave messages that they cannot return phone calls. That is no way to run a business.
- The board must pay more attention to what programs are making money or at least breaking even versus those that are losing money. Losing money in a program in a public education institution is not necessarily bad, but if there is a deficit, cut the losses and don't back away from "sacred cows" (business/industry partnerships.)
- The ACC Board of Trustees does not care about the needs of the college. They have not reacted or taken appropriate action

regarding two votes of no confidence in the President and the Board of Trustees by the faculty. Instead of trying to find out what people at the college need, they are listening to bad advice from a few individuals at the college. They should actively seek other input and then react/respond to it. Cronyism is a serious problem at the college.

- Shared governance is a joke. This administration is top down. Faculty and other employees do not feel we have a real voice in anything! Everyone I know is also very disappointed in the board elections. Also, perhaps they can do something with the budget mess.
- The college only gives lip service to shared governance.
- There are too many reorganizations since the president began his term. It causes chaos. Those of use who are good at accepting change are feeling totally lost. People don't remember who reports to whom and where to refer students.
- There is too much administrations and too many administrators. Also, there is too much paperwork. You have to prepare reports 10 different ways, 10 different times.
- With the president, the administration has grown into a dictatorship. We have all seen quadruples of administrators at every turn. The administration is totally top heavy. Cut down on all the professional evaluators and technicians to save money.
- The president's financial expertise is in line with his long range planning. High money initiatives are valued and spent on efforts that should be put on current problems. Unhappy students find no classes to complete their degree. Put emphasis on making classes and not canceling classes.
- We have too many deans at ACC. We should get rid of all instructional deans and associate deans. Instead, have task force campus-based representation and task force signature authority on each campus to serve students and faculty better. Also, get rid of provosts.
- I feel that ACC should make an attempt to create a greater sense of student awareness on campus - meaning that students should be encouraged to hold forums on campus - far too many students come and go, never getting the chance to participate in any sort of student-organized/student-run forum where various opinions may be voiced.
- Board members should be more educated and hold jobs that are much better than average. If they have to vote on decisions for our school then they have to have a better education to make valuable decisions.
- Members need to be more responsive to the faculty. The current membership is interested in its own agenda and political career than in what is really best for ACC students.

- The administration seems excessively fixated on centralization. This consumes a lot of resources. The college, in general, delivers instruction with efficiency. The administration seems "hell-bent" on establishing control of a process, instruction, which works well now.
- Stop the pointless reorganizations and re-naming of positions. Return to department heads and division chairs type of organization instead of deans and assistant deans. Division chairs were not paid more. They were given class reductions. I know that this represents money, but at least students and staff knew where to go with questions and complaints.
- The entire administrative organizational structure needs to be reevaluated.
- There are too many assistant vice presidents and some need "things" to do, so the administration is removing duties from other AVPs to give to those with little duties.
- There are too many administrative rules that need to be revisited and reviewed.
- The campus organizational structure needs to be changed. Executive deans are not needed. A single provost can oversee the campus managers and the college can save several administration salaries and add faculty.
- The school has suffered from too many poorly conceived reorganizations early on in the president's tenure. Students still suffer from this. They are used to academic departments, not task forces.
- Why are we starting a new campus in South Austin when we've had to cut sections this summer because of poor planning (financial shortfall)? We should try to keep our existing campuses filled with classes at all times (Eastview is practically empty many days) before we undertake a whole new campus.
- The committee knows that employees at ACC are discontented with management (especially the president). When ACC asked the public for a tax increase, it was not approved largely because the ACC community itself was not behind the request. Because of low morale and disenchantment with the administration, the ACC community itself lacked the commitment to rally behind the tax effort. This administration must be more responsive to its employees if we even expect to get a tax referendum passed.
- It's really difficult to agree with, much less cooperate with administrative policy when we never see top administrators on the campuses talking to students, faculty and staff to gauge the real impact of top-down policy.
- Over the past several years as ACC expanded science labs to CYP, PIN, EVC and FBG, the science budgets have now grown enough to maintain the facilities and equipment at the older campuses

(RGC, RVS, NRG). And there are plans to expand science labs even further. The result is a severe dilution of resources. While EVC may have 24 new and functioning microscopes, NRG only had three last semester for a class of 24 students. The RVS microlab only has 12 functioning microscopes for a class of 24. The RVS Anatomy lab has 16 to 20 marginally functional microscopes. The basic science courses feed into workforce programs and provide ACC with a lot of income from transfer students. Based on their key position in the curriculum, they should be adequately funded for maintenance and replacement before money is siphoned off for expansion programs. This dilution of resources has occurred for several years now and has resulted in pathetically inadequate conditions in science labs at several campuses. It would be much more cost effective to restrict science labs to a few "magnet" or "specialized campuses" so that the amount of money available can keep up with the need for replacement and repair of wornout equipment and the constant need to keep up with the technological advances.

- There is a lot of attention and emphasis on workforce programs and how they serve students by allowing them to get jobs. But the academic programs (English, Chemistry, Government, Biology, Math, etc.) are where all of ACC's students learn to communicate and solve problems. I would like to see a return to emphasizing basic academic courses and a good liberal education that will prepare any student for success either in a workplace program or as a transfer in a 4-year institution.
- Every semester, employees from campus offices and departments (lab assistants, in the case of my department are taken away from their jobs of preparing for courses and made to work in the cashier's office during arena registration. This semester, two of the lab assistants I supervise had to work at registration. They both reported that there were not enough students in line to keep anyone busy. Even the person who trained them told them it was waste of time to try to train someone outside the department for a highly specialized job that they only do for 8 hours a year. So far, it has not occurred to anyone to pull the cashiers out of their office to prepare media for microbiology or to make solutions for chemistry labs. This practice is not necessary, causes a lot of very bad feeling among the employees that are forced to do it, and does not serve an actual need.
- It seems that every time ACC gets ready to ask voters for a tax increase, sections are cancelled to give the appearance that unless voters approve the tax increase, ACC services will decline drastically. Actually, we do desperately need a larger tax base, but many employees and students are so cynical about the cancelled sections that they are not going to help the college campaign

before the vote. It seems very peculiar to us that a course which regularly brings in tuition and state funds from 24-50 students is cancelled. There is no basis for these cuts in building overhead (electricity, police), or in cost savings from other support areas because all of these costs exist regardless of the number of sections offered.

- The president has restructured the college, again and again, such that any semblance of support and authority (leadership) at the campus level, in the academic areas, no longer exists. In the name of "one college", divisions and departments at each campus level were dissolved. Course offerings were changed (sites and times) so that teachers were required to teach on numerous campuses (inefficient) and students were required to take classes on multiple campuses which often precludes students from taking needed courses in a given semester. When asked about the possibility of returning to a campus level organization, the president said that we would absolutely never return to the department structure on campuses.
- The president, our leader, has made it known that he wants adjuncts to only be part-time teachers, that he wants no adjunct to consider their teaching job to be their full-time job. My course load has been reduced from 15 L.E.H. in Fall 2000 to 7 L.E.H. in Spring 2002. My teaching load has been cut in half because of policies put in place by the president. The "MSTA", computer scheduling, and "highest priority to hire" rankings all facilitate my being assigned fewer and fewer teaching hours each semester.
- Before the new president came, I was hired by a full-time faculty member in Developmental Math. This person evaluated, convened workshops for peers to help us with teaching, and assigned classes to me. He served as a mentor to me. Now, hiring is done by a small committee of full-time faculty members who hire for all campuses. New adjunct teachers continue to be hired while experienced adjuncts are being assigned fewer and fewer classes. I feel that I am being eased out of my job, despite my experience and excellent student evaluations.
- My supervisor is my task force chair. This supervisor is on a distant campus and is responsible for supervising over 200 teachers. This, in addition to teaching, and administrating the curriculum and administrative responsibilities of the Math Task Force. I have little or no contact with this person, and he/she cannot possibly even know all the teachers under his/her supervision. Yet, this single person is responsible for evaluating, assigning classes, supporting, mentoring all 200+ Math teachers. This is an unfair distribution of power. Some task forces have as few as 15-20 people. "One College" should mean equity in

distribution of powers and responsibilities amongst subject areas and work groups.

- Board policies and institutional policies simply seem to allow the president complex autonomy in all decisions regarding the organization and management of all aspects of the college. There is no mechanism to evaluate the president or his administrators. The board allows him to do anything he wishes. No one knows who's responsible for what.
- The administration's penchant for re-organization has demoralized the faculty and staff.
- In my area, Retention and Student Services, we have an excellent vice president.
- The president does not listen to the people who work for him. If he did, he would not have rescinded and then later reinstated the "discount in tuition" for students.
- I don't understand why our board of directors continues to give the president raises when the employees, staff, and faculty give him a vote of no confidence. We were in good financial shape before he took office.
- There is too much change and too poorly thought out and too quickly implemented. This is particularly true relative to organizational units and Datatel. It is difficult to know from one semester to the next, who is responsible for what, not only what office is responsible but who currently holds that office. The Math department, of which I am a part, has had a particularly frustrating time. We have changed course numbers and names several times in the last few years, we have totally changed our organization (merged developmental and college-credit departments have gone from campus department to a collegewide task force, have been required to use "departmental" tests in developmental courses, have been required to change from a four-course to a three-course developmental sequence, and so forth. It goes on and on. This past spring, we had to vote for task force chair twice because the procedure set up by the administration was poorly thought out.
- Nothing or not much is working. Employees receive conflicting information about who makes decisions. Is it the Task Force or Deans or VPs? The idea of shared governance gets lip service but not action. Many employees do not have confidence in the administration. The organizational structure is not working.
- There is no shared governance. Opinions are solicited and then disregarded or discounted publicly.
- There is no trust between faculty and administration. A college makes money teaching courses (selling credits). The sellers are the faculty. Their work along with the counselors/advisors who grade the students into proper placement and careers contributes to support the administration. When the workers (faculty) feel they

are not valued and respected by an administration who is autocratic and insincere, the morale of the whole organization is destroyed.

This place should make money like a bandit. We have the students, the faculty and the dedicated staff. Where is the hole in the treasure chest where the money is leaking out?

- My basic concern is that the management style of the president and the board has created a school with low morale. Decisions are made without adequate input or despite input. Over and over again, they make silly decisions which must then be rescinded or fixed.
- Some of the board policies are vague. The hiring process is so messed up because of the board policies, which are contradictory and illegal.
- There is a lack of leadership that starts at the board and goes down. There are too many political wars within the administration.
- The board needs to be student-oriented. Sponsor more student activities. Don't cut classes' need for degree plans. Get more students' input on ACC policy. Treat adjunct teachers like full-time teachers.
- There is no shared governance in the area of student services. Only lip service to the team Front-line employees are directed and their input isn't solicited or appreciated. What happened to the counselor TASP Force?
- Elected task force chairs ensure that the faculty is in charge and can effectively resist directives from the administration that are not good for the department.
- The corporate culture is that of command and control. There is no input from staff that is valued. Management pretends to have committees only to disregard any recommendation from faculty and staff and make the decisions they intended to in the first place. We are only given lip service. Check out hiring committee decisions to see what I mean. "Favorite Sons" are chosen over more qualified candidates in spite of their EEOC self checks.
- There is no shared governance. Shared governance is only given lip service. Please make it real.
- One EVP cannot do everything effectively. We need to hire an EVP for Academic Affairs in FY 2003.
- The budget process does not adequately incorporate the level of direct supervisor held accountable for the operation.
- ACC tries to be all things to all people. Because we operate in crisis mode most of the time and do not set real priorities, projects take longer and aren't done well and it takes forever to reach closure on anything.
- The board is lied to therefore their decisions/votes in many cases is wrong, but not their fault.
- Not all faculty members are angry with the president or the board. Faculty senate, controlled largely by a small minority of angry

union members, speaks for all of us when we don't all feel that way. We just are not empowered because we have not been here for 25 years.

Appendix A

Part 3

The narrative comments below are the actual comments from the public forum and focus groups and do not reflect the findings or opinions of the Comptroller or the review team.

AUXILIARY SERVICES

- There should be more food services at RGC. Make work-study students available to adjunct faculty.
- It's great that the ACC bookstores are affiliated with the university coop.
- Centralize printing in-house.
- Books are too expensive. We get little or nothing in buybacks.
- Food service is needed at all campuses.
- Parking is a joke at RGC. All street spaces within four blocks should be free or the administration should spend some money on a new lot. It costs about \$5 a day for parking meters - that's more than \$100 a semester.
- More healthful choices of food and snacks.
- The vending machines at RGC are great and the food service at NRG is good too.
- Why not have Subway or Wendys. Get a small spot in some lounges. At least some napkins in the lounges.
- Thank God for the independent operator with a stand out front.
- Allow for more individual operators.
- More independent vendors would be nice providing diverse foods not just your standard fast food. But don't overcharge us. Remember, we are poor college students.
- We are starving.
- Vending machine food isn't always the healthiest choice.
- New editions are often substituted for earlier ones without enough notice for the faculty to revise the syllabus. I took a topics of Math course, paid \$107 for a book with a "secret #" to access the publisher's website for the book. I was unable to access the website because the instructor was not given the code for the class. Also, the instructor's syllabus was based on the prior edition. She held to that syllabus, so many students in the class did not have the right book or the right support material.
- We need real food, not junk food.
- We need more Xerox machines that print high volumes.
- Hire a mail clerk that does only mail. The duplication staff does mail, operate Xerox machines, assists instructors with Xeroxing,

complaints, records students' homework in a logbook (time and date stamps each paper) and then places homework into instructor's mailbox. All UPS deliveries are recorded and stored in a locker. And staff does word processing for adjunct instructors. There are over 400 mailboxes, which is a huge job in itself.

- Great food services at Pinnacle campus.
- If I had a nickel for every student that can't get a book, I could retire! The books are never in.
- The ACC bookstore staff are notorious for never ordering enough books for our students and never having the books available at the beginning of the semesters. The books arrive at their warehouse weeks before the semester begins, but somehow the books don't manage to get placed onto the bookstore shelves until a few days after the semester begins.
- Why do we have to have a "required" text? Coming to class on a regular basis can, in some instances, eliminate the need for a text almost completely.
- Textbooks are either not here on time or there are not enough. Obviously, students and faculty suffer.
- I can't get textbooks at my campus in time for the start of a semester no matter what I do. No matter when I turn in my order, no matter if I choose a current edition, I still can't get books delivered on time.
- We need affordable food services on RVS campus! Alonzo's Tacos used to be allowed to sell food in the student lounge. They have good food and affordable. Then, when "The Tin Cup" was remodeled, Alonzo's was made to leave the campus. Now, Tin Cup & Machines are the only food in town. It is totally inadequate. Bring Alonzo's back or another comparable vendor.
- The ACC bookstore never orders the number of books required for the number of students who enroll in the courses. And since we have cut back on the number of sections, each section is full. This means that one-fourth to one-fifth of students in each class may not be able to have a textbook at the beginning of the semester. Even with other local bookstores carrying ACC textbooks, there haven't been enough. This is a disgusting way to treat the students.
- ACC does not participate in the CLEP Program. I wish they did, at least in some cases need something at a faster pace than the 5.5-week sessions.
- The quality of food served in the school is not sufficient. My child eats lunch, maybe 2 out of 3 days of the week, which may cut down on study and concentration habits.
- When I enroll in a class, I'm expected to have my book and supplies. But how am I going to bring my book to class when the ACC bookstore is understocked and completely out of the

materials I need. It really hurts the students when they have to attend class for the first two weeks without a textbook.

- Parking is bad at the Rio Grande campus. Having a parking permit is useless. The parking lot is tiny and it takes too much time to wait in line for. The parking meters don't run long enough. I have a class from 2:15 - 4:45 and since the maximum time for the meter is two hours, I always worry about getting a ticket.
- Food service is non-existent at our campus, except for Golf Pro Shop.
- Bookstore is too small and inadequate. Books never arrive on time and students pay very high prices.

HUMAN RESOURCES

- Need to open up more online staff development.
- Offer all admin change instructions online.
- Have truly equal opportunity hiring not political covert quotas.
- Hire to reflect campus community truly qualified personnel.
- Improve the quality of instructors. Don't just take student survey at end of semester, act on them. I had an economics instructor who swore 5% of 100 is 20. Have someone sit in on some classes once in a while. Hire people who are passionate about what they teach.
- Implement recommendations from recent HR focus groups.
- Need more student parking.
- Human resources need to be careful with documents. My application for certain employment was missing.
- Lack of confidentiality, leadership and integrity. Unfair policies and procedures. Different standards. Lack of organization. Loses documents constantly. Operates on crisis-to-crisis basis.
- ACC needs to be more flexible as to the documents they need to prove in-state. They ask for tax return documents and do not even accept property tax receipts in lieu of to prove residency. That is a bureaucratic problem at the Admissions office.
- Better pay for staff.
- Parking lot flooding is bad.
- More free student parking.
- Need to re-think hiring process. Just because they know the subject does not mean they can teach.
- Hiring practices emphasize diversity at the expense of competence.
- Invest more in staff development and employee retention.
- Have a written process for hiring criteria that is clearer than it is now. Allow departments to add criteria for candidates in their areas.
- Seems to be a black hole. It's better than it was, but where is all the paperwork? For instance, we check through the faculty files and more was missing. Transcripts and applications were missing from

files of the most recently hired, yet these documents had to be submitted to HR before the interview.

- Human Resources is inhuman and lacking the resources necessary to be in any way effective. No one seems capable of or concerned about the changes that are mandatory to make this operation run smoothly. Get consistent and adequate leadership, just for starters.
- The Human Resources and Payroll staff are good employees. They have been asked to do an enormous amount of work in a short period of time, particularly with Datatel. Payroll problems are no longer an issue with the new procedures. Employees don't always know how much to do. They should publicize more. The HR website has much more information and is a big improvement.
- The faculty get all the raises because the board wants to keep them quiet. The adjuncts are paid too much and the other employees are forgotten about although they do much of the work. Faculty work very little and are not accessible to students.
- When hiring committees select candidates for positions, the committee is not allowed to rank candidates in order of preference before sending the names forward. Instead, three names must be sent forward for each position in random order. Then one of these three candidates is randomly selected by Human Resources or the president. This does not serve the college well because it means we are not always hiring the best person for the job.
- The Human Resources group sure does a great job. However, I feel that ACC has fallen short when it comes to qualifications. It used to be that for some positions spelling, typing, word processing and grammar tests were given to particular types of employees specifically clerks, secretaries, and others. And now, I'm embarrassed to say that ACC has low qualifications for those jobs, and they do not require these tests anymore. This is a downright shame. I would really like to see this change for the better.
- Hiring policies are a joke as well. There are specific guidelines for hiring and interview committees. We do our job and then the EVP and HR do whatever they want.
- Should individuals and institutions be free to discriminate? Maybe so, but let's not say we are an equal opportunity employer when engaging in racial preferences.
- There have been two vacant counseling positions at NRG, our largest campus, for a year. There have been a number of highly qualified people who have interviewed for these positions, but still no one has been hired. Students are not being served well at NRG because of the lack of full-time counselors.
- ACC is too top heavy (HBC). We can't get helpers but are expected to see more students. What is the president doing to correct the vote of no confidence? Nothing that I've seen except only to free money, hiring, and others. That doesn't increase my

confidence. If ACC were a business where would he be if he were a CEO?

- Counseling faculty are the only faculty who do not have their own task force. We did have one that the counselors formed for the sole purpose of delivering better and consistent services to students. But that was disbanded during one of our meetings. There is no way that counselors are permitted to meet together at the college.
- Human Resources have excellent staff development programs for generic information. The benefits are excellent for those who are fortunate to have full-time positions. They have benefits like liberal vacation and personal leave for professional staff but not as much as for classified staff. They also have free classes.
- Hiring practices are totally chaotic and unprofessional. Two counseling positions still remain vacant at NRG after more than a year. Many very capable and competent applicants have been passed over while the busiest campus at ACC is extremely short staffed for no good reason. The administration rejected the candidates on at least two occasions that were submitted by the interviewing committee.
- The continuing education programs are wonderful and very diverse.
- There is not enough Admissions & Records staff collegewide. As it is the first contact office in many cases, it is often staffed only by part-time hourly and work study students. We do not appear professional and organized. Students often receive wrong information. Also, there is a high turnover rate in Human Resources.
- Hire employees based on qualifications. I want to help everyone but the college should be better stewards of the taxpayers' money. This should apply to all levels especially administrators.
- Human Resources Department is understaffed. Technological initiatives are implemented before adequate pilot testing and refinement has taken place. Despite common knowledge that the office is understaffed for an institution this size, supervisors are held to unrealistic deadlines.
- Adjunct faculty are grossly underpaid.
- NRG assessment needs a full-time clerk II.
- Human Resources had lost my application for the job I've held for seven years.
- The selection and hiring of adjuncts are done by task force chair and committees who may not know about existing employees and their availability to teach.
- While many adjuncts want more class assignments, new adjuncts are hired instead and existing employees' loads are reduced.
- When a full-time teaching position opens, an experienced adjunct teacher should be given preference for the job (if they meet

requirements of the job and have consistently good student evaluations). This is usually not the case. In fact, often, having been an ACC adjunct teacher often serves as a detriment to one's being hired as full-time.

- Hiring teachers of color is important.
- We have no forum in which to grieve. Concerns of faculty when expressed via surveys (done by employee groups), or comments to the board, are totally disregarded by the board. Hence, our president and administration have no reason whatsoever to be responsive to employee concerns.
- Eliminate the "1,000 hours" rule, which requires classified workers to quit working once they've completed 1,000 hours in a calendar year. This is crazy. They are already trained and efficient in a job, then they must leave their job and be unemployed awhile, until the next year. This is probably to avoid giving the worker's benefits. The job these workers fill must then be filled by a new worker who is untrained and obviously, they're only temporary, so unmotivated to work as well as the experienced worker. ACC should hire its own workers. No outsourcing. It destroys morale of workers.
- Problems related to hiring are almost too numerous to write out here. The Human Resources Department routinely loses/misplaces applications, or incorrectly screens out potential employees because they don't have knowledge of the field in which the person is applying for a job. Even after applications are distributed to hiring committees, paperwork is held up in this department. My department has lost two minority candidates in the last two years because of hiring delays outside of my department. Please don't ask me why we don't have a good minority representation in our faculty. Anyone with any sense will accept a job offer from a school that can get things done in a timely manner. And that is not ACC.
- This area is doing very well. I think this is the best part of all roles for a legitimate reason.
- Professional development is a good idea with very poor follow through. For every hour spent in a "how to manage stress" workshop, we have to spend two hours in traffic to attend. And the selection of classes is extremely limited and not all is useful to me in a work capacity. How about calculating my pay raise on how well I do my job rather than how many hoops I can jump through. Professional development is meaningless if we are not actually learning something germane to our profession.
- There are too many manual procedures throughout the departmental operations. This leaves a high margin for error with very little forgiveness from employees. Human Resources is ill equipped to meet the demands of ACC (technology needs to be enhanced.)

- ACC Human Resource staff is constantly left to clean up the mess the president, deans, or others make. ACC has procedures/process but the HR department is constantly put in a position to make exceptions. This not only wrecks the flow of work but it puts a dim light on HR. It prevents consistency.
- Faculty should all be paid over 12 months. Why does some employees have the option of receiving their pay over 9 months and others don't?
- Classified employees often perform day-to-day task that are outside of their description without due compensation.
- We have too many evaluations, goal settings and professional development. I feel like we have been taken over by Human Resources who try every faddish scheme they can think of to develop us. I get e-mails constantly about deadlines for setting goals, reviewing goals, getting enough hours to get our little raises while the top guys make a lot of money, get free cars to drive and treat us with contempt. This is a very real problem and makes the college less effective in educating our students.
- ACC should have all teacher applicants who are interviewed give a teaching demonstration. Presently, only full-time applicants do so. Adjunct applicants should also give a demonstration in order to hire the most qualified. It seems the college is always playing catch up. My perception is we want to see what others are doing regarding programs, and innovative ideas. ACC rarely takes the lead in developing new, innovative initiatives. ACC tries to "make one size fits all" (for example, all counselors, one generalist.) ACC deals with persons who have disabilities that have special needs that are best served by a counselor trained in that area and counselor for deaf students.
- Human Resources management try their best but there has been a high turnover which creates problems getting correct information and knowing who to contact.
- Payroll has improved in the past year. They do their best but seem understaffed. The policy of not sending supplemental checks to the campus is not customer friendly. Sometimes people can't get to HBC and would prefer to have checks sent to the campus where they work.
- I feel that employees that work at one campus should turn time sheets into someone at that same campus. I see employees abusing the fact that if there is no one to account their work time to, they either aren't at work or are getting paid for not working.
- Should we have a board member and a spouse as an employee, especially when the board member has influence over raises and promotions for that spouse. Why does the president receive more compensation (a raise and bonus) when other employees are losing positions, especially when he has received a vote of no

confidence?? Why is the college considering buying and opening a new campus if there is a money problem and 300 classes have been cut?

- The use of adjunct faculty is now done by "e-staffing" and makes much poorer use of adjuncts' skills and preferences than the old manual method. We have lost a number of excellent adjuncts because of their frustration with "e-staffing" and the associated "paperwork." The result is increased use of less-experienced, less-effective adjuncts.
- I believe the college is improving with regard to the adjunct faculty in general. The adjuncts have received raises in last couple of years which is a good thing. Overall, I believe the college is doing fine.
- Professional development is another issue. Faculty are required to complete hours to get a pay raise. Faculty development is not tied to improving instruction or faculty performance. A huge amount of money is being spent in this area.
- The process of course scheduling is cumbersome and the administration has turned it over to an AVP with little experience in the area.
- There is no promotion ladder for administrative staff.
- A redistribution of staff according to need across the college may be a better use of human capital.
- The creation of a culture of collegiality and commitment to academic excellence is the goal of the faculty but not the goal of the administration. Every attempt is looked at with suspicion.
- The hiring process is cumbersome and confusing. So much time lapses between interviews and offers that we lose many great candidates to other institutions. Then we have to re-start the process.
- Hire more labor people to work on building maintenance.
- We need a full-time Clerk II for workload and consistency of service.
- Human Resources is a disgrace. Nothing works. Nobody answers the phone or returns phone calls. Most everyone is rude and disrespectful. It is a total mess.
- The hiring process is so screwed up it is not funny. The administration makes hiring decisions about people they do not know. They hire incompetent people and never get rid of them.
- Full-time faculty appreciates guaranteed 10.5-month employment. But this year, some of the faculty have insisted that a department choose how many 5.5-week summer classes to offer based on the full-time faculty who need to teach rather than on the student demand, which is heavier for 11-week courses.
- Full-time faculty members' workloads are affected by teaching classes, course reductions, stipends (trading off stipends for reductions, etc.) and overloads. The department receives no

support for monitoring all of this, and when they do set-up a system, it may not be maintained if the department leadership changes.

- Adjunct faculty appreciate the security of MSTA appointments. But in some areas, the department have been encouraged to appoint more MSTA's than they can actually use in the summer. This results in extra classes being scheduled not by student demand, but because of a commitment to a teacher.

PLANT OPERATIONS AND MAINTENANCE

- Remove automatic doors at Cypress campus and replace with handicap button activated. Make all campuses and all parts of them accessible. Put yourself in a wheelchair for a day at each site.
- Need a preventive maintenance plan versus crisis management.
- Need carpet replacement plan.
- Need emergency maintenance fund since insurance deductible is \$10,000.
- Great transportation accessibility to campus at Rio Grande ACC.
- The custodial services at RGC is better. HVAC needs a little work especially the temperature control.
- Plan better parking accommodations at RGC.
- More recycling availability.
- We need more parking.
- Need to update maintenance with computers for email.
- Can we add more street lights around RGC? It is really dark walking to my car at 10:00 p.m.
- Buildings are too cold in summer and too warm in winter. Energy and money are wasted.
- Couldn't you work something out with the City to try and eliminate some of the parking meters?
- Create a system where people can respond quickly to emergencies, like leaks in the ceiling. Allow each classroom to determine an individual comfortable setting for A/C (within 5 degrees) so it isn't so wastefully. I see students with sweaters on in the summer because it is so cold.
- Better attention needs to be paid to new construction. The Eastern campus is beautiful and for the most part, well made. But it leaks badly during heavy rains and the trapezoidal shapes of some officer are highly dysfunctional.
- RGC and Rio Grande campus is very old and we should either buy it or leave it. We have dumped so much money on repairs that the building should have been new buy now. After the lease, we should focus on the South Austin (Albertson) facility. If we keep Rio Grande, AISD should pay a portion of the bill to repair the outside exterior of the building or parking.

- Maintenance wages should be raised. There are a lot of technical experienced personnel who are underpaid.
- Has RGC been checked out sufficiently yet for safety issues? Are there diesel tanks buried near RGC that pose a possible health hazard?
- Can ACC afford another campus (South Austin) at this point with all of the needs at existing campuses? Is it a good use of money to duplicate libraries for a new campus? Was it a good expenditure of about \$2.5 million to buy an old grocery store that ACC cannot afford to turn into a campus without additional tax money?
- Why is so much money spent on HBC for endless remodeling? Huge amount of money is spent on computer labs that often are empty. When the campuses have so many needs. This money needs to be redirected to where the students are. Remodeling of HBC should come last, not first.
- Why does Eastview need to be staffed by campus police 24/7 when other campuses are short-handed? Eastview also has to be manned 24/7 during intersession and spring and winter break costing many dollars. It should be closed like other campuses. During intersession, Drama Department has plays and rehearsals, which require campus police and it means extra money.
- Campus police are rude and harass faculty and students. They have no people skills. We didn't have so many complaints when we had security guards.
- Police should be allowed to wear police uniforms so that they are easily identified. When a few complaints were lodged about some police being unfriendly or uncooperative, it was decided that they would no longer wear police uniforms, which is a ridiculous solution to the problem.
- Parking is a problem at Pinnacle as well as other ACC campuses. There are not enough parking spaces for students, faculty or staff. Also, faculty and staff should not have to pay for parking stickers. If we do have to pay for these, then that money should go directly toward easing the parking problems at the campuses. Office space is also limited at Pinnacle and all other campuses. Instead of creating more small campuses, we should build one large campus in each part of town, especially SW Austin. Each large campus should offer the full range of classes and have ample office space and parking facilities.
- We never seem to get good evening crews. Carpets are never vacuumed or cleaned until we request it. This is true at RVS and at PIN that I am aware of. Day crews have always been wonderful. Not only do they do a great job, they're always helpful and friendly.
- We need more full-time librarians.
- We need more full-time library assistants.

- We need more space for students and materials.
- Facilities provided to students are the best as can be expected for the budget situation. New and improved facilities should be funded as capital projects by public funds and not out of students' pockets. Otherwise, ACC does the best it can from a facilities' standpoint.
- Spending money to maintain and improve aesthetics is important to the recruitment and retention of students.
- Continue using in-house maintenance and janitorial services.
- The campuses need to be cleaned and cared for and maintained before we add or buy new buildings.
- Stop taking rooms from instruction for offices. For example, a testing room for individual testing (assessment of student with severe skill development problems) was converted to office space. While the executive dean has a large office in which she rarely works.
- Repeated roof leaks have destroyed computers, books, filing cabinets, etc. With the budget restrictions, we can't afford to replace these things and the total damage is always less than the insurance deductible. The worst part of this is that the leaks are in the same place and despite repeated requests for repairs; we still have wet floors when it rains. Now everyone has to remember to drape desks and computers with plastic every night just in case it rains. Why can't they first fix the leak?
- Why does the grounds budget get used for other departments? Why have grounds been kept understaffed all of these years? Grounds never received the equipment that is needed to do the job right. Ozone days holds grounds team back from doing work many days while others go on. Grounds pay should not be compared with other businesses because we do more than just cut grass. Grounds need a mechanic in the shop. When work is sent out, it doesn't get done but ACC still pays.
- Great job given the diminishing resources.
- After 9/11, police security was increased. Safety was an issue. With the budget cuts, so went to police officers. Many times the officers are out of the office for one reason or another and on one are available. Alternative means to contact an officer take time. Someone should be in the campus police office at all times.
- I feel that ACC should keep a well-trained police department and not go to a private security firm. I also feel that the college should increase the amount of officers for better coverage. More training for the unexpected events that could happen in this day and time. These things are a wish list for me but I am very thankful for ACC and it's staff for the support that they have given to the ACC police department.
- We have too many campuses. The planning process for campuses is political. Why Eastview when we have Riverside and Rio

Grande. They are moving Nursing to Eastview because of poor utilization rates. Sell Pinnacle and get out of Rio Grande.

- Cypress Creek is sorely underfunded when it comes to campus usage. The board and president are so concerned about the political points they can make elsewhere in Austin that the citizens of Leander and Cedar Park are being shortchanged. The budget deficit was certainly not caused by any investments to Cypress campus. ACC should improve existing facilities and stop investing in property and buildings that cannot be used yet.
- Parking at Rio Grande is not good. There is not enough college-aged students. Everyone is my mom's age.
- Better services for students with disabilities at Cypress Creek campus is needed.
- ACC is a great place to work and I enjoy working here and I wouldn't want to see the cleaning outsourced.
- The cashier offices are not a safe and secure work place due to the following: Plexiglass windows; openings in the plexiglass; no video cameras; and deposits are only made once or twice a week during peak times.
- There is not enough space for any areas of the college (except maybe those located at the new service.
- Stop wasting money and time remodeling HBC.
- I feel safe at most campuses.
- The vice president and department heads do not need a fleet of vehicles provided by ACC. Their salaries are sufficient for them to afford basic transportation.
- By raising both parking permits and campus "in-house" citations for parking violations to \$35.00 a piece, our budget shortfall would vanish in 2-3 years. After that it would more than fund campus police operating needs.
- Better planning and more foresight are needed. More space is also needed for student services.
- Energy is wasted. The A/C is set on coldest setting. The lights are on at night. The recycling is for papers only. There should have also for glass, plastic, etc.
- The custodial services should be provided in-house versus purchasing services outside.
- No one will tell us if we are getting office space or if we have to stay in the hall. They aren't honest about it when they plan to take space from use.
- HBC redistribution of space is based on who screams loudest and not on need.
- Construction should be done when offices are closed. We should not have to work under some of these circumstances.

Appendix A

Part 4

The narrative comments below are the actual comments from the public forum and focus groups and do not reflect the findings or opinions of the Comptroller or the review team.

STUDENT SERVICES

- Inadequate staffing of counselors for sufficient student support. Too many unfilled positions for too long a time.
- Not enough resources in this area. As a faculty member, I need to see more resources for the great needs of students.
- I find everything alright.
- RGC career center is very helpful. It provides good resources and counseling.
- Make more financial aid available to international students.
- Why do we (students) pay a \$3 "student activities" fee, but there are no student activities?
- Counselor responsibilities need to be reviewed.
- Need career services support at NRG and RVS similar to RGC.
- Why do we pay \$10.00 for a parking permit and then have no place to park.
- Offer online advising to students.
- Offer student services support to distance learning students.
- Computerize counseling intake form. It is an obstacle to providing students help.
- The learning center was a great help.
- Provide student services information online. Student services website should be expanded.
- Core classes often close during the first "wave" of registration, so that students who aren't eligible for first wave don't have a chance to get in a class. These limitations have driven me to another university that can better accommodate demand.
- Why can't students register on-line?
- Some of the course equivalency databases for ACC had not been updated. My ACC counselor had never heard of my specific Physics course.
- Counseling and guidance agencies could work closer with the main school of transfer (U.T.) Every time I ask a question, I get sent somewhere else.
- Student activities have been provided for all six campuses by four full-time staff with over 100 activities varying from leadership to cultural awareness.

- Teachers are great. Staff and management need to learn better "people skills". They are very rude with students.
- Make registration process easier and more accessible to students.
- Grades should be available online. It seems to me that ACC has adequately and effectively put everything up online except registration. If the Internet is used for students' convenience, this surely is the most important addition to it.
- My advisor had no clue what he was doing. He was completely computer illiterate. It took me over two hours to meet with him and I had to figure out how to use the computer myself and do it.
- Please have directions or maps in the building as to which office or classroom is located and also online registration would be so convenient.
- Communication between different parts of administration is bad. No one knows what the other is doing.
- Students get sent all over the campus because the first person doesn't know what they are supposed to be doing. Students suffer this way.
- ACC teachers seem to care more about the students and enjoy teaching more than those at UT.
- This area continues to be asked to do more with less. At peak registration times, we do not have enough staff to effectively handle students. Decreasing money in this area would lead to helping fewer students and lowering morale in this division.
- Introduce and encourage online registration.
- Automating this process will reduce the need for hiring more staff.
- Develop a way that Datatel can screen for pre-requisites.
- Place students according to compass, no exceptions for scheduling.
- Allow students who register late for a class to pay for the class even though it hasn't been changed. Many students are dropped from class because they miss the "window" between when the class is charged and when the payment is due. These students often add classes through the Associate Dean's office and have to leave campus before their account shows a charge.
- Need more resources to support growth and number of students. Does great in delivery of services with what they currently have but could use more resources and space.
- Analyze to determine if paperwork could be reduced or streamlined. Students get frustrated with so much paperwork. Departments frequently don't communicate and share information. Less paper would be cost effective and it would improve customer satisfaction and service.
- The dual enrollment program offered through the admissions and records office is rapidly becoming an albatross to that department. The parents/students come late to sign up causing a backlog of applications for Admissions and Records staff to process.

However, do these students actually finish the classes they register for and what ratio is that to the ACC degree program students who need the class for their degrees but perhaps can't get the classes (especially during the summer when less classes are offered) they need due to the glut of high school dual enrollment students who do not pay for the classes. The program should be streamlined to offer free courses to students with financial need and high school grades high enough to indicate they would take the courses seriously. It was not thought out in a practical manner up to this point and the coordination between high school counselors and the ACC counselors needs to improve.

- Admissions and Records is extremely understaffed collegewide. There is not enough staff at front counters on campuses. Not enough help with data entry for transcripts. Supposedly transcripts are to be evaluated by the end of the second semester a student is at ACC. Sometimes it's the third semester. That's too long.
- TASP office is very unfriendly, unhelpful and not proactive.
- Students services needs to have periodic (at least once every semester; if not monthly) meetings collegewide of advisors and counselors. Advisors and counselors are not allowed to meet. Also, ACC must have periodic updates of TASP, at least every two years after legislative changes. We've not been allowed to have a collegewide TASP update for several years, since the current vice president of student services has been at ACC. TASP requirements and ACC's interpretation and the developmental education plan is way too complex to understand through emails and phone calls.
- I would like to see an improvement in racism facing students. Not all students get treated the same way, either on the phone or in person. They are looked down depending on what color they are. If they are Hispanic or black that can be detected on the phone. And I have had several people complain about this. The way the receptionist treats them, even faculty has complained.
- Not clear on financial aid. Not sure how to advise and how to apply.
- Teachers are great allies, but are not willing to stand up for students, come time in front of administration.
- The student services at ACC are great. I have received a lot of help and guidance from the advisors here. They always answer all my questions with great care. I like how the advisors are on a walk-in basis.
- Financial aide is not geared towards out of district students.
- Out of district cost is three times more than that of other local community colleges.
- ACC needs to either drop its mission statement, which states that students from underrepresented groups, FTIC and those who need to better prepare themselves for college, needs to be adjusted or

eliminated. Counselors are needed to effectively assist students to overcome barriers, learn how to cope with developmental issues, and select careers. Despite financial constraints and the negative political climate concerning counselors, ACC needs to walk the talk. Hire highly effective compassionate counselors who will make all the difference.

- NRG needs more counselors, advisors and clerical staff. During all peak registrations, students have to wait for up to 2-3 hours to be seen by a counselor. POS evaluate results show that students indicate greater dissatisfaction when they have to wait. Still, funds have not been made available and the 1,000 rule has not been changed in order to help students.
- ACC does not have adequate space for its instructional or auxiliary operations. Students do not have adequate space to study nor space to participate in student life activities.
- The changes brought about by the Student Services model have been highly effective and beneficial to the college. Resources have been re-focused to where they are needed most and staff effort has been re-aligned. Regretfully, funding levels have not improved for student services despite their considerable savings returned to the college.
- The allocation of staff for each campus has not changed despite enrollment data that supports drastic change. Some smaller campuses have staff who do little or no work each day. While at other campuses, staff are unable to go to lunch without coordinating substitute coverage. Yet, campus deans do their best to keep their offices open and take great care of staff.
- The more staff does to "make do", the less resources are made available to assist in the overload. Northridge campus has needed more counselors (at least one more since 1995, as confirmed by a vice president), but we lost two through attrition and they were not replaced for more than a year despite the college's statistics that NRG is the largest student utilized campus in the system. So we're three down.
- Each semester, there is some chaos created by bad planning which directly impacts the first line staff and students.
- Counseling services need more knowledge of other school's requirements for transfer students.
- Someone needs to find a way to facilitate better availability of parking. Perhaps a shuttle of some sort from a remote parking location.
- A mail-out calendar of some sort should be considered, to remind students of important deadlines so that the school does not become overcrowded when the deadlines arrive.
- Overall, I think these services work well, especially financial aid and services for students with disabilities. A weak area continues

to be advising and counseling. I regularly get students in my classes who have been improperly advised.

- The college would be more efficient if the central administration would decentralize. Many activities and decisions seem to be made without knowledge of the academic calendar and academic process. ACC is in fact, a community, not an organization. It should be "managed" with the same techniques community leaders use. It definitely is not a top down manageable organization.
- Much of the specific performance of everyday management tasks are so ineffectively performed as to be totally without credibility. For example, delivery of class rosters, distribution of grade sheets and room scheduling.
- Academic class schedules are now done so far in advance as to be totally out of sync with needs. Who can know what classes are needed in a technology curriculum a year in advance.
- Executive deans are unnecessary. These deans do little more than schedule classrooms. They are acting as campus managers, but there is a campus manager at each campus. Eliminating these positions would save well over \$125,000 per position. One collegewide provost could then supervise the campus managers.
- Eliminate associate vice president of support services. This person was hired last August. Since then the administration has been creating things for her to do. This busy work is costing well over \$100,000.
- There shouldn't be every office on every campus. It is too costly. How about offices at NRG, RVS, RGC, PIN and CYP. Also, the level of services is not consistent between campuses.
- Student services are pretty good but they do need more staff and equipment.
- Registration was very difficult and the computers had different information than what was correct.
- We need better health groups such as we don't have the benefit of having great health insurance, and any other opportunities. The possibility of sending funds in this direction would be greatly helpful.
- With a staff of only six counselors, we have functioned without two, who retired in August 2001. While some money had been available for part-timers, it has almost run out and we are facing our busiest time, coming up in July and August. We have also lost one of two full-time clerical staff who greet and direct students coming into our offices. Last month, we served over 4500 students and took more than 2700 phone calls. This is with a reduced staff and little or no support from the president. Since he has arrived, he has initiated the following changes:

- We are no longer allowed to do "personal" counseling. This is like telling an English professor that they must now teach Math.
- He disbanded the collegewide counseling task force, so that we no longer have a unified voice. Every other faculty area has a task force, collegewide.
- He reduced our contracts from 12 to 10-1/2 months, costing me about \$10,000/year.
- He increased our workweek by five hours with no increase in pay, thereby gaining back the 1-1/2 month decrease in overall hours.
- We cannot take the 1-1/2 month reduction in one chunk of time and not during peak registration periods. We must all negotiate with our dean for a week or two, here and there, and have a fixed yearlong schedule decided in advance. For those who teach, they must take time off when teaching and must drive to campus just to teach. This makes it almost impossible to leave town for a trip, or to just have a real period of time away from this place.
- We are often left out of workshops or meetings with other faculty due to the rigidity of our schedules. With two vacancies, one person "off contract" most weeks, that leaves only three people/counselors to cover our office from 8:00 a.m. until 6:30 p.m. If anyone is out sick, or out of the office, only two people are left, and we have had days with only one counselor in the office all day long.
- I could go on and on, but basically, we are tired, frustrated, and feel no loyalty to this institution any longer. I am in my 25th year at ACC, and just have to tell myself everyday, "It's just a job." Until five years ago, it was a career, much of who I am and I identified with ACC with pride.
- Counselors were told not to counsel on personal issues. This is terrible.
- We need more faculty of color, such as black and brown in order to attract and hold students of color. It's important.
- Currently, faculty members (IAs) are required to work in enrollment and registration during the registration period. This work should be done by clerical workers. Faculty time could be better spent in academic functions.
- Del Valle students may actually live across the street from RVS campus and still be considered "out of district" because Del Valle has not joined the ACC district. This is sad because Del Valle is a relatively poor financial district and its students are required to pay almost double for their education. ACC should work to get Del Valle into the ACC district.
- We need more day care facilities. At least one on each campus.

- On the first day of class this semester, 50 percent of my students (12/24) did not have the prerequisites for my course. When asked why they registered for a course when they didn't have the prerequisites, many of them said that someone in the advising office told them it was "ok" not to have all of the prerequisites or that "it's not important" to have completed the prerequisites. Each and everyone of those students had to drop the class. Most of them probably got a full tuition refund. One of them who added the course during drop/add period only got a refund because I informed the Task Force Chair of his problem and she took it to the Admissions and Records department for him. Part of the problem is that the advising office hires temps to help students at the beginning of the semester, but cannot adequately train them. Even the permanent advisors consistently make this kind of mistake because they don't even read the course schedule when advising students. It's a waste of time for both students, instructor, and all the staff required to fix the problem.
- This summer semester, I have had to attend both the Rio Grande campus and Riverside campus at the same time in order to get both of my classes taken care of. It was a real hassle. I wish each individual campus offered more classes so that I would not have to do this.
- The employees here do not seem to be fully informed of procedures or fail to inform students of all procedures necessary. I called on the phone to get information and had the lady open my file on the computer so that I could be fully informed of what I needed to do. I get here to find that some vital information was left out.
- When I contacted ACC about the possibility of taking classes, my question often went unanswered and I was referred to the college website. Point of note, the website is difficult to navigate. A person I knew who wished to register had trouble finding how to continue to the online application. The requirements for new students were unclear, especially for students already possessing a Bachelor's degree. After I registered, I was directed to "pick up my student ID and parking pass on the first day of class" but wasn't told who to see. A receipt or written acknowledgement of registration would also be helpful, if only to assure a student that registration was successful and they were enrolled in the correct class. This would also cut down on phone calls from students inquiring about their schedules. Honestly, had I not been so determined to take the class I am now enrolled in, I would have decided the process was too confusing to bother.
- Morale is extremely low at ACC. The students are given conflicting information from department to department. They feel overcharged and inordinately hassled. Every semester, there is a

shortage of textbooks at the bookstore, long lines in admissions, and poor information at advising. We have students signing up for televised classes living in areas that don't get cable. And the libraries and computer labs aren't always open at times convenient for them. The parking situation at all campuses is horrible. And it can be next to impossible to track down an instructor because they keep getting shifted from campus to campus (not to mention the adjunct office facilities are just plain terrible.) In addition, the security at most campuses is a joke. Security is severely understaffed. At least, there should always be an office in the security office and one on patrol. This is especially needed at night.

- I really enjoy going to school at ACC. It is very clean, up to date and the teachers are wonderful.
- I feel that ACC should help people who have not finished high school and have children. There are so many youths in Austin that have not received a high school diploma and want to finish school. These children do not want a GED, so a program to help them would be great. This would reduce the return rate on youth violence. Also, to provide jobs that are meaningful and a career plan for these teen youth. These teenagers need help. The youth is our future.
- There are many instances across the college where lack of communication, or ineffective communication causes waste of time, money and ineffective services to students. One example occurred on 6/5/02 with air conditioning systems breaking down on a campus. The "reason" these were breaking down, according to a person in authority, is that one group working on one project failed to tell campus-based building services that the system needed to be purged.
- The dedication of faculty and staff at ACC are admirable. Regardless of challenges that face them, students always come first. The creativity and professionalism demonstrated day after day and year after year despite poor administrative practices are admirable.
- Faculty at ACC does a marvelous job teaching. The college does not demonstrate the same level of competence in supporting this vital group.
- Overall, I think ACC is great. The instructors are just wonderful. They provide a lot of assistance and guidance to the students. They will take their time to help each individual student. The pitfall is the tutoring department. I can't ever seem to get one-on-one help with Mathematics. This is an area where they need to assist. Other students seem to have the same problem. The tutors are not very helpful and some are just plain rude. They expect you to know and understand the materials. But if we already know the stuff, then

why should we be going to the tutoring in the first place. The other thing is, ACC needs to offer more classes. I have problems trying to pick a class that I need for my degree. Most of the time they either don't offer it then or it's at another campus that is on the other side of town. It takes too much time driving over there and back. But overall, I really do like ACC. I would recommend it to anyone.

- Because ACC's main function is to service the students in surrounding areas, I feel that it is very important that students are able to contact and receive help from the Admissions and Records office. I have had students tell me that when they walk in the office, Admissions will tell them that during peak times, they don't answer their phones. This sends students through a maze of searching for answers that should have been easily obtained. Either Admissions needs to hire more people to man phones or have a system to better help students.
- I'm worried about the security of our personal information. This past spring semester, I went to pinnacle campus administration office to get my student ID. At the end of the semester after using this ID all year, I found that the ID that was given to me wasn't my information. The name was similar, all except the middle initial. The social security number was different as well as the personal ID number. This worries me. I returned this card to the office and explained what happened but I'm afraid some people in this world cannot be trusted to do so. Parking has always been another issue for me when attending ACC campuses (including Rio Grande, Riverside, Northridge and Pinnacle.) It's very frustrating sometimes driving me to the point of tears. This is one more hassle I could do without dealing with the pressures of college.
- My experience with ACC has been less than positive. The teachers and classes are great but the administration and registration are horrible. My first semester here I couldn't attend because they put my transcript on someone else's record. My next semester I was advised, but they told me to take A&PI, Micorbiology and Pharmacology all in the same semester. If the advisor knew what was required for these classes in class time and study time, they never would have said to take these three classes together. I then had to sit a semester out of class because they couldn't get their computer to accept my information. I was shuffled from dean to administrator and back again. I wanted to go to school but couldn't get in to their system. This semester (summer) they changed their one-half time requirement to two classes from one class so my loans went into default because I was not given that information even though I asked.
- ACC has some great faculty and staff who care about the needs of prospective, new and current students. Administration has tended

to punish certain groups, i.e. counselors, since a few dysfunctional and low-performing counselors have complained about working conditions and their rights. Students needing career counseling and help resolving crises. We need counseling expertise if we are to effectively retain students.

- Handbooks and catalogs are never in on time. The students start the semester blind and we have to guide them to the materials once they arrive.
- There are no health services available to students. Every emergency is a 911 call.
- Counseling is understaffed and overtaxed. Personnel is stretched to the maximum with little or no support from the administration.
- We need a dedicated lab with attached office area with security and attached, glass-separated, special needs testing area.
- Adequate hourly funds to handle fall registration is needed.
- We need special additional staff to assist first time college student navigate the registration process.
- More staff is needed collegewide especially at Northridge.
- One-third of the new students are at Northridge. Yet Northridge were twice the present size, finding an empty classroom would still be difficult. We need room to grow.
- Try to find a parking space at NRG on the first of fall classes. Try the first week. How about the first month? Not enough room allocated for parking at NRG and I heard the same is true at RGC except on Friday.
- Student Services needs more money and space. We do not meet the students' needs.
- ACC does a great job providing help to its students in all areas, like classes, homework, and students services. Parking at Cypress is great, but is terrible everywhere else.
- There are not enough offices for the expected staff at Cypress. The Dean of Students must sit at a computer in the career center. There is no area where confidential information is secure. Student personal information can be overheard and seen on computer screens by anyone at Cypress.
- The people in the administration office made registering very easy. The counselor helped me make a decision about which course to take and what would transfer to UT. The whole process was very smooth and easy.
- ACC is great because it is a convenient location and it gives me the help I need when I need it. It also has great tuition rates.
- Since a college is set-up to teach students, students' needs should come first. But actually students' needs seem to be the last priority with the president and the board. Cypress Creek campus, in particular, has been neglected and its students required to take

follow-on courses elsewhere. ACC Cypress Creek needs more classrooms and parking.

- Staff in the offices really needs to improve and they need to pick up phone calls when coming in to the college. When a student is trying to reach them for something over the phone, no one ever answers.
- It has taken six months to receive my refund check of \$500.00 and I am still waiting on it. They said I got overlooked.
- Being a handicapped student, it helps to know in advance which entrance I should park at that is easier access to my class.
- The transfer process to UT is not easy to follow. The ACC staff do not have the information to help students make course choices in preparation for UT. The Science courses are underfunded. The labs and equipment are in poor condition.
- ACC put an extra "F" on my transcripts. It has taken months of telephone calls and red tape and the "F" is still on there. I did not even register for the class I show an "F" for.
- Cashier office and Admissions office need to have the same office hours to better service the students.
- ACC should continue to allow us to always have choices during our enrollment periods.
- Cypress Creek has been a great transition for my two homeschooled sons who then transferred very successfully to UMHB. I was very pleased with the advising counselors throughout these last five years.
- I was surprised by how nice everyone at the front desks was. They were very laid back and personal, but efficient at the same time.
- Student Services is always efficient but seems to be understaffed and underpaid. Cypress Creek is a beautiful campus and very well maintained. It by far is the cleanest campus of ACC. The early college start program seems to take classes away from the traditional students (paying students). These students are able to take two classes a semester and if they drop (which many do), there was a wasted seat for a paying student and revenue for the college. The logic on the special programs offered through ACC, does not seem to be evident. Instead of opening a south campus, more classes (and variety) need to be offered at the smaller campuses, especially Cypress, which has the highest enrollment and the most growth. The money that should be spent on the course offerings, competent instructors, and well-informed staff seems to be pocketed, or spent unnecessarily. As a student, we need more classes offered at Cypress for the convenience and to be able to satisfy my core classes without having to drive 45 minutes.
- The registration process was easy.
- Trying to register online when you live in the "sticks" with only one phone line and no ACC catalog. The online and phone

instructions are not complete. Also, I was unable to drop over the phone. The system was glad to take your credit card number but not give you a refund. When you could get a live person on the phone, they were very helpful and knew the system well. Why cannot Cypress Creek cashiers handle problems between college credit classes and continuing education classes?

- As an employee, I would like to see a little more focus on the Cypress Creek campus. The campus is growing rapidly and we need expansion. We need more employees and more space. It seems like employees on the "front lines" get more responsibilities with little respect from the administration because they don't really know what we do. The Early College Start program takes up too much of our time and leaves less space in classrooms for "paying" students. We cater to high school students instead of the people who really need our help. Each semester guidelines change which causes total confusion. I have worked at several other campuses and find Cypress Creek to be friendlier and more knowledgeable than several other campuses. I would love to see Cypress receive the things we need to keep up with this growing community. We have the students, but not enough classes.
- The student services hours and the cashier office hours creates confusion.
- Financial aid should not govern over loans that students pay if they qualify.
- Please do not raise tuition, especially for those of use who live out of district. I have paid Austin ISD taxes since 1979, but now live outside the city. I even live in an in-district zip code, but on the wrong side of the dividing line. This does not seem fair. Even with the availability of financial aid for some, this higher out-of-district rate causes a hardship and prevents many students from attending.
- Cypress Creek needs more variety in classes and more coverage for the ones it does have.
- Semesters usually begin a few days before the end of a given month when students are also in the process of moving from one location to another. Please consider either starting earlier in the month or right after the first of the month. It is so hard to concentrate on studies while trying to locate a new home (apartment) and packing and moving.
- We need more state funding to keep classes affordable.
- We need more staff at key times in the semester so students don't wait in long lines or get busy signal on phones.
- Bring in more international students paying out of state or international tuition and improve college stance on international.
- There are plenty of services available, but they aren't always available at convenient times for students and their families. The services we used (getting a transcript, signing up for and taking the

TASP, and VA benefits) weren't available at all campuses. For VA, we had to use Northridge, for TASP we used Cypress, and because we wanted to get our son's transcript early in the morning we had to drive down to Riverside.

- Staffing throughout should concentrate on student services.
- Students should be treated like customers in all areas of the college.
- Online registration is a poor process for students, especially telephone registration. Have top administration tried it?
- Even though student services areas are underfunded, understaffed and are housed in much too small areas, the staff do an incredible job of serving students well and meeting their needs.
- Customer service does not exist.
- Departments and staff do a great job with very little resources. Additional staff and office space are needed at NRG, RVS and CYP.
- Student Services have good management and organization that attempts to efficiently serve students across the college.

Appendix A

Part 5

The narrative comments below are the actual comments from the public forum and focus groups and do not reflect the findings or opinions of the Comptroller or the review team.

MANAGEMENT INFORMATION SYSTEMS

- Intermediate Algebra PCM (Internet/Distance Learning) course software program is very flawed. It does not appear that the product was tested sufficiently before placing it in the classroom. I had to drop the course. Tried to obtain 100% tuition refund without success. The administration is very slow to react to student input. As a result of issues like this, I am leaving ACC and going to SWTX. There goes my tuition contribution to SWTX.
- Registration should be accessible online and not just the schedule.
- IVS facilities are very expensive and not reliable when used for distance learning applications. They should reevaluate use at various sites.
- Install the DirectX8.1 SDK on lab computers. It's free and there is no license. Would be nice to use the graphics we learn to make in our applications.
- PC's have difficult time hit with constant changes and additions to duties (for example, e-staffing, budgeting, time sheets, etc.). It is much more time consuming. Often doesn't work and you have to wait for someone to get back to you. Making uncomplicated processes complicated in the name of technology.
- Policy for handling additions/drop-outs and the management behind it is in need of major repair.
- Staff is overworked so they are not very helpful. Many students are disrespected.
- Students have to wait for hours just to talk to one dean to add a class.
- Internet access availability.
- Throw wireless and Ethernet connectivity in break rooms.
- Computer and duplication centers are cool.
- Need complete software in all computer centers.
- I support increasing technology of this college. If students get access to web register and access their own records it will eliminate high traffic demands during peak registration times.
- Northridge needs a bigger tutoring lab with computers that have Microsoft Word to the Internet on them. It is very difficult to take a

class to work on computers for a day. At other campuses this is an easy, encouraged process.

- My home computer is much better/faster than my office computer. Therefore, it is better for me to work on my distance learning classes from home. However, ACC prefers that I work from my office, so they should provide better technology.
- Datatel is equivalent to Latin. Both are dead languages with historical significance which nevertheless present staggering practical problems. Who thought it would be a good idea to implement a 20-year old program?
- We need more technical support for districtwide library services.
- Internet access has slowed down tremendously at Pinnacle since Information Technology relocated to another building.
- Datatel, especially as it is used in Student Services, is not a good system. It is, in the words of a student who had worked with the system at the University of Oklahoma, "antiquated and inadequate."
- Technology has gotten slower and less dependable. Datatel is slow and often gives wrong information and it is not updated. The help desk is great although limited in its help. The individual technicians need to be trained.
- Datatel is terrible although ACC Information Technology has done a tremendous job setting up and maintaining it. I can't believe they didn't all quit long ago.
- Datatel (as every college that uses it says) is very unuser friendly and requires many keystrokes.
- We need to upgrade desktop computers. Faculty and staff get hand-me-downs from ACC's computer labs. We are supposed to have our computers upgraded every three years, but as a manager, I have faculty and staff who have computers much older than that. The way the technology committee decides who gets what is not clear. It needs more daylight.
- While Datatel has had its problems, I have come to depend on it very much. Is there a better database program out there? Faculty have much greater access to information than before.
- Have we expended so much of our resources in programming Datatel to be what we thought that we were buying that it's now too costly to get out of it. Screens don't interact, so that staff time is wasted with duplicated efforts, i.e. writing the same comment on several screens so that the student doesn't get penalized or have to make an unnecessary trip to campus to clear matters up.
- Information Technology seldom delivers its promises. For example, student services needed the results from student intake? There appears to be no accountability for mistakes or missing deadlines.

- Some areas of the colleges are held to strict accountability, while others are not. In contrast, Student Services is held to a very high standard and it always delivers on-time and under budget. Student Services has never received adequate funding to take care of ACC's enrollment.
- Improvements have been made to make registration easier for students and this can be improved.
- The ACC website navigation is not good.
- They should base Information Technology operations on one campus with each campus running a back-up server on the other campus. The service is good at RGC and NRG.
- MIS in particular is a farce. We purchased a 1970's era computer database (Datatel) which does not fit ACC and has been poorly implemented. This area in particular seems to have no grasp of academics. In fact, this is an area that we have to work around. It adds to our workload. In general, this administration is just not credible.
- From my limited experience, as I just registered today, the people were helpful, friendly and courteous.
- I am a summer student taking basics from the University of Texas. I found it relatively hard and confusing to maneuver the website. I had to call and talk to a live person to get the information I needed. If ACC can make it easier for students to enroll, and students feel like they understand the website, it will cut down on the confusion.
- The people are great. The equipments are outdated for their functions. Datatel is more aptly called DataHell.
- My office computer was a 266, 5-year old dog-gone slow but dependable. I recently got a trickle down computer that was a year newer. Although this is a faster computer, I am constantly calling the technician. Data was lost in the transfer. My CD drive only works on two days a week. And lock ups happen frequently. I am almost ready to ask for the old dog back. Yet, 24 brand newer computers are next door in a lab reserved for assessment testing. My old dog can't even follow those greyhounds. Staff needs more up-to-date computers.
- More online courses (such as History, Sociology, etc.) for older students and students with small children.
- It is good that faculty and staff have email and can have web pages. It is not good that they can't change the passwords on these, because over time this makes them less secure.
- Establish a collegewide system for project tracking and information sharing.
- The staff is very cooperative and does good work with the resources given.

- We have learned a lot about how to use Datatel. We need to focus in ways to expedite getting information out of the system so people can use it to make decisions.
- Technical planning should be faculty driven, not administration driven.
- Information Technology has insufficient staff to program changes in Datatel systems.
- Students have "state-of-the-art" computers in labs while vital areas (Payroll, Benefits, Business Services, etc.) operate with "slower" computer systems.
- Datatel reports are inadequate. ACC uses Excel to generate reports from Datatel. Excel should be used to "cross check" or audit accuracy of Datatel reports. Some reports are actually numerically "incorrect" due to ACC's numerous pay categories and exceptions to hiring and pay rules. Reports become totally useless.
- MIS works extremely well. It provides good support to instruction.
- We desperately need a collegewide authentication system to allow more access from home for employees and students to access our information systems.

INSTRUCTION AND ACADEMIC SUPPORT

- Failure to establish a workable shared management that includes a great deal of faculty input.
- Review the costs of the Early College Start Program and not just free tuition, but also free testing; cost of staff both direct and indirect. What are we getting for all our money?
- Look at costs associated with Provosts/Executive Dean's cell phones and cars.
- Develop student services support for Distance Learning.
- Computer labs need to be open to the students Fridays after 12:00 p.m.
- Perform faculty and staff mid-year evaluation to provide time and opportunity to change.
- Add registration on-line.
- Adds/drops should be allowed until the end of 1st week. Allow every class to meet at least once.
- Do away with high paid receptionist.
- Need more help with adds/drops.
- Students need an ombudsman to go to if there is a problem with an instructor or problems with grades.
- UT's Spanish seems a bit easier.
- IT's e-staff and budget are too complicated and rigid in timelines.
- Tenure track and job security needed.
- Program evaluation should be developed by the faculty within a given discipline.

- Scheduling and availability of classes is not done on any scientific basis.
- Need to offer more criminal justice courses during summer semester.
- There is not enough course availability. It is too difficult to get into a full class.
- The faculty is excellent. Please pay adjuncts a living wage. Adjunct faculty need better office space and instructional resources.
- Discontinue professional development as it now stands. It is expensive in time and money and too much travel between campuses.
- More learning labs to academic area. Would improve communication between the two.
- Combine executive deans and campus manager positions.
- Increase adjunct faculty involvement in program development.
- Course scheduling is a function of student rather than financial needs or ought to be.
- The required courses "cash cows" continue to be milked without any compensation to the faculty who make these courses exciting and relevant to our number one customer, which are our students.
- Some instructional innovations are wasteful.
- Have more campus-based professional development.
- No campus support for faculty under our organizational system. What was wrong with campus-based department chairs? As long as there's a unified voice collegewide (and a collegewide chair), why can't we have someone at the campus level to meet faculty and students needs?
- Don't schedule classes at the same time as last year if they had to be cancelled. Have a clear process for requesting a class to be scheduled in a computer room.
- There are studies that show that our students do very well when transferred to another institution. For the most part, the instruction of students is an area that is still working well.
- Need additional resources to add more sections. Students have felt the cut in course sections due to budget constraints. Excellent faculty, technology and support.
- I am an older (45+ student). I took one class here six years ago. Now I am taking some computer programming classes to "freshen" my high-tech skills. I am extremely impressed with ACC. They have "distance learning" programs, a great phone registration system, friendly, adequate staff and good facilities. Someone has carefully watched over and developed this system and it shows. Please continue to advance with the times.
- The amount of hours for professional development are too many. I have to leave my office in order to do the hours and thus leaving

my co-worker extra work while I'm gone and vice versa. Have more professional development hours at each campus. Driving to HBC is difficult due to no parking when I return to work. Going to HBC for one and one-half hours is not worth my time.

- There seems to be a problem with the continuing education program the past couple years. The classes offered sometimes often doesn't have enough students signed up to keep it viable. Many times the students that did sign up were not notified that the class did not make it causing them to come out to the campus needlessly only to be told they'd be issued a refund. Overtime this situation would have a negative impact on the CEU course offerings being registered for. There also seems to be too many people hired to coordinate classes but not enough clerical support staff to contact students.
- The faculty is great.
- ACC has some wonderful faculty and programs. Excellent Health Science, Visual Communications, and others. For the most part, faculty are very good quality and of great support to students. Also academic support will generally do whatever possible to help students. That's at the Pinnacle campus anyway.
- ACC has bad scheduling of classes and not nearly enough developmental classes which students must take to enroll in other classes. They are also trying to build a full-time schedule in the summer with the majority of the classes at the same time or overlapping which is almost impossible.
- Scheduling is not considered interdisciplinary and it is performed done by each program. But someone needs to look at the whole picture. Nine and ten o'clock in the morning classes are very popular. But if everyone schedules the bulk of classes in those timeslots, students can't build a schedule around it.
- The faculty and staff at Pinnacle are great. All the faculty I know here are concerned that their students receive a good education and work hard to see that they do.
- Pinnacle campus has a good campus manager and staff. Requests are completed in a timely manner. Custodial staff is also excellent.
- Scheduling has become a bizarre nightmare. The president is still changing the schedule without consulting with the departments. His latest move for fall was to take eight Introduction to Business classes from other campuses and put four at Cypress and four at HBC. Cypress will now have 30% of the Introduction classes with 10% of the students, so nothing will make and students don't go to HBC.
- Faculty is great to work with. For the most part, it has been my experience that student's best interests are important to faculty.
- Advisors do a good job, but sometimes not consistent as to same answers on advising students.

- Lack of funds to support instruction of students.
- Full-time faculty are overworked.
- The task force structure attempts to work. Having an elected head of the instructional unit is a great idea and a step in the right direction towards shared governance.
- The learning labs are a great support to all instruction. They need more money and less meddling. The person in charge of the labs needs to report to the academic vice president and not to someone who doesn't understand the function of the labs.
- Faculty work for months preparing a schedule only to be torn up by mid-level managers who are ignorant of the program's needs and driven by administrators who want to placate businessmen and send students all over town looking for classes.
- The majority of the faculty is great. I feel that a few instructors I have been taught by could be better teachers. I also wish there was a wide variety of office hours. A lot of the time, office hours are right before or after class time. As a full-time student, I often have classes right before or after the class. Because of this, it is more difficult for me to get individual help.
- The college has pretty much priced itself out of business in continuing education and contract education. In particular, this revenue was grossly overestimated.
- Reinstate campus-based discipline contacts. Students should be able to talk to someone on every campus. A task force chair or collegewide assistant task force chair can't be responsive all the time, everywhere.
- Put the academic labs back in academics.
- Schedule development and cancellation of classes should be returned to the AVPs of work force and academics.
- We have some great instructors here at ACC, however, many of them are leaving, as they are getting better opportunities and pay at other places.
- E-scheduling is a nightmare. Its "impersonal" nature is its worst aspect. Instead of everyone getting some good and some not so good classes, most adjunct people are getting all crummy classes because no human being is interviewing to facilitate individual's parameters. MSTA is a bureaucratic invention which requires people to reapply annually for jobs they already have and have done well. It's a play by administration to make adjuncts feel some measure of "job security" (for one year at a time.) It forces ranking of teachers for assignment to classes, using nebulous criteria. Evaluation of teachers is totally unfair. I must submit copies of my first day handouts, my exams, and an essay on "how I taught the course." These "documents" are judged by three full-time faculty members whose identity I cannot be told, then a lead evaluator summarizes their comments and labels me excellent, good, needs

improvement, or unsatisfactory. None of these people see my student evaluations. Students are the only ones who have ever observed my teaching. On the basis of this anonymous evaluation, I was ranked. This rank affects the number of class hours I'm assigned, if any. Even if my students rate me "excellent," my "portfolio" can lower my rating to "qualified to hire" (the lowest rank.) It's unfair. I feel that since my every employment depends on my evaluation, that the person who evaluates me must observe my teaching.

- The timing of course scheduling is worse than when it was done by department chairs on campuses. Now, classes are assigned so much later that in the catalogue teachers' names are rarely listed with the courses they will teach. Half the courses are listed as being taught by staff. Students deserve to be able to know who will teach what course and where and when before they register. Sections should be scheduled at most campuses at varied times so that students can select classes at a campus near their homes or work at a time convenient to them. If certain classes fill up fast, a list should be kept of others attempting to register for the class but turned down, so that a second section (at the same time and place) could be opened when enough students warrant it.
- Treat ESL classes as worthwhile; do not relegate ESL (English as Second Language) to Adult Education because it is not generating money. Expand and promote this area of study.
- In terms of organizational structure, we are almost full circle to where we were before the big ongoing reorganizations. The main log in the wheel here is the position of Associate Dean. These people are supposed to solve student problems at the campus level. But they are (through no fault of their own) totally ignorant of how their solutions affect the students and faculty. For example, associate deans at several campuses add students to classes that are already full. Safety regulations (fire code) prohibit putting extra people in a classroom, especially a lab room. Then task force chairs are forced to reverse the action, leaving the student worse off than he was before. We need to eliminate the associate dean position and put student concerns back where they belong - in the departments. Task force leaders and assistant task force leaders already exist, are familiar with policy and should be handling student problems.
- I have worked at ACC as a faculty member for over 20 years. One of the things that has always bothered me is the perception (on my part) that support services such as the libraries, computer labs, and media departments do not actually seem to function as a support role. Instead of asking faculty what services are needed to provide educational services, these particular departments seem to decide (in a vacuum) what they want to do and then say to faculty and

students "Here's what we are offering - take it or not - we don't care." I have not seen this attitude at other institutions and it seems to be peculiar at ACC. I would like to see the academic support services become both responsive and accountable to the faculty and students. One recent example is that faculty, in order to use media carts, have to go through a convoluted process of going to media to get a key or a cart, take the cart to their classroom (which may be in a different building) and set up the equipment before class. Then they reverse the process after class. This takes time away from faculty-student interactions, media departments do have the staff to provide this service, they just choose not to.

- Every few years I get a hand-me down computer that is considered too old or not adequate for student use (they are passed from student computer labs to faculty). I don't object to the principle of recycling, but its difficult to help students in my office when my computer crashes in the middle of explaining how to run a simulation or how to access their blackboard account. I would like the technology committee to more carefully assess the needs of the computer users and provide faculty with the same level of technology that students will see in the workplace. On the positive side, the technology program did upgrade the RAM on my computer and now it only crashes once a day instead of once an hour.
- This area is okay but is seem as if some of the instructors have a "bad complex" and frown upon not understanding immediately.
- The teacher I have is great with a lot of patience. The atmosphere is homey and not boring.
- ACC has a very good SMT Program going on. The head chairman again has helped many students in this department. The people he has as teachers are very good at explaining them to students and are always there to help with any question they may have. The class in this program gives you a basic knowledge of what kind of jobs are out there for students who wish to make a good living at one of the electronic company in the Austin area. I hope that this program will get bigger and better as the years go by. Keep up the good work.
- The organizational structure needs to be reviewed. The collegewide task force chairs and the program coordinators are the backbone of the college. The one-college concept is excellent; however, the structure needs to be fine-tuned. Too many tasks are being duplicated. Signing forms by task force chair and program coordinators and then the forms need to be sent to a dean. Learning labs need to be back under the academic area.
- The need to hire more full-time faculty. Many part-timers although highly qualified in their fields are not available enough to students.

Many leave after one or two semesters and the students who have incompletes end with F's by default.

- Class scheduling does not meet the needs of students. Sections are scattered and insufficient.
- Getting an Associates of Art from ACC didn't help me very much concerning jobs. However, transferring to a Texas State School, all my credits were transferred. I'm now coming back to summer school. It was very difficult for me as a returning student after being in an Art school for one year to come back here and see how slowly most of the classes go. The material covered in the Art classes is not nearly as difficult as it should be to compete with other institutions.
- Historical scheduling data should be made available to the people doing scheduling in a form (like spreadsheet) that is easy to manipulate so that they can identify trends.
- Many of the large departments are unable to easily obtain up-to-date email lists of their faculty members, in a form that makes it easy to communicate with all the faculty in a department, or the faculty who teach some specific courses. Thus, much important communication is poorly done, or done with paper mailed to home addresses, which is costly in time and postage.
- Cypress Creek and Pinnacle executive dean has reached out to the City of Cedar Park and the Cedar Park Chamber of Commerce to try to identify and then serve the needs of the local community. I think that is a first. Congratulations.
- There is a big rift between adjuncts and full-time faculty. Some task forces treat adjuncts like third class humanoids. Why not merge the AFA and full-time faculty senate into the "Faculty Senate." Adjuncts should be considered faculty.
- Faculty evaluation is a joke. Full-time faculty evaluate adjuncts and no one evaluates full-time faculty.
- My task force is a joke. They couldn't plan their way out of paper log.
- Refusal to let departments specify rooms and times for sections often results in making it difficult to build reasonable faculty schedules because classes overlap unnecessarily; and rooms don't have the needed charts, graph boards, and other equipment for the course.
- Off-campus classes are allowed to make with lower enrollment than on-campus courses.
- Teachers for off-campus classes are sometimes selected by non-academic administrators. Dual credit courses cost the college money, sometimes have teachers not selected by the college, who may get pay from both the public school and the college, and may not even use the same materials as on campus courses, or be held to some quality standards.

- ACC has lower-than-average class size because of lack of clear standards for class scheduling and because unneeded sections are added by administrators.
- In recent years, vocational programs have suffered a drastic decline in enrollment due to scheduling decisions by administrators above the departmental level. Also due to decisions to discontinue program offerings at the large campuses.
- The "Early College Start" program has become a caricature of itself. ACC has let the high schools get free classes, free TASP testing, and unlimited free resources with no expected return. This will not change because the management and board have seen this as a marketing tool. However, they are losing much money. Staff spends two times at least on this population of students compared to the paying customer. We're now known as the "5th year of high school."
- I have taken the ACC Taylor Fire Academy and this class (EMT). As popular as both classes are (Fire Academy has spots for 20-25 people with over 100 applications each time and EMT classes also are full each time), why can't ACC supply these classes with new state-of-the-art equipment for these students to learn with? Currently, both classes have had to apologize for outdated and broken equipment. I have noticed lots of new computers around the campus but our class is short on basic learning aids. Due to public awareness of Fire and EMS now, why not give them support in their classes.
- ACC is a great school because of the small classes and cost of classes. You also get to know your professor and it's a better learning environment.
- I prefer more courses to be held at Cypress location.
- I enjoyed the interactive video classes in Real Estate I and II. Cancelled classes caused some of us to miss the summer Real Estate selling/buying season because we couldn't take the real Estate Exam in time.
- There are a lot fewer students attending at this campus during summer. I think the campus needs to offer more classes during summer to attract more students. The communities around the campus are growing very fast; therefore, the school has the number of students to work with. It seems like bigger campus is getting bigger and smaller campus is getting smaller. With more diverse arrangement of classes, the campus can attract more students; therefore, will more effectively use resources at this campus.
- We lose hundreds to thousands of students instate and out-of-state due to TASP. It's a terrible system.
- ACC needs to offer classes that make money or are required for example, Developmental Math should be scheduled based on demand.

- Administration blessed changes in departments that each specialized training and provide support so that classes/courses can be broadened in other areas.
- Some faculty feel they are the main client of ACC rather than the students.
- ACC needs to get with VA to classify courses for benefits.
- I have been both a student and a part-time employee of ACC. In both respects, I feel that my needs have been met on the whole. The teaching staff that I have so far, or been exposed to is excellent.
- I have had good relations with the staff, both as a student and a teacher, and I think ACC has a wonderful teacher staff. They can smile at us even though there may be turmoil within the upper echelon of ACC.
- Cutting staff in places where they're needed, doesn't make sense. If you want to cut staff, try cutting some upper-echelon people.
- The student enrollment limits for some courses could be raised increasing efficiency.
- ACC needs to focus on hiring more full-time faculty. Currently, we have too much instructional support work (department chair tasks like evaluation, scheduling, etc.) to spread efficiently across the full-timers. If we had more full-time faculty we wouldn't spend so much time managing the adjunct pools and the faculty could more easily be involved in the other support work at the college (i.e. committee service, student advising, etc.).
- Establish a process for quality control of Distance Learning courses.
- ACC needs to move toward scheduling on an annual basis rather than semester-by-semester. It would take less time, ultimately, and would mean students could plan on a yearly basis what they want to take.
- Students who are near graduation could be notified of the courses they need to take. This might increase graduation rates.
- We need more funding for professional development. We need better system for hiring and time frame of hiring.

Appendix B

PUBLIC INPUT RESULTS

(Telephone Interviews)
(n=387)

The results below are from public input and do not reflect the findings or opinions of the Comptroller or the review team.

METHODOLOGY

The 2002 Austin Community College (ACC) Public Input Survey is based on the results of 387 telephone interviews conducted with adult residents of the ACC tax district, which is comprised of the Austin, Leander and Manor ISD's. A random sample of ACC tax district households was provided by Survey Sampling, Inc. To ensure a geographically representative sample, households were randomly selected from each tax district zip code in direct proportion to residential telephone listings. English and Spanish interviewing was conducted from May 28, 2002 through June 3, 2002.

OBJECTIVES

Primary objectives of the 2002 ACC Public Input Survey include:

- Measuring levels of awareness of ACC programs and services among residents of the tax district.
- Measuring current and total rates of enrollment in ACC classes among tax district residents.
- Assessing perceptions of ACC's effectiveness in the core mission areas of higher education and workforce training programs and services.
- Assessing public opinion of ACC's performance in areas of fiscal responsibility, responsiveness to the needs of the Austin business community and responsiveness to the needs of the community in general.
- Measuring any differences in perceptions of those whose households include someone who is attending or has attended classes at ACC and those who have no direct experience with the institution.
- Develop a demographic profile of adult residents of the ACC tax district.

PRIMARY RESULTS

Significant findings of the 2002 ACC Public Input Survey include:

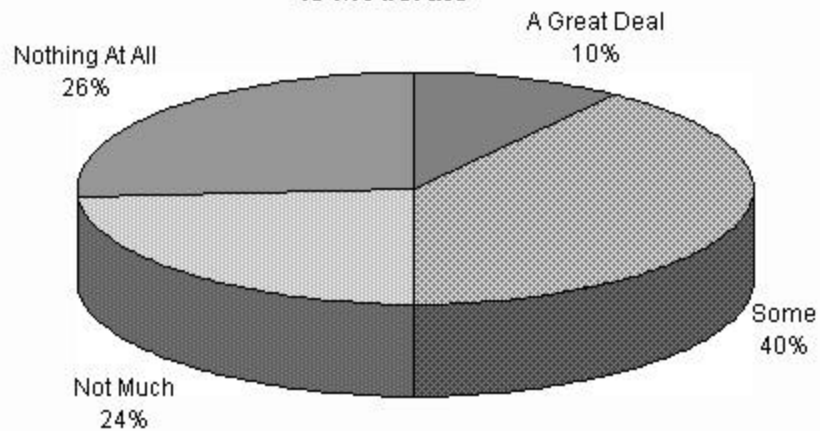
- Public awareness of ACC higher education and workforce training programs and services is moderate, with half of respondents indicating they know a great deal or some about ACC.
- Utilization of ACC programs and services is high, with one in seven respondents indicating a member of their household is currently enrolled and half indicating a member of their household has ever attended classes at ACC.
- Although substantial percentages indicate they do not have sufficient knowledge to rate ACC, respondents who provided ratings indicate positive views of ACC's effectiveness in providing higher education and workforce training programs and services.
- Tax district residents also view ACC favorably in comparison to other community college systems in Texas.
- Survey respondents provide positive to highly positive ratings of ACC's fiscal responsibility and responsiveness to diverse community needs. Although ratings of responsiveness to business community needs are somewhat lower, this is largely a function of higher percentages indicating neutral opinions in this area.
- Positive perceptions of ACC extend to a high degree of willingness to consider enrolling in classes offered by the institution.
- Respondents whose household includes someone who has attended classes at ACC exhibit higher levels of awareness and more positive views of the institution on virtually all measures.

PUBLIC AWARENESS

Levels of public awareness of educational and workforce training programs and services provided by ACC are moderate:

- Half or 50 percent of the survey respondents indicate they know about the programs and services ACC provides.
- An equal percentage, 50 percent indicate they do not know about the programs and services ACC provides.

Awareness of ACC Programs and Services Is Moderate



Awareness and ACC Enrollment

As would be expected, survey respondents whose households include a member who has attended ACC express significantly higher levels of awareness of ACC programs and services than their counterparts whose households do not include a member who has attended ACC:

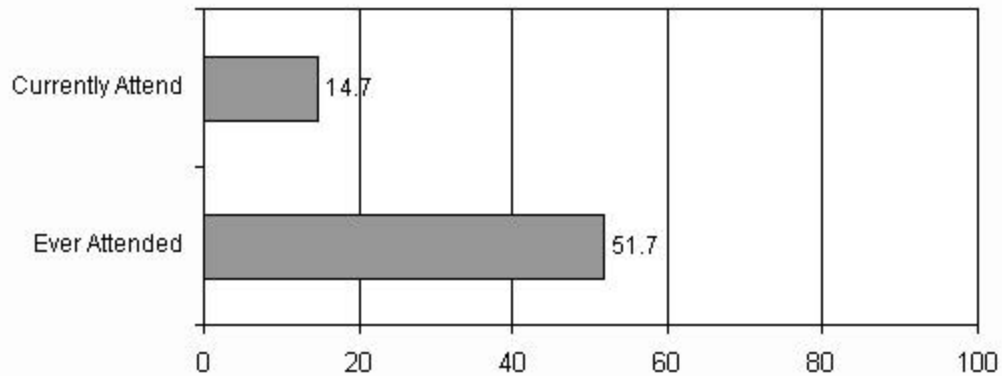
- Two thirds or 67 percent of the respondents whose households include a member who has attended ACC indicate they know about ACC programs and services. This is double the percentage of respondents whose households do not include a member who has attended ACC (32 percent) who indicate this level of knowledge.

ACC UTILIZATION

As measured by current and prior enrollment in ACC programs and services, utilization is high among tax district residents:

- Approximately one respondent in seven or 15 percent indicates a member of their household currently attends classes at ACC.
- Over 52 percent of respondents indicate someone in their household has attended classes at ACC.

Half of Respondents Indicate A Household Member Has Attended Classes At ACC

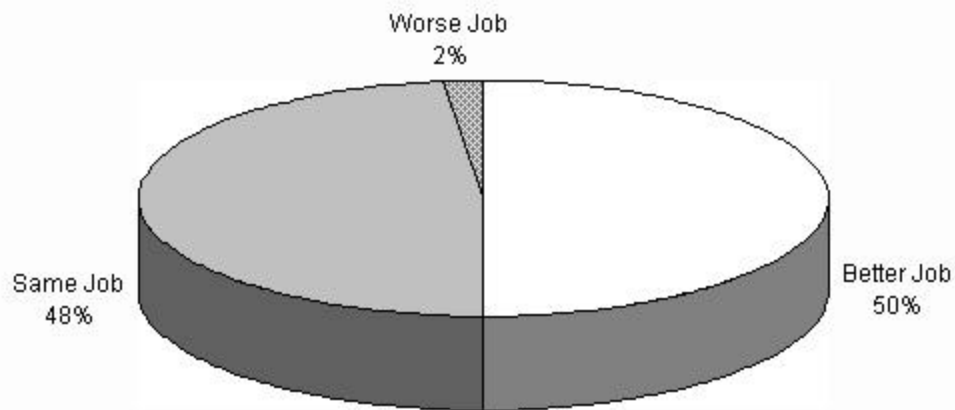


PERCEPTIONS OF ACC EFFECTIVENESS

As might be expected on the basis of public awareness levels, substantial percentages of tax district residents indicate they do not have sufficient information to provide ratings of the effectiveness of ACC's higher education (34 percent) and workforce training (45 percent) programs and services. However, among those who provided ratings, views of ACC effectiveness are substantially positive:

- On a scale of one to ten where one is "not at all effective" and ten is "very effective," respondents provided a mean or average rating of ACC's effectiveness in providing higher education programs of 7.53. Over one quarter or 29 percent of the respondents provided highly positive ratings as compared to only two percent who provided highly negative ratings.
- On the same ten-point scale, respondents provided a mean or average rating of ACC's effectiveness in providing workforce training programs of 7.41. Almost one quarter or 24 percent of respondents provided highly positive ratings as compared to only two percent who provided highly negative ratings.
- Although 43 percent of the respondents were able to compare the job ACC does in providing higher education and workforce training programs with the job done by other community colleges in Texas, virtually all or 98 percent of the respondents who provided ratings indicated that ACC does a better job or about the same job as other community colleges.

Almost All Say ACC Does A Better or The Same Job As Other Community Colleges



Effectiveness Ratings and ACC Enrollment

As would be expected, tax district residents whose households include a member who has attended ACC were substantially more likely to be able to provide ratings of ACC's effectiveness. In addition, respondents whose households include someone who has attended ACC provide slightly higher effectiveness ratings:

- On average, three quarters or 77 percent of respondents whose households include a member who has attended ACC were able to provide ratings of the effectiveness of ACC higher education and workforce training programs. In comparison, less than half or 44 percent of respondents whose households do not include a member who has attended ACC were able to provide effectiveness ratings.
- Among those who provided ratings, respondents whose households include a member who has attended ACC provided a slightly higher mean rating (7.63) of the effectiveness of ACC higher education programs than those whose households do not include a member who has attended ACC (7.32).
- Respondents whose households do and do not include a member who has attended ACC provided comparable ratings of the effectiveness of workforce training programs provided by ACC.
- Respondents whose households include a member who has attended ACC were somewhat more likely than their counterparts, 54 percent versus 45 percent, to indicate that ACC does a better job of providing higher education and workforce training programs than other community colleges in Texas. However, virtually all or

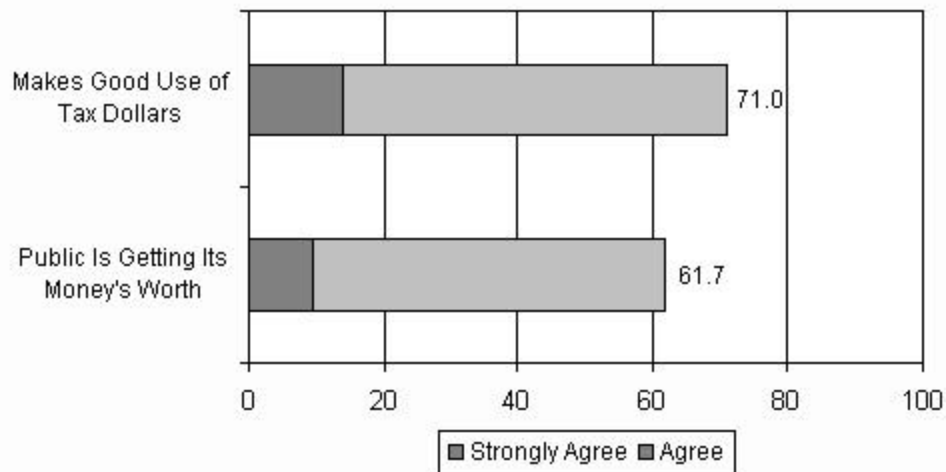
98 percent of both subgroups indicate ACC does a better or the same job as other community colleges.

PERCEPTIONS OF ACC FISCAL RESPONSIBILITY

As measured by respondent perceptions of use of tax dollars and value provided, survey results indicate tax district residents hold positive views of ACC's fiscal responsibility:

- Seventy-one percent of survey respondents, either strongly agree or agree that the public is getting its money's worth with ACC.
- Sixty-one percent of survey respondents either strongly agree or agree that ACC makes good use of their tax dollars.
- One quarter or 27 percent of respondents expressed neutral opinions of ACC's use of tax dollars and 20 percent expressed a neutral view of whether the public is getting their money's worth with ACC.

Strong Majorities Agree With Positive Statements About ACC's Fiscal Responsibility



Fiscal Responsibility Perceptions and ACC Enrollment

Respondents whose households include a member who has attended ACC classes express significantly more positive views of the institution's fiscal responsibility than those whose households do not include a member who has attended ACC:

- Eighty-one percent of respondents whose households include a member who has attended ACC strongly agree or agree that the public is getting their monies worth with ACC. In comparison, 61

percent of the respondents whose households do not include a member who has attended ACC strongly agree or agree that the public is getting their monies worth with ACC.

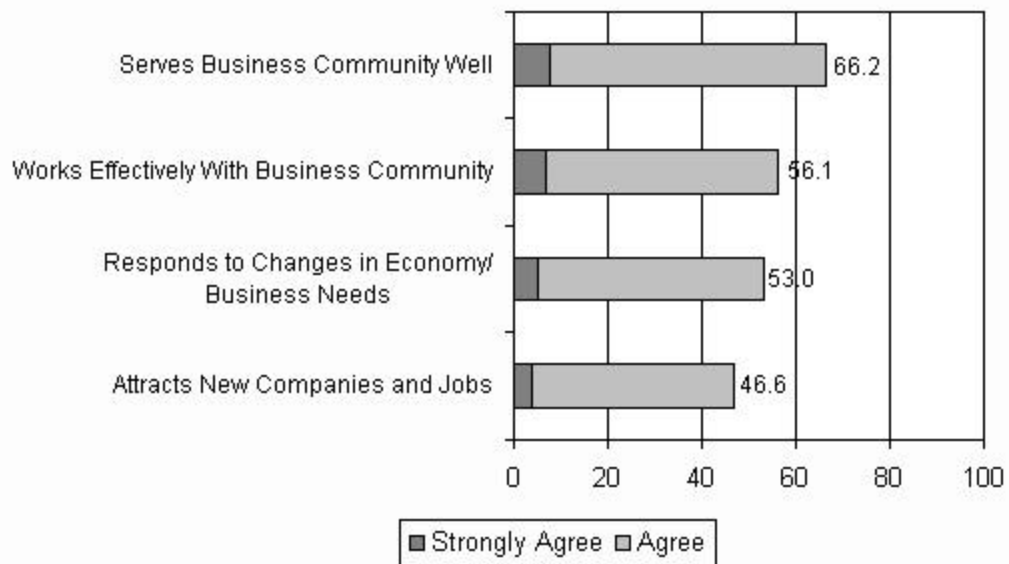
- Seventy-two percent of respondents whose households include a member who has attended ACC strongly agree or agree that ACC makes good use of their tax dollars. In comparison, 51 percent of those whose households do not include a member who has attended ACC strongly agree or agree that ACC makes good use of their tax dollars.

PERCEPTIONS OF ACC RESPONSIVENESS TO BUSINESS

Although substantial percentages indicate neutral opinions on questions regarding ACC's responsiveness to the business community, positive perceptions in this area outnumber negative ones except for "attracts new companies and jobs":

- Two thirds or 66 percent of the respondents strongly agreed or agreed that ACC does a good job of serving the business community's training and education needs.
- Just over half or 56 percent of tax district residents either strongly agreed or agreed that ACC works effectively with the business community.

Two Thirds Agree ACC Does A Good Job of Serving Business Community Needs



- Fifty-three percent of the survey respondents either strongly agreed or agreed that ACC responds to changes in the economy or the business community's needs.
- Almost half or 47 percent of the respondents either strongly agreed or agreed that ACC's programs help attract new companies and jobs to the Austin area.

Responsiveness to Business Community Perceptions and Enrollment in ACC

Respondents whose households include a member who has attended ACC classes also express significantly more positive views of ACC's responsiveness to the business community than their counterparts whose households do not include a member who has attended ACC:

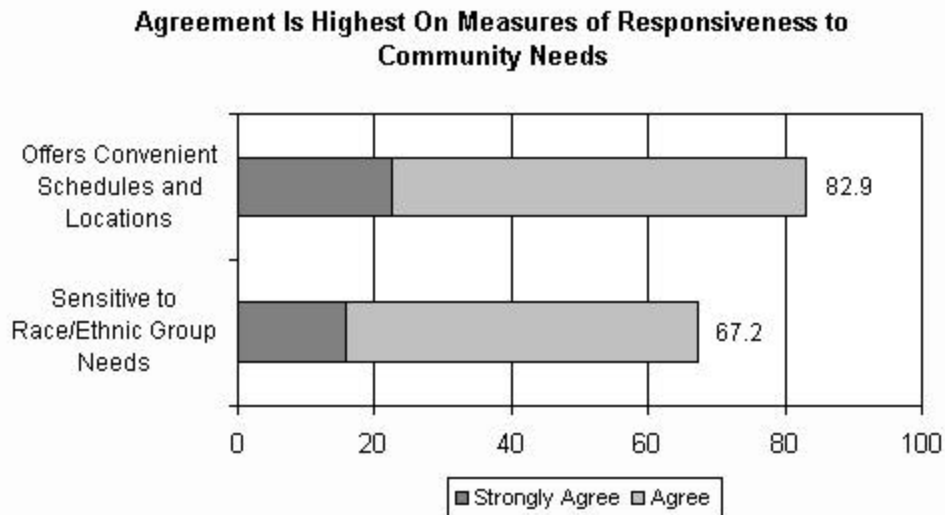
- Three quarters or 76 percent of the respondents whose households include someone who has attended ACC agree the institution does a good job of serving the business community's training and education needs as compared to 56 percent of those whose households do not include someone who has attended.
- Two thirds or 64 percent of the respondents whose households include someone who has attended ACC strongly agree or agree that ACC works effectively with the business community as compared to 48 percent of those whose households do not include someone who has attended.
- Fifty-eight percent of the respondents whose households include a member who has attended ACC strongly agree or agree that ACC responds to changes in the economy or the business community's needs as compared to 48 percent of respondents whose households do not include someone who has attended.
- Half or 51 percent the of respondents whose households include a member who has attended classes strongly agree or agree that ACC's programs and services help attract new companies and jobs to Austin as compared to 42 percent respondents whose households do not include a member who has attended ACC.

RESPONSIVENESS TO COMMUNITY

Some of the highest levels of agreement with positive statements about ACC were found on items measuring perceived responsiveness to community needs:

- Eighty-three percent of the tax district residents either strongly agree or agree that ACC offers classes at times and places that are convenient and easy to access.

- Two thirds or 67 percent of the survey respondents either strongly agree or agree that ACC is sensitive to the needs of different racial and ethnic groups in the community.



Responsiveness to Community Perceptions and Enrollment in ACC

Respondents whose households include a member who has attended ACC classes also express significantly more positive views of ACC's responsiveness to the community than those whose households do not include a member who has attended ACC:

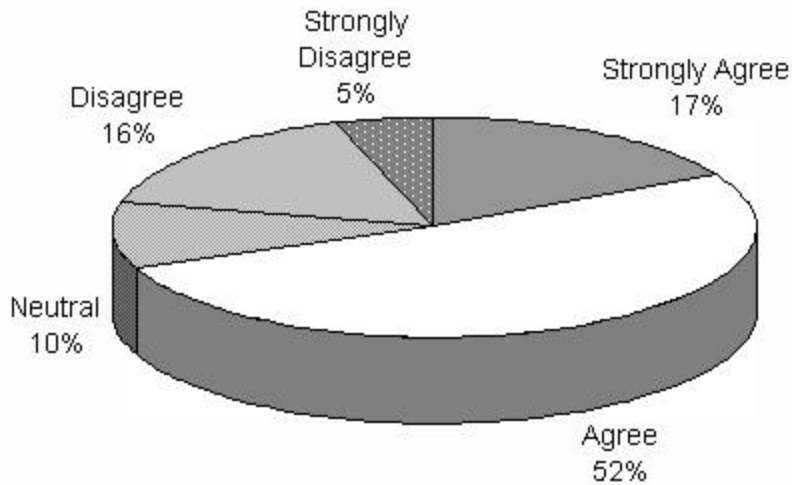
- Ninety-one percent of the respondents whose households include a member who has attended ACC classes strongly agree or agree that ACC offers classes at places and times that are convenient and easy to access as compared to 74 percent of those whose households do not include someone who has attended ACC.
- Three quarters or 76 percent of the respondents whose households include someone who has attended ACC classes strongly agree or agree that ACC is sensitive to the needs of different racial and ethnic groups in the community as compared to 56 percent of those whose households do not include someone who has attended ACC.

WILLINGNESS TO ENROLL

Positive perceptions of ACC extend to a high degree of willingness to consider enrolling in classes offered by the institution:

- Over two thirds or 69 percent of tax district residents whose households include a member who has attended ACC indicated they would be willing to consider enrolling at ACC.

Over Two Thirds Would Consider Enrolling In ACC Classes



- Seventy-nine percent of the respondents whose households include a member who has attended ACC classes strongly agree or agree they would consider enrolling at classes in ACC, as compared to 57 percent of those whose households do not include someone who has attended ACC classes who strongly agree or agree they would consider enrolling at classes in ACC.

DEMOGRAPHIC CHARACTERISTICS

Sections which follow provide a demographic profile of the adult population residing in the ACC tax district.

Race/Ethnic Composition

Anglo Non-Hispanics comprise 69 percent. Hispanics comprise 20 percent. Black Non-Hispanics comprise 5 percent. Individuals of international origin comprise 4 percent. American Indians or Alaska Natives comprise 2 percent and Asians or Pacific Islanders comprise 1 percent.

Race/Ethnic Composition	
Group	Percent
Anglo Non-Hispanic	68.5%
Black Non-Hispanic	5.2%
Hispanic	19.7%

Asian/Pacific Islander	1.0%
American Indian/Alaska Native	1.6%
International	3.9%

The small survey sample size (n = 387) and the predominance of Anglo Non-Hispanics in the adult population precluded statistically viable analysis of differences across racial and ethnic groups.

Household Income

Over half or 52 percent of respondents interviewed for the ACC Community Input Survey report annual household incomes of \$50,000 or more and fewer than 8 percent report an annual household income of less than \$15,000.

<i>Annual Household Income</i>	
Income	Percent
Less than \$5,000	2.6%
\$5,000 - \$14,999	5.2%
\$15,000 - \$24,999	11.1%
\$25,000 - \$34,999	9.8%
\$35,000 - \$49,999	19.0%
\$50,000 - \$74,999	24.2%
\$75,000 or More	28.1%

Education

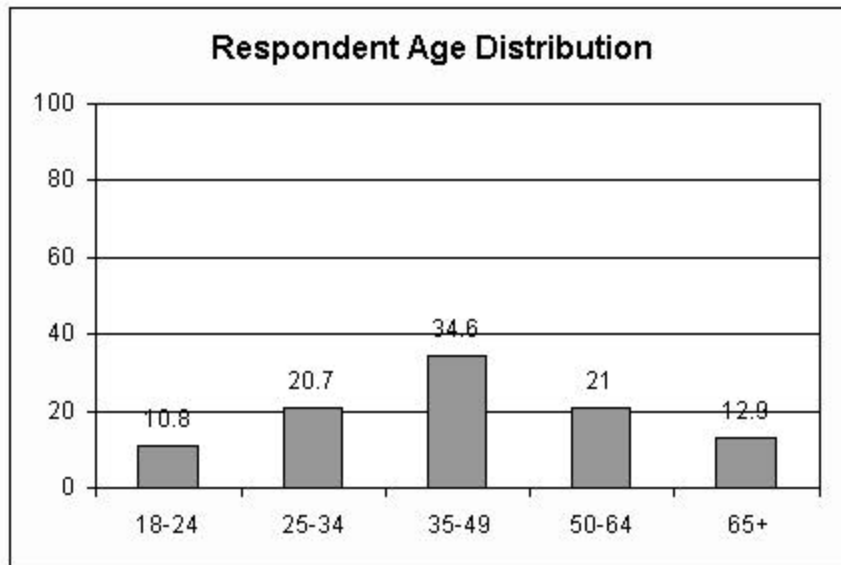
Approximately half or 49 percent of adult residents of the ACC taxing district have a college education or above with an additional quarter or 27 percent having at least some college experience. In contrast, 8 percent have less than a high school education.

Educational Attainment	
Educational Level	Percent
Less than High School	8.3%
High School Graduate	15.8%
Some College	26.6%

College Graduate	25.8%
Higher than College Degree	23.5%

Age Distribution

Adults between the ages of 35 and 49 represent 35 percent of the respondents to the survey. Adults between the ages of 50 and 64 represent 21 percent and adults between the ages of 25 to 34 year olds represent 21 percent. The remaining 24 percent are 65 or older, 13 percent or between the ages of 18 and 24, 11 percent.



Additional Demographic Characteristics

Other demographic characteristics of 2002 Austin Community College Public Input Survey respondents include:

- Three quarters or 76 percent of the survey respondents report they have access to a computer at home and 70 percent have access to the Internet at home.
- Over two thirds or 69 percent of the respondents live in households comprised of three or fewer persons. Average household size is 2.84 persons.
- Two thirds or 65 percent of the respondents are employed either full time or part time.
- Almost three quarters or 73 percent of the respondents own the house they currently occupy.
- Almost two thirds or 65 percent of respondents have lived in the ACC tax district for ten or more years.

SURVEY QUESTIONS AND RESPONSES

1. Do you live in the ACC district area - Austin ISD, Leander ISD or Manor ISD?

Yes	No	Total
100.0%	0.0%	100.0%

2. Do you or anyone in your household work for Austin Community College?

Yes	No	Total
0.0%	100.0%	100.0%

3. Do you or does anyone in your family attend ACC?

Yes	No	Total
14.7%	85.3%	100.0%

4. On a scale of one to ten where one is 'not at all effective' and ten is 'very effective,' how effective is Austin Community College in providing higher education programs?

1	2	3	4	5	6	7	8	9	10	Total
1.6%	0.8%	1.2%	4.0%	7.9%	7.5%	16.6%	31.2%	13.0%	16.2%	100.0%

5. On a scale of one to ten where one is 'not at all effective' and ten is 'very effective,' how effective is Austin Community College in providing workforce training programs?

1	2	3	4	5	6	7	8	9	10	Total
0.5%	1.4%	1.9%	0.9%	11.4%	9.0%	18.0%	33.2%	10.4%	13.3%	100.0%

6. Overall, would you say that Austin Community College does a better job, about the same job, or a worse job of providing higher education and workforce training programs than other community colleges in Texas?

Better Job	About the Same	Worse Job	Total
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49.8%	48.0%	2.3%	100.0%
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7. How much would you say you know about educational and workforce training programs and services provided by Austin Community College?

A Great Deal	Some	Not Much	Nothing at All	Total
9.9%	39.8%	23.8%	26.5%	100.0%

8. (Definition of Columns: SA = Strongly Agree; A = Agree; N = Neutral; D = Disagree; VSD = Strongly Disagree; DK = Don't Know)
9. Austin Community College makes good use of my tax dollars.

SA	A	N	D	SD	Total
9.4%	52.3%	26.9%	10.3%	1.1%	100.0%

10. Austin Community College works effectively with the business community.

SA	A	N	D	SD	Total
7.0%	49.1%	40.1%	3.2%	0.6%	100.0%

11. Austin Community College is sensitive to the needs of different racial and ethnic groups in the community.

SA	A	N	D	SD	Total
15.9%	51.3%	30.4%	1.4%	.9%	100.0%

12. Austin Community College's programs help attract new companies and jobs to the Austin area.

SA	A	N	D	SD	Total
3.8%	42.8%	40.7%	11.6%	0.9%	100.0%

13. Austin Community College offers classes at times and places that are convenient and easy to access.

SA	A	N	D	SD	Total
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22.6%	60.3%	12.9%	3.3%	.8%	100.0%
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14. Austin Community College does a good job of serving the business community's training and education needs.

SA	A	N	D	SD	Total
7.7%	58.5%	30.4%	3.2%	.3%	100.0%

15. Austin Community College responds to changes in the economy or the business community's needs.

SA	A	N	D	SD	Total
5.2%	47.8%	40.6%	6.4%	0.0%	100.0%

16. I would consider enrolling in classes at Austin Community College.

SA	A	N	D	SD	Total
16.9%	51.9%	9.7%	16.4%	5.1%	100.0%

17. I feel that the public is getting its money's worth with Austin Community College.

SA	A	N	D	SD	Total
14.0%	57.0%	20.4%	8.1%	0.6%	100.0%

18. Has any member of your household ever attended classes at Austin Community College?

Yes	No	Total
51.7%	48.3%	100.0%

19. Do you have access to a computer at home?

Yes	No	Total
75.7%	24.3%	100.0%

20. Do you have access to the Internet at home?

Yes	No	Total
70.2%	29.8%	100.0%

Demographics

D1. Now I have a few background questions and we will be finished. First, how long have you lived in the Austin Community College district, including Austin ISD, Leander ISD or Manor ISD?

Less than 1 year	1-2 Years	3-5 Years	6-10 Years	10+ Years	Total
1.6%	7.3%	13.1%	12.8%	65.2%	100.0%

D2. Counting yourself, how many people live in your household full time?

1	2	3	4	5	6	7	8	9	10	Total
19.4%	32.1%	17.1%	18.1%	8.8%	1.8%	0.8%	0.5%	0.8%	0.5%	100.0%

D3. What is the highest grade of school or level of college you completed?

Less than High School	High School Graduate	Some College	College Graduate	Higher Than BA/BS	Total
8.3%	15.8%	26.6%	25.8%	23.5%	100.0%

D4. Are you...

Married	Single	Total
56.3%	43.7%	100.0%

D5. Are you currently...

Employed Full Time	Employed Part Time	Unemployed	Retired or Disabled	Going to School	A Home-maker	Other	Total
58.4%	6.8%	5.8%	15.2%	5.0%	8.1%	0.8%	100.0%

D6. If you are married, is your spouse currently...

Employed Full Time	Employed Part Time	Unemployed	Retired or Disabled	Going to School	A Home-maker	Other	Total
67.4%	4.7%	1.4%	13.5%	0.0%	11.2%	1.9%	100.0%

D7. Do you own or rent your current residence?

Own	Rent	Live Rent Free	Total
72.9%	26.3%	0.8%	100.0%

D9. Are you currently between the ages of...

18-24	25-34	35-49	50-64	65 or Older	Total
10.8%	20.7%	34.6%	21.0%	12.9%	100.0%

D10. Do you consider yourself...

Anglo-Non Hispanic	Black-Non Hispanic	Hispanic	Asian or Pacific Islander	American Indian/Alaska Native	International	Total
68.5%	5.2%	19.7%	1.0%	1.6%	3.9%	100.0%

D11. Last year, was your total income before taxes...

Less than \$5,000	\$5,000 - \$14,999	\$15,000 - \$24,999	\$25,000 - \$34,999	\$35,000 - \$49,999	\$50,000 - \$74,999	\$75,000 or More	Total
2.6%	5.2%	11.1%	9.8%	19.0%	24.2%	28.1%	100.0%

D12. Record Gender:

Male	Female	Total
47.5%	52.5%	100.0%

Appendix C

FACULTY, STAFF AND ADMINISTRATOR SURVEY RESULTS

(Written/Self-Administered)
(n=217)
Demographic Data

1. Gender (Optional)	Male	Female				
		47%	53%			
2. Ethnicity (Optional)	Anglo	African American	Hispanic	Asian	American Indian or Alaskan Native	International
		72%	6%	15%	3%	2%
3. Age Range	Under 30	30-39	40-49	50-59	60-64	65 +
		8%	25%	24%	32%	5%
4. How long have you been employed by ACC?						
	1st Year	2-5 years	6-10 years	11-20 years	21+ years	
	18%	39%	15%	18%	10%	
5. Primary Job Responsibilities						
	Adjunct Faculty (Part-time)	Full-Time Faculty	Classified Staff	Professional/ Technical Staff	Administrator	
	39%	22%	20%	15%	4%	
6. If you are a full-time member, what is your rank?						
	Professor	Assistant Professor	Associate Professor			
	50%	14%	36%			
7. At which campus are you based?						
	Rio Grande	Northridge	Riverside	Pinnacle	Downtown Education Center	
	20%	29%	22%	12%	0%	

	Highland Business Center	Extension Center	External Site	Cypress Creek	Service Center
	16%	0%	4%	10%	6%
	Eastview				
	9%				

SURVEY QUESTIONS

A. Work Environment

	STATEMENT	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
1.	ACC is an exciting and challenging place to work.	5%	5%	15%	39%	35%	1%
2.	A majority of students at ACC are motivated and interested in learning.	3%	9%	8%	47%	27%	6%
3.	The faculty, staff and administration have standards and expectations that are equal to or above those of most other community colleges.	3%	6%	11%	32%	28%	20%
4.	ACC officials enforce high academic work standards.	6%	12%	15%	38%	21%	8%
5.	ACC faculty enforces high student class attendance and learning standards.	5%	9%	12%	44%	16%	14%

6.	ACC faculty and staff have excellent working relationships.	6%	14%	23%	39%	15%	3%
7.	Faculty who do not meet expected work standards receive evaluations that reflect such performance.	7%	10%	15%	23%	6%	39%
8.	Staff who do not meet expected work standards receive evaluations that reflect such performance.	8%	11%	13%	25%	7%	36%
9.	Employees (faculty and/or staff) in my immediate area are productive.	2%	8%	7%	40%	41%	2%
10.	Faculty promotions and pay increases are based upon individual productivity.	17%	22%	15%	8%	3%	35%
11.	Staff promotions and pay increases are based upon individual productivity.	20%	16%	15%	9%	4%	36%
12.	I have the authority to perform my job responsibilities.	5%	5%	6%	37%	47%	0%
13.	I have adequate facilities in which to conduct my work.	9%	15%	9%	37%	30%	0%

14.	I have necessary equipment and computer support to conduct my work.	11%	11%	12%	35%	31%	0%
15.	I receive training to improve my work.	5%	9%	12%	45%	29%	0%
16.	Workloads are equitably distributed among faculty.	9%	16%	14%	22%	7%	32%
17.	Workloads are equitably distributed among staff members.	12%	14%	15%	19%	7%	33%
18.	ACC cares about the quality of work that I perform.	5%	10%	8%	45%	28%	4%
19.	ACC officials enforce high work standards resulting in high quality work.	11%	16%	19%	32%	16%	6%
20.	My immediate supervisor is a good manager.	6%	6%	9%	30%	48%	1%
21.	Faculty observes posted office hours.	5%	9%	9%	38%	15%	24%
22.	Staff observes posted office hours.	3%	5%	13%	35%	20%	24%
23.	Faculty has a say in matters regarding institutional direction.	16%	13%	18%	19%	9%	25%
24.	Staff has a say in	17%	17%	20%	12%	7%	27%

matters regarding institutional direction.							
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B. Job Satisfaction

	STATEMENT	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
1.	I am very satisfied with my job at ACC.	5%	11%	11%	41%	32%	0%
2.	I plan to make a career at ACC.	6%	14%	16%	30%	26%	8%
3.	I am not actively looking for a job outside of ACC.	7%	15%	13%	32%	32%	1%
4.	Salary levels at ACC are competitive for full-time faculty.	12%	11%	14%	17%	6%	40%
5.	Salary levels at ACC are competitive for adjunct (part-time) faculty.	17%	18%	11%	20%	5%	29%
6.	Salary levels at ACC are competitive for classified staff.	13%	10%	19%	14%	4%	40%
7.	Salary levels at ACC are competitive for professional/technical staff.	12%	12%	17%	9%	4%	46%
8.	Salary levels at ACC are competitive for administrators.	3%	5%	16%	11%	12%	53%
9.	My work is appreciated by my supervisor(s).	5%	8%	6%	40%	37%	4%
10.	I am an integral part of the ACC team.	8%	10%	15%	40%	24%	3%
11.	I respect my immediate	4%	2%	9%	31%	53%	1%

	supervisor.						
12.	ACC provides opportunities for career advancement.	16%	20%	22%	23%	12%	7%
13.	ACC provides opportunities for professional development.	6%	3%	12%	40%	38%	1%
14.	There is a future for me at ACC.	8%	7%	17%	36%	22%	10%
15.	My salary level is fair for my level of work and experience.	31%	23%	13%	23%	8%	2%

C. Board Governance and Administrative Structure and Practices

	STATEMENT	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
1.	Most administrative practices at ACC are efficient.	19%	25%	19%	24%	4%	9%
2.	Most administrative practices at ACC are effective.	18%	24%	22%	25%	3%	8%
3.	Administrative decisions are made quickly and decisively.	16%	31%	21%	16%	4%	12%
4.	ACC administrators are accessible and open to input.	18%	21%	20%	24%	7%	10%
5.	Authority for administrative decisions is appropriately delegated.	13%	17%	24%	16%	5%	25%
6.	Faculty and staff are empowered with sufficient authority to effectively perform	12%	14%	20%	41%	10%	3%

	their responsibilities.						
7.	Administrative processes are streamlined to avoid unnecessary time delays.	24%	28%	19%	13%	1%	15%
8.	ACC has the appropriate number of committees to allow faculty and staff to participate in institutional decision-making.	12%	12%	23%	26%	6%	21%
9.	ACC has the appropriate number of full-time faculty.	20%	24%	8%	14%	3%	31%
10.	ACC has the appropriate number of adjunct (part-time) faculty.	14%	19%	12%	20%	4%	31%
11.	ACC has the appropriate number of classified staff.	13%	14%	20%	14%	3%	36%
12.	ACC has the appropriate number of professional/technical staff.	11%	12%	20%	16%	3%	38%
13.	ACC has the appropriate number of administrators.	14%	13%	18%	18%	7%	30%
14.	ACC has the appropriate number of programs.	4%	9%	15%	36%	8%	28%
15.	ACC has the appropriate number of campuses and centers.	5%	14%	15%	41%	14%	11%
16.	ACC has the appropriate number	2%	8%	20%	42%	7%	21%

	of instructional units or departments.						
17.	Most administrative processes (e.g., purchasing, travel requests, leave applications, personnel, etc.) are efficient.	15%	21%	20%	24%	3%	17%
18.	Access to ACC administrators has improved during the last several years.	14%	12%	19%	15%	5%	35%
19.	The Board of Trustees is effective in carrying out its governance responsibilities for ACC.	24%	16%	23%	13%	3%	21%
20.	The Board of Trustees allows the administration to manage the affairs of ACC.	14%	10%	24%	22%	4%	26%
21.	The president is an effective academic leader.	34%	19%	18%	9%	4%	16%
22.	The president is an effective administrative leader.	33%	21%	19%	10%	4%	13%

D. College Operations and Student Services

College Function		Needs Major Improvement	Needs Some Improvement	Adequate	Outstanding	Don't Know
1.	Instructional transfer programs	1%	13%	29%	12%	45%
2.	Instructional workforce programs	4%	8%	26%	20%	42%

3.	Academic counseling and advising	10%	24%	24%	14%	28%
4.	Student life/Student programs and activities	4%	18%	33%	10%	35%
5.	Library	6%	15%	44%	19%	16%
6.	Bookstore	16%	26%	40%	4%	14%
7.	Testing centers	6%	18%	42%	16%	18%
8.	Financial aid	4%	12%	25%	9%	50%
9.	Food service	24%	23%	20%	1%	32%
10.	Registration and records	11%	22%	36%	7%	24%
11.	Student admissions	11%	16%	34%	6%	33%
12.	Student recruiting	8%	15%	27%	6%	44%
13.	Student retention programs	8%	24%	26%	3%	39%
14.	Executive Vice President's office of Academic, Student and Campus Affairs	10%	14%	29%	10%	37%
15.	Business Services office	13%	18%	29%	5%	35%
16.	Human Resources office	35%	24%	24%	4%	13%
17.	Marketing office	9%	13%	30%	8%	40%
18.	Camms	6%	12%	44%	16%	22%

	Manager's office					
19.	Instructional computing	2%	11%	32%	15%	40%
20.	Administrative computing	5%	14%	27%	10%	44%
21.	Public relations	11%	19%	32%	7%	31%
22.	Campus police	11%	20%	43%	16%	10%
23.	Parking	48%	24%	19%	2%	7%
24.	Building maintenance	15%	27%	34%	13%	11%
25.	Custodial services	14%	21%	36%	20%	9%
26.	Grounds keeping	3%	15%	55%	18%	9%

E. Purchasing and Procurement Services

STATEMENT		Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
1.	Goods and services I request are usually ordered within two to four working days of the request.	13%	16%	7%	30%	8%	26%
2.	Goods or services I request are generally received within five to 14 working days.	11%	14%	8%	29%	12%	26%
3.	Materials, equipment, supplies and services are generally received in good quality.	3%	0%	6%	52%	18%	21%

4.	The Purchasing Department provides support and guidance for making purchases to my department.	7%	6%	13%	23%	8%	43%
5.	The Purchasing Department has helpful and knowledgeable staff.	6%	7%	12%	23%	8%	44%
6.	I can easily find out the status of my requisition or purchase order and expected delivery date.	4%	12%	11%	22%	8%	43%
7.	I am able to get materials and supplies quickly when I have an emergency.	7%	9%	16%	20%	13%	34%
8.	Procedures are in place to inform Accounts Payable that goods or services have been received when they are delivered directly to my work site or office.	4%	4%	13%	22%	6%	51%
9.	I have the necessary computer equipment and training I need to prepare requisitions.	8%	10%	13%	29%	11%	29%
10.	The purchasing and procurement process is relatively easy	8%	9%	16%	18%	9%	40%

	and convenient to use.						
11.	ACC's purchasing process is effective.	8%	12%	18%	20%	6%	36%

F. General Services

STATEMENT		Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
1.	The quality of food served at ACC is good.	15%	15%	14%	24%	1%	31%
2.	ACC dining facilities have convenient hours of operation.	14%	12%	11%	28%	3%	32%
3.	The bookstore's hours of operations are convenient.	5%	14%	13%	45%	3%	20%
4.	Adequate books and supplies are always available in the bookstore.	15%	20%	13%	29%	2%	21%
5.	The bookstore allows various methods of payment for convenience.	1%	1%	11%	45%	6%	36%
6.	Bookstore employees are courteous and helpful.	4%	9%	10%	45%	13%	19%
7.	The Duplication Services Department completes my orders in a timely manner.	1%	2%	9%	34%	28%	26%

8.	The Duplication Services Department provides high quality reproduction services.	2%	4%	5%	35%	31%	23%
9.	The Duplication Services Department's hours of operation are convenient.	0%	2%	8%	43%	28%	19%
10.	The Duplication Services Department employees are courteous and helpful.	1%	2%	5%	38%	38%	16%
11.	Mail is delivered on time.	3%	8%	11%	47%	22%	9%
12.	Campus mail service is available at convenient hours of operation.	2%	5%	10%	53%	20%	10%
13.	Campus mail service has the ability to process special items with large sizes, shapes and weight in a timely manner.	3%	4%	9%	39%	16%	29%
14.	Campus mail service employees are courteous and helpful.	2%	2%	10%	42%	25%	19%

G. Personnel Management

STATEMENT		Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
1.	ACC is able to recruit qualified employees.	7%	12%	18%	42%	10%	11%
2.	ACC is able to retain qualified employees.	16%	24%	17%	26%	6%	11%
3.	Staff and administration compensation is fair for this market.	16%	23%	12%	21%	2%	26%
4.	Staff and administration benefits are good.	7%	8%	14%	32%	20%	19%
5.	Staff development I have received has improved my job performance.	8%	11%	17%	43%	11%	10%
6.	Staff development received by faculty helps meet student needs.	4%	10%	12%	35%	11%	28%
7.	Technology-related staff development has helped me do my job better.	6%	12%	16%	39%	15%	12%

H. Technology

STATEMENT		Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Don't Know
1.	ACC uses technology as a learning tool for students.	2%	6%	10%	48%	22%	12%
2.	ACC has well-maintained	2%	4%	8%	46%	25%	15%

	computer labs.						
3.	ACC provides computers with Internet access to faculty and staff.	2%	4%	4%	51%	37%	2%
4.	ACC computer services center provides prompt and efficient technical service.	4%	10%	9%	36%	27%	14%
5.	ACC effectively uses e-mail for its faculty and staff.	4%	8%	7%	42%	37%	2%
6.	ACC uses technology to facilitate distance learning.	1%	2%	8%	44%	30%	15%
7.	ACC's Intranet provides me with the access to relevant information about programs and services.	3%	5%	9%	47%	31%	5%
8.	ACC is committed to using technology to improve college administration.	3%	7%	10%	37%	29%	14%
9.	I have received adequate training to use software applications on my computer.	6%	15%	20%	33%	24%	2%

Appendix C

NARRATIVE COMMENTS

The following comments convey the faculty, staff and administrator's perception of ACC and do not reflect the findings or opinion of the Comptroller or the review team.

WORK ENVIRONMENT

- More responsibility for technology purchases and more technical staff training outside of the college.
- The faculty should have more say in educational decisions made at the administrative level, many of which are made either without consulting faculty or in direct opposition to faculty statements, including task force votes.
- Administration is too top heavy. Job positions above classified need to be re-evaluated, some positions cut. ITFD needs to be re-evaluated. Some positions not needed. Needs new management structure.
- Take the active discrimination out of the hiring process.
- I would like to see better communication among all of the campuses.
- Fix A/C in classrooms. Have maintenance more on-sites. Change the media cart system. Have more student helpers work for media and deliver carts to classrooms. Either train people to work faster (every staff seems so slow at responding) or hire more people.
- Higher salary for adjuncts and better staff at Foreign Languages Department.
- More upper management training on how to get along with others.
- No more across the board raises. Pay increases should be by merit. Equal titles do not reflect equal workload nor productivity at ACC.
- Would like to have overheads and computers in classrooms for computer classes.
- I feel isolated. Things tend to come out of the blue and bite me.
- Office space needs to be changed. All adjunct faculty share one office. This totally destroys the possibility of one-on-one counseling sessions with students.
- More office space. The college requires top-notch quality service with no adequate working space.
- Less complaining and more work product.
- Less politics and improve "what you say is what you do" philosophy. Too much centralization. One TF chair cannot understand all campus faculty issues.

- Decentralized level of administration. This will lead to more productive workforce. E-staffing has not achieved what a decentralized process did.
- Adequate staff with specific job duties for each department. Modern equipment in running order is needed. Accountability for staff who do not produce work up to standard. Human Resources and Payroll are grossly understaffed to adequately handle their duties.
- Classes are being cancelled by the president who believes academics are not as important as workforce. We are here to support academics. About 27,000 students do not want their classes cancelled so the president can spend money on his own pet projects.
- Better technical support, better computers and equipment. For faculty, more faculty office space, more empowerment of "front-line" faculty and staff and greater participation in institutional decision-making.
- Addition of hourly employees for temporary help during peak times especially during registration.
- Communication is an extreme and continuing problem at ACC. It is not unusual to get a request for information the same day the information is due.
- ACC top administration always have too many projects going at once with the result being nothing is done well.
- Top administrators that really listen and call about faculty concerns and not just brush them aside as irrelevant or unreasonable.
- More support for adjunct faculty in terms of raises based on experience and education and freedom from superficial systems like MSTA, development hours, and annual reviews. Adjuncts get no benefits from the increased paperwork.
- The one aspect of the campus-wide environment that I would like to see changed is a lessening of the "finger-pointing" and "blaming" part of the culture. There needs to be a more congenial and campus-wide team-oriented approach.
- I would like my administrative assistant to be more supportive to my needs. I would like when I have a technical problem for it to be taken care of right away and not pushed onto the backburner.
- Supervisors need to be housed at the same campus as administrative support staff; or appoint someone on the same campus to oversee the support staff. Work standard need to be enforced.
- ACC administration at HBC should get off its "high horse" and focus on faculty and students.
- Communication needs improvement. The shared governance model should be actually used rather than making it appear that all levels of employees participate in decision-making.

- Tie salary increases to performance.
- Increase adjunct salaries.
- More respect for wishes or opinions of faculty and students.
- More accountability for board.
- More training related to my field of work, not "feel good" training.
- Better equipment equals better job safety and better performance.
- Autonomy for my department and for the execution of my duties and responsibilities.
- Cost of living pay adjustments.
- Opinions of faculty are not respected or sought out, even though professors are on the front lines and know what will work on the campuses. Faculty are lied to by administrators which has eroded all trust.
- Exercise facilities to promote higher productivity and as a tool for stress reliever.
- Adherence and application of all guidelines; consistently all across the college-from lower to upper management. In addition, enforce repercussions from any guideline deviation.
- Higher salaries. Performance evaluation with incentive of pay increase upon successful performance.
- More team building workshops for entire college.
- Fair and equitable distribution of workload rewards for faculty and staff who "overachieve."
- Evaluation of student ratings and pick a professor for validity (popularity contest vs. academic excellence).
- Elimination of tension between senate, unions and administration that creates negative environment.
- Real staff/faculty participation in decision-making. Currently, committees are appointed and their recommendations disregarded consistently resulting in low morale and lack of interest in participation.
- More work space. Staff and faculty work in closet-sized offices. Inequitable budgets allow some departments to have state-of-the-art equipment and facilities, while others survive on obsolete hand-me-downs.
- A more positive and upbeat spirit.
- I think the administration needs to realize and stress to the faculty and staff that we are all here for the students. If it were not for the students, none of us would be employed.
- It would be nice if the different departments and faculty would take the blame for their mistakes instead of pointing the finger at each other.
- ACC needs to look at some "front staff" positions and either increase them during peak times or hire more employees. Some departments that are critical to students enrollment do not have adequate staff. I know that ACC is trying to increase international

enrollment. The administration needs to look at the staff that is present to see if a higher workload will be able to be handled. If not, more staff members need to be hired.

- I am in a specialized area. I believe if ACC is wanting classified staff to have knowledge in these specialized areas, then the administration needs to make sure these people have the appropriate staffing and resources to do the job. Also, the staff members need the opportunity for professional development in their areas. I have experienced that someone in the international cannot get international professional development because there is not a budget for staff for this. Also, a conference was in Monterrey, Mexico and staff was not allowed to go.
- Better communication.
- ACC classroom facilities are poor and at the same time there is too much space allocated to non-classroom related activities and auxiliary operations.
- Better standards for testing faculty performance/skill and appropriate delegation of courses. Better compensation for adjunct faculty.
- More cooperation between full-time and adjunct faculty.
- Equal consideration of all campuses in class scheduling and program placement and expansion of facilities.
- More communication, both formal and informal, and teamwork among faculty in various disciplines of study in each campus.
- Get rid of student evaluation. It is worthless.
- We need much better pay so we can keep good employees.
- Better classrooms and resources.
- More equitable representation of minorities and women.
- The hiring process should be improved.
- The teaching assignment process should be improved.
- The administration is out of touch with the teaching process that goes on in the classroom. Administrators consistently accept unethical practices and incompetence. We need administrators willing to focus on the straightforward mission of ACC which is to educate community college students.
- At Pinnacle campus, the work environment is excellent. It is the reason I enjoy coming to work. We have a fine group of people who work as a team. I know this is not the case at all campuses.
- Enforce smoking policy at RVS and RGC. Staff and students smoke directly outside of doors, allowing smoke to suffuse buildings. Ticket illegal smokers. Move ashtrays away from doors and establish smoking sections.
- More personal attention.
- There should be more department meetings with everyone involved.

- Would like to see merit raises based on performance evaluations by supervisors and others in contact with employees. Also, would like to see adjustments made for "high stress/demand" offices.
- All full-time faculty need private offices in order to facilitate student learning in a confidential setting.
- Stop the battle between faculty and the president. A more "we are teammates working together to get the job done" attitude would be refreshing.
- We need real shared governance rather than just saying it.
- I currently share an office with another full-time faculty member. At times it is very difficult to complete work if my officemate is on the phone or needs to meet with a student or other faculty. Privacy and productivity would be improved if faculty did not share offices.
- Faculty in other programs report that we (in our program) work too hard and that they don't have to do nearly the work we do.
- One staff member in our area seems to work much harder than the others.
- My immediate supervisor is a very good person with much knowledge, but doesn't see herself as our supervisor.
- Many faculty in nearby programs either don't post office hours or don't adhere to them.
- Facilities built for their intended use, rather than office building or grocery stores renovated for classroom use.
- Online Internet in all classrooms for instructor use.
- Adjuncts and IA's are treated like slaves. We need to be treated like professionals. E-staffing is an insult. Using IA's as cashiers is a misuse of resources.
- More spaces for adjunct faculty to work in. I operate out of a metal file cabinet. More software support for adjunct to work at home.
- Improvement in efficiency of work processes.
- Low performing staff should be offered training to improve or termination.
- Equity in pay based on performance.
- Hire competent people willing to do their job and capable (qualified skill-wise) to do their job.
- More input from administrative staff concerning decisions being made.
- Put administration on campus-shutdown HBC. Reduce/eliminate multi-campus teaching assignments. Try consulting rather than dictating.
- Human Resources is too slow in forwarding applications to department chairs for evaluation. HR needs motivation, procedures, goals and more people.
- Better and more competitive pay.

- Benefits for adjunct. Office space at least locker for personal teaching materials. There is way too much disparity between adjunct and full-time compensation when an adjunct performs the same tasks.
- Get rid of the top down rulings. Get rid of the top layer of administrators including VP's and Provost.
- Less re-organization plans made by top down rules without input from those at the front line.
- Better computer and Internet connections in all classrooms.
- Better communication collegewide.
- More efficiently run Human Resources department.
- Streamline everyday procedures.
- Provide a career ladder so that productive employees can move up out of entry-level jobs.
- Better pay for adjunct faculty.
- I would like to see stronger communication between all levels of employees, more open and less inhibited. I would like to see everyone's input valued at staff, faculty, professional, and administrative levels.
- I appreciate the fact that ACC equips each new faculty member with the furniture and tools he or she needs to perform his or her job.
- More full-time faculty.
- A more responsive payroll department. Splitting bureaucracy between the Service Center and the Highland Business Center has only confounded poor communication and coordination among bureaucracies. I would love to see larger libraries where faculty can go and model life-long learning to students by reading books in a quiet and studious atmosphere.
- The gymnasiums and physical education facilities are inadequate. The exercise equipment is substandard. Facilities for many sports, such as basketball, are substandard.
- My superiors need to provide a greater emphasis on serving the student rather than creating facades (such as web pages that students don't use) to impress administrators, awards committees, and TSPR auditors. Also, more full-time faculty is needed. And a larger book collection in the libraries to facilitate student research.
- Arts and Humanities are overloaded with administrative assistants and hourly employees. Work should be shared and eliminate hourly employees. We have employees working at RGC with their supervisor while at RVS, employees abuse their time because no supervisor in the office. Classified employees are allowed to take credit classes during work time and still claim eight hours work on time sheet. Changes need to be done in these areas.
- Dedication and hard work should be rewarded individually.
- Better student gathering space (lounge).

- Better climate and insect control.
- Increase the funding or budget and less pettiness.
- Better organization of departments and not so many supervisors, which creates conflict.
- Faculty need laptop computers and smart classroom pre-equipped with projectors and speakers for PowerPoint presentations.
- Faculty book/video loan period in the libraries need to be extended.
- More freedom to assign reading beyond a basic text needed to bring courses to college level.
- More full-time positions for hard-working adjuncts who perform well.
- More representative faculty senate. They all come from only one part of college. There are very few workforce faculty.
- Reduce the influence of union which has become very negative.
- Better support services for faculty. Most faculty feel that the lower levels of administrative support positions see us as interruption in their social lives when we go into their offices. Support positions at HBC are too busy. Faculty feel that our job is to support them.
- We need more supplies at each campus. We're told we have to go to a completely different campus to get needed office supplies.
- Need to clean house. No one admits or takes responsibility. No team players although everyone seems to claim they are team players.
- Classrooms are way too crowded with desks, which makes doing exercises where students move around to talk to other students virtually impossible.
- Classroom A250 at RGC has a very poor air conditioning unit, only one white board, and way too many desks, making it very difficult for students and teachers to move around freely.
- More shared governance, more space, better communication and more staff for some departments.
- There is a lack of teamwork among departments and campuses because there are very little opportunities for staff to come together. There is lack of employee appreciation from administration.
- There is an utter lack of camaraderie among part-time staff. Adequate lounges should be created. Also, part-timers should have some sort of reward for good work.
- Fewer campuses and more centralized services. More space for student services. Confidential areas for counseling. Internal teleconferences and less travel to HBC. Consistent hours of operation. Updated phone system. Updated computer services and accessible to all. Greater independence for supervisors to make personnel decisions. Working copying machines. HBC schedule to

match campus activities. Increase police presence. Expanded bookstore hours.

- I do not like to see administrative mandates for academic programs come from outside the program/task force and the college. I am not convinced the trustees have the knowledge and/or expertise to impose content specific programs without involving full-time faculty in those decision processes.
- Less administrative busy work for faculty, allowing more time for teaching. Listen to our suggestions and implement at least one or two of them.
- More verbal communication with program director and inter-department gatherings would be nice.
- Closer relationships between regular and adjunct faculty. Need much better staff support. I can't get pens or legal pads at two of the campuses where I teach.
- Need to admit students who are ready for college. Too many students are not academically or emotionally prepared for higher education.
- Stop "grade quotas." Administration examines numbers of grades by percentage and evaluates accordingly.
- More space and offices at Cypress for staff.
- With no actual cafeteria/food service, a designated break/lunch room for employees would be nice for some campuses.
- Better parking.
- In evaluation teaching, there should be much less emphasis on student opinion and much more emphasis on course evaluation, based on observation by professional colleagues and not every year. It's a waste of resources.
- Top-down management is not appropriate for this kind of work setting.
- My work environment has only one problem. I receive many, many new students each semester that are signed for wrong classes or with incorrect prerequisites. Yet, I am graded on how many I retain. This is extremely stressful to me. Students are not being placed in correct classes and I seem to pay the price.

Appendix C

JOB SATISFACTION

- Equal pay scale for professional technical computer and network support and "IT" staff members. The IT scale is more representative of the overall job market for computer professionals.
- A more supportive Dean.
- I do a lot more than what my position states. A new library assistant position needs to be created. The hiring freeze has hurt the level of performance we can give to the students.
- We need respect from full-time faculty and administration. Board members should get involved.
- I am very satisfied with my job.
- Management with common sense.
- Feelings of mutual respect from the top administration on down. The people with whom I deal (administratively) are over-worked, unappreciated and depressed. It's hard to be positive to the people you supervise when you feel so terribly oppressed yourself.
- I love my job and department but feel the salary is inadequate.
- I got laid off while making \$54K/year because of my age options were few and I came here at \$19.8K/year. It was a real downer. Thirty years experience wasn't worth anything here. I wasn't qualified to empty the trash. Never have I seen so many "educated" people who were clueless as to how things worked.
- I teach on Intro to Computing class and am often disappointed that many students can enroll in this class who are totally unqualified. In particular they do not understand English. It seems that counseling is inadequate; or maybe the ESL program needs to be changed to not allow ESL students to enroll in other classes until they master English.
- Appropriate pay raises and more help to do our jobs in a timely manner.
- We need better pay.
- Respect from peers and cooperation/respect from administration. A business system where appointments were made and kept rather than everything handled because someone walks in and expects you to drop what you are doing and to take their work and do it on the spot. Strict planning/work systems/procedures would be helpful.
- Ability to affect change on a broader basis and not just immediate work area.
- More positions to distribute job loads. Some employees are overloaded.

- Spread out professional development classes to all campuses instead of one or two campuses.
- Pay increases that reflect my years of service to ACC.
- Staffing that reflects seniority.
- Eliminate MSTAs, annual reviews, development training, and portfolios or make them optional.
- Get a new president.
- More money to meet the high demands that are put on to us as program coordinators. Also having another full-time faculty in the department.
- Offering better professional development classes that are pertinent to our jobs. Too many touchy-feely classes, more technical training would help.
- To be treated with respect. Adjunct salary should be equal to Houston/San Antonio.
- To provide my employees with a career ladder. To be able to reward exemplary performance. To expand the services my department offers to staff and faculty.
- Increase adjunct faculty compensation.
- Departmental autonomy. Adherence to rules and procedures.
- Better training and pay commensurate with experience.
- The counseling department keeps cutting staff, yet increasing the workload, making it hard to deliver services to academically at-risk students.
- Higher pay should be enforced.
- Exercise facilities are needed.
- Offer more training classes.
- Change focus to students and faculty as opposed to bureaucracy and dynasty building.
- Eliminate insider hiring networks that perpetuate the hiring and retention of marginally qualified faculty.
- Increase course load for adjuncts and increase compensation accordingly.
- Salary commensurate with experience and education. ACC's salaries are low compared with other community college of its size in the state.
- If the administration would consider the employees who deal with the students before making drastic changes that affect the students. We are not given any information other than changes are being made. Usually we have no idea who to even refer the questions to. It would also be nice if processes were tested before they are put into production. More times than not they don't work which leads me to believe they haven't been tested.
- Less than 24 students in the foreign language classes.
- Adequate office space and adequate supplies especially for adjuncts.

- Better salary and more opportunities for promotion to executive positions.
- More pay, but of course this will always be a gripe.
- I am tired of faculty (full-time and adjunct) complaining about pay. I have worked at three other colleges/universities, and even considering the high cost of living in Austin, salaries are competitive with similar institutions.
- Pay reflective of education level.
- Improved standards of education/experience of program managers.
- Better scheduling of required training.
- Better communication.
- Better pay.
- Competent administrators focused on education instead of their resume.
- Faster staffing.
- Step raises and annual increases should be linked more closely to performance.
- Updated equipment-copiers, printers and computers.
- Updated materials-catalogs; international/foreign.
- Budget for workshops away from ACC.
- Hire more adjuncts for full-time.
- More appreciation and recognition of quality work. Much better pay.
- I would like to look like a campus policeman and not be confused with our janitors due to their uniforms.
- Would like to see more of my talents/job skills and duties recognized as being beyond a Technical Office III level.
- A cleaner environment, better flooring, and better equipment for student learning.
- A great deal of my decision to remain at ACC and make a career depends on that of my spouse. I will remain at ACC as long as we reside in Austin.
- Better library resources-more books and new books.
- More educational resources-online Internet in classroom for instructor's use.
- Institute a system for feedback on a regular basis.
- Opportunity to fill vacant full-time position in my area. More appropriate lab space. Increased attention to cleanliness.
- More money for the job I do.
- Input from administrative staff.
- Clean house of the whole department. Fire the acting vice president of purchasing.
- Shut down HBC.
- Write more and have more interaction with people.
- Work that is more challenging intellectually.

- Less of the "hierarchical" pyramid style of management and integrate "wagon wheel" management style.
- Stop the trickle down effect. Upper management expects too much "right now." Makes it difficult to serve students adequately.
- Better pay and more classes for adjunct faculty.
- Our salary levels are my biggest complaint. I do not feel our level of pay is enough to induce all of us to go that extra mile for ACC. I enjoy my job and love to work with students and staff here. However, I'm not sure if I can make it a career since I just can't afford to.
- Valued and recognized as an employee versus a dispensable unit.
- I would like to see a decrease in hierarchal decision-making. I would like to see more support regarding innovative, creative initiatives that may challenge the typical mode or method. As accreditation approaches, administration appears to fear anything that maybe perceived as a risk or open to challenge.
- The administrators should examine the trickle effect of the decisions made or decisions bent especially when on is already overworked, underpaid, losing vacation and no paid overtime.
- More shared decision making within my department. Also, clear consistent communication.
- Adequate support staff for services provided.
- Market value salaries.
- Additional staff to better distribute work overload.
- Better management, opportunity to take professional development of own liking not what management sees fit.
- Getting an opportunity to teach full-time or getting the opportunity to teach more than one class.
- A feeling of security. The institution needs to quit making so many changes and reshifting of positions. Necessary forms are constantly changing and procedures seem to change with the wind. Very little is consistent and it seems like we are in a constant state of training.
- Better communication. There is a great disconnect in lines of communication within the ACC system.
- The person that came to observe my class did not hand me the evaluation sheet that he was going to use to evaluate me until after he had evaluated me. I think that not having previous notice of these criteria strongly affected the negative outcome of some of his evaluation remarks. It should be made a policy that any criteria for evaluation should be given way before the evaluation is to take place.
- We need to have a director that has supervisory and program experience.
- More space, more access to faculty, higher level of information access and update capability and better office machines, copiers and printers.

- Higher pay and more days off.
- The workload between departments is not shared equally. There are staff members bored to death with nothing to do for hours, days and weeks. Then there are some departments that are so swamped.
- Obviously, being paid a better salary, one that is comparative to junior colleges across the state, would aid us all. Being able to submit grades via computer. Also, not having to tell them. Their classes are canceled due to poor management.
- More counseling and less advising and registration. Flexible contract and work hours. Creation of counseling task force. Input into departmental operation on collegewide basis. Sincere input into programmatic development in ACC. Hire appropriate staff for campus operations especially during peak times. Improve working conditions in offices and student waiting areas. Value needs to be shown not said.
- More recognition and less interference from administration.
- Dependable expectations for employment.
- Assign faculty to courses based on merit, not random assignment.
- Start over with a new administration.
- Remove all micromanagers. Change "command and control" climate. Put rules and parameters in place for students and adhere to them.
- Enroll only qualified students.
- Salary commensurate with my work experience.
- Pay me for my experience in my field and experience related to the classes I am teaching. Other instructors are paid more than me even though they have less experience in the same field. Use tenure at ACC to determine pay rate.
- Less supervision and more authority to make decisions.

Appendix C

BOARD GOVERNANCE AND ADMINISTRATIVE STRUCTURE AND PRACTICES

- Streamline purchases, human resources (hiring and payroll).
- Replace the president.
- Administration is too top heavy. Cut positions to save money.
- Board members need to be involved. Improve the communication.
- The president does not utilize the AVP's in an efficient manner. He surrounds himself with only 2-3 other people to make campuswide decisions. Most of the information I get is from the TV or newspaper and not internally from the President or the EVP. I think that the Board responds to the information it receives and I am glad that they are requesting and receiving more information.
- Challenge exams require too much paperwork.
- E-staffing doesn't make sense if only one class is offered.
- More common sense training for administrators and above.
- More shared governance.
- It would be helpful to have reality-based board members and administrators who have more than a few years of college classroom teaching to their credit. Most of my displeasure stems from the need to have it "right on paper" with little concern for the substance behind the decisions and their long-term effects on the community at large.
- Only allow 4-year terms.
- Do not allow board members who are married to or living with staff.
- One college concept is discriminating and isn't working. Needs site-based management and quality controls, as well as department heads with authority.
- Solve battle/conflict mentality.
- The board should exercise more oversight of financial affairs and projections.
- The Board should focus on global issues and provide broad leadership. Day-to-day events or decisions should not be in the Board's agenda.
- Stability would be nice. No major reorganizations for a while please.
- The Board and Administration have an open door to listening; however, they make own decisions, whatever severe consequences or expense is incurred.
- The president needs to sell Stassney Lane property to recover losses incurred by giving away classes to high school students. Sell downtown center also.

- Students do not have a department to contact when they have concerns about instructors or courses. The organizational structure doesn't provide well for customer satisfaction. There are too many campuses and not enough parking or class offerings. Distance learning classes have high attrition and are not well designed. People teaching distance learning classes have little or no experience with this type of instruction.
- The president gets involved too far down in the college structure. He tinkers with things too much. He should let his top administrators run the internal structure and devote his time to the external constituency.
- We have too few top administrators to share the workload. One EVP cannot effectively do everything. ACC needs a new EVP of Academic Affairs to be hired in FY 2003.
- The board received a vote of no confidence and so did the president from the full-time faculty. And the board's response to this is give the president raises in one year. This was a slap in the face to the entire faculty at ACC. They do not respect us.
- Fire or severely reprimand the president for irresponsible governance of all.
- Faculty and staff should have much more say on governance.
- More full-time faculty.
- Streamline communication.
- Board needs an interpersonal communication class.
- Remove board meetings from being televised. The meetings should be held to conduct a rational exchange of ideas rather than be a media spectacle.
- Board needs to pay closer attention to the finances of the College.
- Hold president accountable.
- The board should be more sensitive to the economy.
- Investigate where our deficit is located, non-profitable classes.
- Others ought to be empowered to make decisions where they have the expertise.
- Overhaul the ACC administration. After being here over a decade, teachers and students deserve fresh faces and ideas.
- The level of trust between administration (above the dean level) and faculty needs to be improved. Freeing our budgets without letting the deans and associate vice-president know or be part of the decision-making process is unbelievable and an intolerable situation.
- More public/administrative/faculty input.
- Separate and professional budget governance.
- Change the governing body. Start anew and run ACC as an educational facility, not as a business.

- ACC needs new board members who are pro-employees (not adversarial in their attitudes), and ACC needs a president who understands the mission and purpose of a community college.
- Decrease the number of administrators.
- Presidential term limits to avoid abuse of power.
- Application of all guidelines from president to board.
- Bi-annual financial audits to avoid long-term damages.
- Eliminate unnecessary expenses that are not of value to the college.
- Adherence to all budgetary constraints.
- Eliminate layers of executive positions. Structure North campuses and South campuses with focus on Riverside and Northside. Operate RGC, EVC, CYP, PIN, HBC Monday through Thursday unless enough classes justify O&M. Cut executive travel. Institute grass roots campaigns in Round Rock and Georgetown for in-district status.
- A board that hears the staff/faculty students pays attention. A board that means what it says. While the board gives bonuses to the president the school is in the worst financial shape it has been in years and vacancies are not filled. We are understaffed and unappreciated.
- Term limits for board members. Cut the number of committees, but listen and accept the work of the remaining committees.
- Cut the number of mid-management (for example, assistant/associate vice presidents.)
- Less micromanagement.
- Get rid of people that will not listen, change or get rid of ineffective administration and staff.
- I believe that the board needs to be more accountable for what is happening to the school. Administrative leaders need to look at the areas that are vital to students and provide more support to them. It is known that certain administrators have favorite areas. These are not always the backbone though.
- More accountability of the office of president, and communication with board governance and departments.
- ACC tries to be a full-time college (4-year college) and it should not be. The intent was for ACC to be a community college. Satellite campuses in Johnson City and other places should not even exist. Need to focus on basic needs of the community and it's taxpayers.
- Having the administration take seriously the input of faculty.
- There is clearly way too much administration folks in the classroom.
- We need more full-time faculty to reduce our reliance on adjuncts. This would allow us to spread more of the non-teaching instructional responsibilities across a greater number of faculty.

We have created a lot of inefficient instructional mid-management positions (for example, assistant deans, assistant task force chairs) that could be taken care of by full-time faculty. We just don't have enough to manage the adjuncts, develop curriculum and participate on committees and the functioning of the college.

- More accountability.
- Stronger, more personable and capable scholarly leadership.
- A community college should not, nor does not have to be synonymous with "second rate."
- I would replace the president with a leader focused on community college education instead of pet projects. This means integrated curriculum, classes offered when students need them, competency of instructors, administrators who understand the educational process in the classrooms and academic integrity. I have seen many good students drop out of ACC due to poor instructors and the administrators are clueless about how to deal with this.
- Greater supervision of administrative offices (payroll, etc.). Better supervision of staff.
- There are too many changes. No two years are the same. Often changes are made at the last minute causing changes in deadlines. Prime example is the faculty evaluation process this year-what a mess. Administrators do not seem to comprehend the magnitude of what they lay down. Under new evaluation procedures, the administration wants the department offices to keep ACC evaluation materials for each instructor for the ACC life of that instructor.
- Less open contempt toward faculty from president and some board members.
- Far too much bureaucracy. Make fair decisions based on the characteristics of an individual situation and not on some.
- I strongly recommend that a rank and file employee from every affected department be given the opportunity to sit on any budget or policy committee charged with making a study or recommendations to the president or ACC board which affects or has the potential to affect the lives of faculty, staff and classified employees.
- Do not make so many switches/changes in Deans/Program Coordinators/Task Force Chairs. It takes almost a full year to train them on scheduling procedures, catalog, etc. and then a lot of them are replaced sometimes annually.
- Better communication between the president and the faculty.
- Empowering the faculty with more decision-making.
- Human Resources has some major problems. Hiring is inefficient and very disorganized. During the interview process, I was sent incorrect information and duplicate information. I was delayed in knowing whether I had the job or not. My salary, status, and start

date were incorrect and misquoted several times. Once I became employed, mistakes have repeatedly been made in Human Resources. My ORP was not initiated correctly. It has taken months to get me on the correct e-mail list for faculty. My transcripts have already been lost. It just shouldn't be such a fiasco.

- We need an administration that is truly open to employee input, not just the "façade" that we have now. The paperwork required is much more important to them than what we really do which is try to teach in a complex and diverse environment. Adjuncts are treated like pawns to be moved around at the whim of the Task Force.
- Higher or more competitive salaries for adjunct faculty.
- Stop spending and strengthen and maintain what you have.
- Stop the crisis/fires that occur daily without planning and monitoring they continued to occur.
- Streamline and speed up the decision-making process.
- It is too bad that everything at ACC is so ruthlessly political. I guess we can't change that.
- Quit pulling faculty into administrative positions and not allowing those "empty" positions to be refilled.
- Focus on student needs. Continue to flatten administrative structure. Hold the president and leadership to its charge. Make a presence on campuses.
- Again, shut down HBC. Move them to the campuses where we can see what they do all day.
- It appears ACC needs a better budget planning process/team.
- We need more front line staff in student services, business services, and other student support and staff/faculty support areas.
- There have been entirely too many reorganizations at ACC and sometimes was not very well thought out. Do not believe our "Datatel System" is very good. It is not too user friendly. The "E-self staffing system" is a nightmare and causes way too much unnecessary work. It serves very little purpose other than satisfying a few disgruntled adjunct faculty.
- Processes and procedures are laughable. Needs streamlining and then the correct information provided to everyone. Allow administrative assistants and senior administrative assistants to supervise employees and be compensated for it. Allow compensation for duties they perform for their TFC's and deans-duties that are beyond the scope of their job description.
- Constantly adding new campuses weakens the college by spreading staff thinner and thinner. They do not consult with faculty in planning facilities. Having to duplicate support services like libraries and admissions offices doesn't seem to occur to them until after the fact.

- The constant reorganizations have been poorly handled, leading to confusion, apathy and low morale. Faculty are consulted but not listened to.
- The Board has done a very poor job and it is embarrassing to the community. How can you ax 297 classes with no notice to students?
- It needs to be restructured and I don't know exactly how to implement an effective change.
- From an administrative point of view, physically divide the territory responsibilities of contract cleaning personnel and in-house building attendants so work performance can be measured distinctly for each party and held separately accountable.
- Restructure the faculty salary structure. Serving on a committee, mentoring a faculty member are responsibilities included in the mission of the college and part of the role of faculty should not be rewarded by extra pay. Similarly, additional pay for semesters of increased responsibility further segments the role of the faculty. Such a reimbursement system makes budgeting human resources money an impossible task and encourage faculty to lose site of their overall role and responsibilities.
- Increase full-time faculty to 75% or higher.
- Reduce number of non-teaching administrators.
- Decentralize administration to the campus level, with more administration carried out by full-time faculty. The "one college" concept has lead to a bloated bureaucracy and a loss of "collegiality."
- The centralized bureaucracy at the HBC and Service Center has insufficient performance accountability. Thus service from it is often quite poor, and given its locations is not very accessible.
- Employees should be informed of changes before they are done, and not told when the decision has been made.
- Better management of money matters.
- They should really hear a large segment of the college employees' concerns and opinions about what works before making decisions that affect us all.
- Timely/responsive communication to all employee levels.
- Committee recommendations valued and acted upon consistently.
- Proactive administration practices, not reactive.
- The board needs to stay out of day-to-day administrative matters. They should be elected by districts not at-large.
- Too many faculty have released time to do administrative work.
- Assistant task force chairs and associate deans are duplicative and unnecessary.
- Faculty leadership on transfer academic side should be appointed, rather than elected. This would make them more accountable and

works better on work force side where faculty leaders are appointed.

- There should be more vice president positions. Each campus should have an authority of its own. Program coordinators should be given authority to run programs without five levels of approval. Do away with Task Forces. Make all areas either programs or departments. Require all programs to have a minimum of two full-time faculty members.
- While highly unlikely, I would like to see ACC reduce unnecessary bureaucracy because so much is wasted.
- ACC should be running the administration more efficiently so as not to have to cut back on any classes due to lack of funds. Economic cycles are to be expected and should be taken into consideration when determining growth and budgets.
- ACC needs a new leader. The current president has too many issues associated with him.
- Board should have more reliable information regarding budget, expenditures.
- More shared governance.
- The board has done a good job of keeping out of meddling in day-to-day operations; however, they are unaware of departmental challenges and victories.
- Get more student feedback on what they need.
- The staff, faculty and students have been unhappy with the president and administrative changes he has made for quite some time. The board has done nothing but give in and not make changes. The shared governance issue has been here for a while with no solution. Administration needs to have more input from employees before making large changes.
- Faculty members need more creative time. That's how teachers grow. More and more we're demanded with having to respond to some remote administrator who generally is new but seems to have some authority over me.
- Without micro-managing, the board needs to take a more involved programmatic role. The board needs to represent all of ACC, not specific constituencies. The administration is out of touch with the campuses. They need to focus on students not business, and not international programs that look good in journals. Administrators ignore collegewide committees. Just because they're from the North doesn't mean they're better than anyone else. Administrators need to spend more time on campus with students. Decision-making as it affects faculty and staff needs to be kept in line with campus-based activities.
- There needs to be a more efficient and honest disclosure of budget and finance information.

- Board needs to learn more about ACC and be more aware of what is going on. Administration needs to be streamlined and the money saved could go to make faculty/staff salaries more competitive.
- Board does not seem to be able to direct administration. Administration seems to have a very shaky grip on operations.
- Strong leadership to eliminate or reduce deficit. This should not be done on the backs of the students.
- New leadership from top down is desperately needed. This administration doesn't even look at you when speaking to you. You're made to feel like you are bothering them or worse wasting their time. We need leadership that gives more than lip service to their employees.
- ACC must stop trying to be a college for the lower half of the state. Too many outlying campuses, poorly attended, drain resources. Administration forces department to hire too many adjunct faculty in the name of variety and diversity, thus adjuncts, even MSTTS's, do not get a reasonable selection or number of courses often full-time faculty loads up with 5, 6 or 7 courses per semester.
- When personnel, or physical plant changes are to be made, those employees being affected could be involved in the planning process. Or at least be notified of the proposed changes prior to the information being heard through the "grapevine."
- Outside evaluation of administrative effectiveness, including president effectiveness, with the report going directly to the board, and compensation and continuance linked to this report.
- I feel a new president that would be carefully selected might be the answer to most of our problems.
- More effective leadership and more professional treatment of both full-time and adjunct faculty. ACC seems to be an administrative disaster notwithstanding the fairly decent design of goals and programs. Adjunct faculty in particular are treated almost abusively, yet deliver excellent service never the less. This is true in spite of how they are treated and may not constitute a level of service that can be built upon with confidence.
- A new president to instill confidence in the administration.

Appendix C

COLLEGE OPERATIONS AND STUDENT SERVICES

- ACC needs to shed the image of "easy" courses. Less than one-half of the students that sign-up finish the class. Students sign up expecting to do no work and get the grade. Students should not be allowed to sign up for classes if they do not have the prerequisites.
- Transfer programs are doing well, but both transfer and workforce areas need to embrace assessment and improvement practices. Workforce is particularly slow about not improving programs not meeting state standards.
- Campus police needs better equipment. We have little funding.

Appendix C

PURCHASING AND PROCUREMENT SERVICES

- Streamline the "Bid" process. Allow non-purchasing employees to solicit bids as necessary. Follow specifications provided and follow-up with the requisitioner before purchase is made.
- I do not directly interact with purchasing, but things that I have asked for usually are delivered in a timely manner.
- They should do their part and don't just pass it on to someone else.
- Customers service classes for internal relations.
- More staff or better trained and caring staff.
- More hands-on training and time to learn.
- Very few people in the loop. I ask for things and have to live with what I get. Too many errors between what I ask for and what I get. Computer procurement is appalling.
- Up-to-date manual for procedures is needed desperately with trainings and communications to staff (collegewide) when there are changes in procedures in the manual. On the whole, purchasing does a "good" job but when they see a breakdown that causes a time delay in the delivery of goods they should make phone calls to alert the departments (purchaser) early on.
- Get stuff through the system. Many vendors won't work with us due to extremely slow payment.
- Good policy and procedures for purchasing.
- I need to increase knowledge on Datatel for this information.
- Staff needs to be more knowledgeable of the area they are buying for.
- Some staff have negative attitudes.
- More better training on procedures.
- It needs to be more timely.
- Shorter time between converting purchase requisition to purchase orders. It works well in IT purchasing.
- Offer salary that reflects experience and that is more in line with similar institutions and includes cost of living adjustment. Hiring process is too slow.
- Right now no one knows anything. Questions about status are never answered.
- Provide contract list online.
- Aggregate purchasing.
- Term contracts.
- Reverse auction bidding.
- Sale of instructor created "booklets" to students after Task Force approach.

- Use of state travel contracts not prohibited under Texas Government Code.
- Use of IAC and ILC where possible to achieve savings.
- Decentralize budget authority/purchasing process for smaller amounts.
- More items available from general stores.
- Training on purchasing procedures for new staff in a consistent, scheduled fashion.
- More people need to be trained in purchasing.
- More training updates for purchasing.
- Libraries are overstaffed and underutilized.
- There are vendors out there with which whom we have had negative experiences yet cost constraints and bureaucracy have hampered our efforts to acquire needed services elsewhere.
- Items ordered do seem to take longer than 14 days to arrive, but since I am not personally responsible for purchasing/orders and haven't been trained, I can't speak to how to improve things.
- Improve the purchasing department attitude.
- Administration think they control the money and try to enforce their power by questioning the request and waiting to place the order.
- Better customer service. Requisitions are not processed in a timely manner.
- Things seem to get lost in the bureaucratic morass.
- Streamline processes.
- I am in the process of learning about these services. My initial experiences indicate that multiple electronic entries versus one type entry are required; and account information is difficult to obtain in a usable form. I suspect the tools are available, however, have yet to be employed to assist communication in this area.
- More accountable for food purchase for meetings. We should go back to water and tea for a meeting that only last an hour and not serve meal.
- Better communication between the staff of purchasing with other employees about problems or confusions.
- The purchasing/procurement process doesn't work. It should be revised totally. I began the semester in Fall 2002 with no office furniture and no computer. After 9 months of requests, my broken computer was replaced with another broken computer. This ridiculous system inconveniences our students.
- More automation and more discretion at certain spending levels.
- More timely budget reports.
- More training and access to purchasing computer fields. Currently, I have to go through the administrative assistant to place purchase orders.

- I would like direct access to use budget codes for making purchases. Currently, items needed in my office fall under a code controlled by the executive vice president.
- More help from buyers when purchasing furniture or other large items. They should call around and give us options instead of us calling the companies directly every time we need furniture. It has to go through Purchasing anyway.
- Better informed purchasing staff. Streamline procedures and more information on-line.
- Staff needs to stop losing orders and needs to tend to requests promptly.
- Long distance adjunct faculty gets nothing.
- Need to have some notion of what can be ordered. It's very difficult to get pencils and paper.
- More automation of processes.

Appendix D

STUDENT SURVEY RESULTS

NARRATIVE COMMENTS

The following comments convey the students' perception of ACC and do not reflect the findings or opinion of the Comptroller or review team.

COLLEGE ENVIRONMENT

- More night classes available for those who work during the day. More online classes are needed. For example, I took Biology Class (1308 I think) as a distance learning course. They offered the 2nd half of the course at one scheduled time (during the day). I have yet to see it offered again at night. I have requested that class a 1-1/2 years ago and am still waiting.
- Friendlier staff who actually CARE about the students and more parking.
- The library at the Pinnacle should be open all day on Fridays and open on Saturdays.
- Have one gripe with one staff teacher who has exhibited negative attitudes towards helping me understand course work. Most other staff were very helpful and willing to work with me.
- They should have more social activities that interest more students.
- Make learning like a game.
- We need more parking spots.
- Better lab equipment and space for the nursing program.
- More nursing tutors with hours that are compatible with the nursing students' hours.
- Funding for the certificate programs that graduate prior to the May ceremony for the entire college.
- Many of my classes (most of them) were challenging. In a few classes we were "spoonfed." I've heard this comment from other students, so when they get into "real college classes" they are struggling. They feel the classes are hard, but truly they are not if the students do the work assigned. Too many students are passing classes and have never opened the text. They pass but what have they really learned? This is tragic. Teachers have to lower standards to pass students when really students need to step up to the plate and study. Students need motivation. Teachers need to know they make a difference.
- Better parking (more spaces and better lighting)
- Variety of class types offered at Pinnacle and more evening or Internet classes.

- I would like ACC to recruit instructors with learning experience at least at a community college level.
- The library should be open longer until at least midnight.
- Instructors who end-up with empty classes under half should not be relieved.
- Friendlier staff in the offices. Be able to get transcripts faster.
- I would like to see a Nursing School representative at each campus, at least during registration dates.
- More polite people at the financial aid office, testing center and admissions would invite more people rather than repelling them. It would also help if students weren't made to leave the campus during tornadoes as I've been made to do. Did the administration ever think that not all students have a car; some take the bus and they would be safer inside the building during tornadoes?
- Encourage a more challenging curriculum so it is not the place where the people who couldn't get into real college go to get by, so they are challenged too. Also, make campus security more noticeable. I don't feel comfortable walking down to my car (which sometimes seems like it isn't even on campus) by myself.
- There could be much improvement in the Advisors and Staff Admissions and the testing center. After speaking to an advisor at Riverside, I was ready to drop out. I left her office in tears because she was so rude and unhelpful. She told me that she really didn't know what my options were and what I should take. I ended up taking nothing.
- Offer more night summer school classes for students who work full-time.
- Allow counseling over the phone.
- I would like to see a bit more personalized attention coming from the counseling department. It feels very generic when I go in. There isn't much personal contact, no connections if you will see it as each of us has a unique purpose to our education and that should be well understood and considered. One other issue I would like to address is expanding the size of the computer class or making the Microsoft Office Suite available in the library or even better allowing access to all the computer labs.
- More parking spaces in accessible location.
- I feel that the counselors at ACC do not have enough information for transfer students. They have basic knowledge but I feel as though they lack other knowledge and resources about transferring.
- Not having loud music playing outside classroom windows while class is being taught. If you are going to have student activities with loud noise of any kind then classes should be cancelled during those hours.
- More classes at Cypress Creek campus. More cooperative faculty. More extra-curricular and Kinesiology classes. More parking.

- I would like to see more uniformity in teaching standards. For example, I had an easy teacher for Calculus I and the hardest teacher on campus (from what I heard) for Calculus II and it was very hard for me to do well in the Calculus II class not being used to a teacher being so hard on me. I wish I would have had someone in the middle for both classes.
- Registration personnel need to know the details about class offerings to let students know at registration if there are orientation dates or other pertinent information. This information is not uniformly made available and causes confusion and unnecessary stress to students.
- Identify a teacher with a poor teaching style and provide some skill training. A teacher can have a doctorate in Math, but if his style impedes learning, he needs to change.
- I would like for database programming classes to be offered at the Northridge Campus, rather than only at Rio Grande.
- ACC is the most inefficient campus. One day when I was picking up my loan check the school had one person dividing the checks and 20 people passing out schedules. It took about 20-30 minutes to hand out one check and the other people were sitting around. Another time I had a class with no air conditioning and the campus said it worked. After weeks of sweating over 2 semesters we discovered it was just a knob missing and the repairman turned it on with pliers. The knob is still missing.
- Faculty and staff have to be closer to students.
- Have more parking lots.
- I have taken mostly distance learning classes from ACC while enrolled full-time at UT or after graduating from UT and before beginning graduate work. I am not very acquainted with ACC.
- They say they offer tutoring. Well they have the worst help. Most of the tutors don't speak good English and a lot of them can't help you because they know less than you do. They need to hire good tutors. The teachers at ACC don't seem to worry about their drop rate. I have 24 in one Physics class and at the end there were 9 people left. The teacher didn't care at all.
- More social activities.
- Instructors stand in front of the class and lectures (not from a textbook). If he used a textbook, I would have done much better.
- Staff at the Highland Business Center helped solve problems quickly.
- Offer more advanced Science classes and offer upper level Physics class at Riverside.
- More people working in Admissions so you don't have a huge line when a semester starts.
- For transcripts, why is it that you have to go through Admissions first, then pay at the Bursars Office, then wait in line a 3rd time at

the Admissions Office in order to process a transcript? Why not have that available in either the Bursars Office or the Admissions? That would minimize the amount of time spent waiting in line at each office.

- Offer more 7 a.m. courses for full-time employees.
- Less administration and more faculty. Faculty must be placed higher on the priority list.
- I would like the size of parking spaces to change. People cannot park.
- A professional nurse coordinator is rude and unprofessional when it comes to students needs.
- The air/heat system in classrooms are too hot or too cold.
- More security.
- We could use newer machines, i.e. belt sanders and grinding machine. We also need some more room.
- I think when enrolling, there should be a much better process. And I think we need more tutors in the lab.
- The staff in the testing center should be nicer.
- Allow students to be class monitors to maintain computer lab time.
- More visits from employers to give us advice and feedback.
- Better parking and closer to building.
- More security involvement for evening students.
- Faculty are not available for night students.
- I think the instructors should throw the first test score away just so the student can learn how the instructor tests.
- Maybe stronger links between Austin area employees and graduated student body.
- Streamline counselors and program to the University of Texas at Austin.
- Bigger desks/chairs, nicer testing center staff, more helpful bookstore staff and normal business hours at Cypress.
- I think it is wrong to charge for parking permits when there is not adequate parking. Why am I paying for the permit?
- More parking spaces close to the building.
- This summer 2002, ACC is offering far less classes so the students aren't really getting all the classes they want. Having more class offerings would help. The library at Rio Grande needs improvement especially the computers that have limited options and need to be updated.
- RGC need to have better parking.
- EVC needs to offer more classes and more variety.
- Riverside needs their counselors and staff to be more friendly. Many of my friends feel that ACC is a very unprofessional place because of the staff at Riverside campus.
- The parking problem at Rio Grande needs to be fixed. I walk a mile to class because that is the closest parking available. This is a

waste of my valuable time. When walking to class I walk by dozen of empty spaces both in front of and behind the REC center. The ones behind the REC center have never been used and weeds grow in the parking lot due to lack of use, however, I was told I would be ticketed and towed if I parked there. Some student use the parking meters when available. It's a disgrace to the city that struggling students have to put money in a meter to attend classes. Fix these problems. It's your job.

- Upgrades in equipment for nursing labs is needed.
- More support from all officials in retaining good teachers (better pay and admin support recognition) and having enough good quality equipment to get a decent education. Discourage substandard teachers. Require anonymous class evaluations for every class. Utilize the lobby area at Cypress Creek more effectively (more office space at work area).
- The AND program staff needs to get their act together.
- Parking at Rio Grande needs to be improved and the parking spots at Northridge need to be widened. Not all of us drive a yugo or motorcycle. I have gotten more door dings in the last year than my whole family has had in a lifetime.
- I think the way English Comp classes are graded is horrible. To base a person's grade solely on one test (C-Test) and to practically disregard all other papers done by the student is ridiculous. The class should be graded like every other class. Every paper should be graded (not just "accepted") and contribute to the students final grade.
- Motivate and manage staff to interact with students in a professional and helpful manner. Each time I have contact with staff, I feel as though they consider me an inconvenience. Overall, the customer service I receive is poor.
- Some, not all instructors act disturbed if you ask for help outside of class and some are not willing to help you much. I feel that more courses should be offered (such as transferable Science courses) to better suit our needs.
- ACC has no social activities and many people would like some. ACC needs higher standard of learning and the Cypress Creek campus needs to offer more courses.
- More classes at Northridge especially photography classes, because I hate driving so far away to get to Pinnacle.
- Almost all faculty members in ACC are helpful, however, some of them are not helpful.
- Provide a better grievance process and listen to both sides of the story before a final decision is made. I suggest communicating in an informal meeting to discuss the issue or issues at hand with a mediator.

- The only thing that I've had problems with is when I need a question answered by administration, it seems to me that no one can ever answer my question and people are always pointing me in different directions of who to talk to. Basically I think the staff and faculty need to get straight of where you need to go when you need to talk to someone.
- The ACC advisers have advised me to take classes that I now find worthless to my degree plan. I found that very irritating. Also, the office staff are not as helpful as they could be. The faculty, however, for the most part, is wonderful.
- Just keep doing what they are doing and not change things that will discourage students to attend. Such things as increased fees, limited classes and underpaid professors.
- I am in the welding/art program. We are working in a small space and badly need more room and more tools. I would also like to see the sculpture program expanded to include a foundry program and bronze casting. I know many students are interested and are going elsewhere to learn so we are losing business to other entities because they offer programs we don't.
- Give us real Math instructors.
- Parking lots need more day and night security.
- I would like to have cafeterias on all campuses. I work during the day and have to go straight to school from work and I am there all evening I can't learn because I'm so hungry.
- I only have taken on-line continuing education courses. I feel these courses could be better monitored. While most instructors were very good, I had one who gave no feedback on assignments and I had one who was very rude.
- I'd like to see adjunct faculty treated better-benefits, better pay, more consideration in scheduling coverage of class offerings instead of last minute placement before semester begins. I think those improvements would affect students by motivating professors to give more time and energy to their classes. My impression is that many adjunct professors feel under appreciated and underpaid for the time and energy that they put into their classes. I have been impressed with the caliber of the professors I have encountered. I am coming from the perspective of someone who holds a BS from a highly competitive undergrad institution and an MS from UT Engineering.
- More space for Kinesiology classes.
- I hope that ACC will improve the quality of the IT teachers not only for the benefits of the students but also the reputation of the school.
- More foreign language opportunities especially the addition of Chinese (Mandarin).
- A Gregg shorthand class would be nice.

- If a student is on a payment plan, a billing statement should be sent out, not a postcard two days before the due date.
- Better parking situation and computer and technical classes spread out more evenly across all ACC campuses.
- More help from counselors regarding transfers to and from other university and colleges.
- A recession of the bureaucratic stronghold in administration would be helpful. In the past four years, I have watched an understandable enrollment process turn into a nightmarish reduction of large scale university complications. Payment deadlines for classes are illogical and the administration operating out of the annexes seems to have little control over a seemingly automated dictatorship.
- The teachers could stand to be a bit more helpful. I feel as though they treat their classes like a part time job by taking it much less seriously. Counselors should be better informed about various academic programs within ACC. Most students transfer away and to ACC therefore these transitions should be made possible or easier.
- Better communication with offices. They never answer their phones; you always get voicemail.
- Offer seminar on transfer information.
- Need more instructors teaching College Algebra.
- A better bus system to Rio Grande campus and better food for students (no more vending machines). Besides that, have only been on campus for one semester and feel that ACC meets my needs.
- We need more night classes and don't raise tuition.
- Its workforce is composed of part-time employees who don't know their jobs well enough. Professional full-time people must be hired.
- I only have experience in the Photography Department and I am impressed with the outstanding level of teaching and facilities provided. I did take one paralegal studies course and dropped it right away as I did not feel the instructor or book or assignments were up to the level of my standards.
- The staff seem stressed, and are often unable (or will not help) me when I have problems. For example, when I was trying to get into my OTA program, I had to ask seven people a question, including department heads and counselors just to be directed back to where I started. The testing center lost my reservation to take the COMPASS test two times, and the financial aid staff is rude. Finally, there should be an exception to pay art tuition in the summer for students in the allied health programs, as we do not have a choice in summer attendance.
- Most professors I've had hold other jobs besides teaching-jobs that I feel they put ahead of their teaching responsibilities. I have had to re-take English because the professor did not grade my papers in

time, and refused to permit me to take the "C" test until she had returned them (she never did.) I suggest you pay the teachers more, and conduct teacher-evaluation surveys so you know who is doing poorly.

- The telephone registration system is a mess. For several days, I could not get a call through. I was put on hold-long distance-for nearly an hour before finally giving up.
- The Riverside campus does not appear to have a convenient place to eat other than snack machines.
- More class schedule at night.
- I feel that the staff at ACC really need to take their own people skills class. I'm tired of being treated like a number, especially at the Rio Grande campus.
- I am taking class for various computer certifications. In some cases, the instructor has been very knowledgeable, while in other classes it seems the instructor knows slightly more than I do about the subject.
- Offer better support for students transferring credits to a 4-year college.
- The counselors need to be more helpful.
- I think some of the faculty or staff need to learn how to help students in a more tactful way. I find one of my instructors to be insensitive and very negative when talking to me about my progress.
- ACC has been great. I graduate this semester. The only fault I found was that courses I needed were sometimes not available during the semester I needed them which delayed my graduation.

Appendix D

STUDENT SURVEY RESULTS

NARRATIVE COMMENTS

The following comments convey the students' perception of ACC and do not reflect the findings or opinion of the Comptroller or review team.

BOARD GOVERNANCE AND ADMINISTRATIVE STRUCTURE AND PRACTICES

- Always get voice mail and hard to get them to return calls.
- Everything (RVS campus) is automated. Takes forever to get to the correct area and speak to someone.
- To pick-up financial aid money is not structured well.
- Common courtesy, friendliness and helpfulness. These people work with the public and should receive some sort of classes themselves.
- We need more accountability from teaching staff that they do not rebuff students rudely for asking for help to understand the course material.
- Would strongly recommend staff training to how to teach effectively and to be more helpful to students' needs.
- To be more open to their students and staff but students first.
- The continuing education web page could be improved. The contact information in particular needs some improvement.
- I would like to have better student awareness of the board governance and administrative structures at ACC.
- The people who work in the Admissions and Counseling offices are 9 out of 10 times rude and very unhelpful.
- I have no comment because I have no experience with them.
- Remove unnecessary fees. Drop class fee before even paying.
- More knowledgeable staff in general. I shouldn't have to go through five people to find out about that fee.
- When you're supposed to get a refund that you actually get it, instead of getting the run-around and not getting it due to staff error.
- A representative of students should be a de-facto member of the Board of Trustees.
- Replace the president by someone more competent and more involved in the college future and competitiveness.
- Reduce the administrative cost and raise instructor's pay.
- The office staff is rarely happy.
- Evaluation of transfer courses should happen much quicker.

- I don't know, maybe talk more with the professors, also listen to the complaints they have because they are the ones who have to deal with the public and students more directly.
- I was disappointed that my class was cancelled and I didn't know until I went to class the first day. I had already bought my books and everything.
- I pay for classes by phone with a credit card. I would like a receipt sent to me prior to the start of class. Actually a receipt should be mailed by 10 business days after purchase, in my opinion.
- Be assured that budgets do not come up at a significant loss due to lack of management.
- I have enjoyed the financial aid staff and the Riverside campus. They are thorough and efficient. But the Northridge staff hasn't been as receptive. It seems there are a lot of newer people at Northridge than there are at Riverside.
- Financial aid more accessible to single individual especially those fulltime students.
- The board needs to follow through with plans it has implemented. It also needs to be more in touch with the needs of the students, faculty and staff.
- ACC needs to change from a quantity approach to a quality approach to higher education. Instructors that are part-time need better incentive or be made full-time. Instructors with resources with which to teach will pass more students and slow the drop out (withdrawal) rate of students. This makes it unnecessary to add more sections to classes, improves facilities usage and increases faculty satisfaction with their positions.
- Fewer desks per classroom.
- Increase counseling staff during registration so current students don't have to wait a lot.
- I don't know anything about board governance at ACC. I rarely speak to administration.
- Make better arrangements for purchasing books.
- A real improvement for ACC will be a rule about the administrative people talking so bad about the board. Don't they know that students can hear what is going on. The teachers are the worst because when they are not happy with what is going on with the board they let the students know about it. They need teachers that will respect the board members.
- More public notice about what is going on.
- Not involved with that so I don't know.
- I don't know a lot of information about the Board of Trustees nor do I know much about the president to give an educated recommendation.

- Have the option, when registering for classes, for there to be an automated reminder sent to personal e-mail on when payment is due.
- Pay less to "top brass." Less spending on TV ads. Redistribute these savings to Faculty. Faculty is the heart of ACC.
- Financial aid staff are rude and inconsiderate. Paperwork is constantly misplaced and they do not return phone calls.
- Transfer grades from other colleges are not processed in a timely manner.
- One of the instructors is the worst I have ever had. Everyone that attended his Personal Finance course for Spring 2002 was just as frustrated as I was. He and his assistant could never get straight which one was going to which campus. One class had to be started an hour late because both of them went to the same campus. He spent the first 30-45 minutes of each class talking about personal issues like his kids and wife. Most of us would get so frustrated we would leave. It was the biggest waste of time and money I have spent. There was not one lecture that was given in an organized fashion.
- Make sure that all the staff and faculty know all procedures and answers to most questions. They should know about TASP also.
- We need drinking water that works.
- Be more visible during night school.
- Have these guys put on some work clothes and come down (way down) to the Applied Sciences (construction, welding, automotive departments) and introduce themselves, tell us what they are doing and show an interest in education for practical use not just making more money and making more money.
- Fire the current President and hire someone who doesn't take a raise then cut classes to pay for it.
- More public relations to educate community of the value of ACC to Austin so that future tax measures may get passed.
- Give Financial Aid more office space. Support good teachers better administratively, financially and with better teaching aids. The Registration magazine is difficult to use. Needs to be more logical with a clear index. Phone and online registration is great.
- I received or was supposed to get my GI Bill but it was a big problem. It's hard to get classes certified when you already have a college degree. I don't know if this is ACC's problem or VA's but it's a very disappointing process.
- Counseling and advising offices are understaffed which makes registering for classes extremely difficult.
- I think the new payment deadlines are very inconvenient for those students who have their payment deadline very close to their first day of registration, and need to have a payment installment plan or need to pay by check and not by credit card over the phone.

- I don't think ACC should not count transfer hours when being allowed to register last fall because it was a major strain on me when I was unable to get into a certain class because of my registration time being different from what I thought it was because only ACC credit hours count regardless of how many transfer hours we have.
- They do not currently listen to the students needs at Cypress. They cut 300 classes, and are not offering any courses for my degree this summer. I live in North Leander, so the only campus that is accessible to me is Cypress Creek, and I don't have any options for schooling this summer because of very few classes. When students spoke with the board about more classes at Cypress, they were disregarded.
- On-line registration would be great. I don't know about other local colleges, but University of South Carolina has on-line services that allow students to log in and check their schedule and account. It was very nice to not have to do this by phone.
- Review the policies and procedures to include current ACC students in this work group to ensure they are effective, efficient but most of all fair.
- I really do not know enough about the board to comment.
- Culinary students should run the cafés on the campuses. Simon's café at Northridge is not at all something to be proud of. The food is disgusting. I have ordered food there only twice and both times I threw most of it away because it was unedible. It seems to me to be more efficient to pay culinary students, rather than outsiders, to run the cafés and at the same time give them real world experience.
- I would like to see an 11-week Spanish IV class offered in the summer in the mornings.
- Don't overextend your budget to the point that keeping teachers becomes an issue.
- Phone registration went from automated to manual. This doesn't seem efficient.
- The latest fiasco is a good example of what needs to improve. The president was voted a big raise and then class size was increased because they didn't have enough money for ACC.
- I have not seen anything effective or efficient concerning the administration. Registration seems to be smooth, but it would be awesome to access/register by computer.
- Work harder to get back to students answering questions in a timely manner. The only way I got financial aid was to go to Highland Business Center and make them look for my "twice misplaced" file.
- The tuition payment process needs improvement. It doesn't allow adequate time for students to come up with tuition payments (ACC

process gives you 5 to 7 days to have your payment in to the Cashier's Office).

- Students receiving VA benefit should be given a promissory note and given the same opportunity as financial aid students.
- Offer installment plans for summer semester.
- ACC had a budget problem this year so they laid-off many people of which I was one. I was told very rudely. This "firing" process could have been done in a more superficial manner that would have caused me less stress and grief.
- The ACC system is not an updated system and often loses students information. I have had my transcripts lost and I have friends who have had transcripts lost, more than once. Parking at Riverside is horrible. Students are allowed to park over the lines without penalty and in the street because there are not enough spaces. Students in the allied health programs need more assistance and payment options for tuition.
- The dean is only on campus Tuesdays and Thursday, an hour a day, and then usually cancels these hours.

Appendix D

STUDENT SURVEY RESULTS

NARRATIVE COMMENTS

The following comments convey the students' perception of ACC and do not reflect the findings or opinion of the Comptroller or review team.

GENERAL SERVICES

- Don't return books from the bookstore in the middle of the semester, wait till the end. For example, I needed a book for a Sociology class, which I decided to buy in the middle of the semester. When I went to buy it the clerk said they had returned them all back already.
- The bookstore needs to be more organized.
- All Riverside has is vending machines or the golf course grill next door which is way overpriced. The bookstores offer the lowest sell back prices in town. The university co-op is the best in town even for ACC books.
- Having all books available at all locations instead of having to go across town for a book because the professors home campus is all the way north or south.
- Keep on improving variety offered and quality of food.
- Courtesy and honesty are a major issue. There is no consistency in answers to the same questions. This comes up in a class often. There are not enough books available, especially used. I am so fed up with the PIN bookstore. I go to BEVOS Bookstore now although it is farther away. I've never had a problem with them.
- Allow students to park in part of faculty (staff parking after 5:00 p.m.)
- The new Northridge Café is an improvement, but is too expensive for the average Community College student. There aren't any items for \$1.00 like a taco, burger, etc. even coffee is \$2.00. I can't afford to eat there.
- The bookstore could actually call you like they said they would, when a book comes in. They should actually stock books that you need for your classes.
- Items in bookstore especially snacks are highly overpriced. Some stationary items are overpriced as well. Riverside campus needs its own cafeteria selling fresh food. The golf store is not adequate.
- Open later for people that work and go to school in the evening. I find myself buying books at places other than ACC because the hours are better.

- There is nothing wrong, I feel with the food services, the food quality itself is rather poor however.
- The bookstore needs to be stocked for the upcoming semester prior to the end of the last semester. The bookstore also needs more employees who can work the register. The NRG campus does not have enough knowledgeable employees.
- Make the hours longer in the evening. Should stay open until at least 9:00 p.m.
- Books are not always available. Make sure supply meets demand.
- Please don't cook in there. Sometimes it smells. I can't stand sitting in there.
- I would like to see more vegetarian choices on the menu.
- Get some hot food on the Rio Grande campus. And add a multi-level parking lot. I would be willing to pay an extra \$50.00 per semester to help fund a new and improved parking lot. It could be multi-functional and others who use it could pay by the hour.
- Bookstores should carry books for various campuses. Food service should have the same hours as the college. Food service should have more healthy alternatives on the menu. The ACC dining facilities need to be kept cleaner.
- Rio Grande campus does not have a food service beyond vending. That would be a plus to add a kitchen. I also attended Northridge and Eastview which had a great food service.
- Cheaper books.
- Dining facilities close too early on Fridays.
- Should have more variety of food and have bigger bookstores at some campuses.
- I have never eaten at ACC or bought books at ACC bookstore.
- They really need to find people to work there that are happy to be doing their jobs. Most of these people hate their jobs so they treat people (students) like very unprofessional. I hate going to both dining facilities and bookstores.
- More food service choices.
- Cypress Creek needs to be larger with friendly workers. More of a variety to choose from. Can they sell laptops at a discounted prices? UT requires a laptop and sells a good one for \$999. Teaching for a career probably pay in advance and place an order.
- Friendlier staff willing to help you find what you are looking for. Also, more help. I have been in line behind 10 people and the person doing buy backs stands there with no customers.
- I think the quality of food at the cafeteria is good and I also think the staff in the bookstore are awesome. However, the hours of operations for both should be extended for students that have classes until 9:45 p.m.
- Maybe have a few more healthy options. And maybe like a Smoothie King.

- We had lots of air conditioning problems.
- When students come into the store, the employees need to stop gossiping and help the customer. Then, if they wish, get back to their stories.
- Bigger and more cashier lanes.
- Would be nice to have a student union/café, like regular college.
- Would be nice not to have to be 3 weeks in class before finally driving to the UT bookstore to get the required text.
- The cafeteria at all campuses should be open even at night after students' last class. Bookstore needs more books but is better than some other bookstore.
- The prices are too high. They have a monopoly.
- Need variety of food for working staff rather than snacks or hot dogs.
- Extended hours for working students, 1 to 2 nights a week.
- Bookstore needs to have the required books for the classes on campus. A girl in my class had to drop a class because the bookstore at Cypress kept telling her it would come in and it didn't.
- Parking, food and bookstore at Rio Grande campus are decrepit.
- There isn't any cafeteria/food service facility in the ACC Rio Grande campus unlike the Riverside and Northridge. There is just one Vietnamese place to get food from beside the vending machines. Having more food places/services could help, especially inside the campus.
- Food service needs to be a little bit more affordable.
- More vegetarian alternatives should be offered.
- Having coffee machines at every campus is appreciated.
- More pleasant atmosphere is needed.
- I don't know of any food services done by ACC except the Riverside Golf Course Café, which I think is adequate but expensive. I think ACC Riverside and maybe other campuses need some sort of café or cafeteria instead of only having those pricey, unhealthy and unpalatable vending machines.
- The bookstore is fine.
- The only food served at ACC Rio Grande is done through a cart outside the building (and its always out of egg rolls) or through a vending machine.
- Try to make bookstores larger if possible.
- Bookstores need to be open later, maybe until 8 or 9 p.m. for night classes.
- My only gripe is that the portion of food served isn't really worth the price. Also books are ridiculously priced.
- Bookstores should be open on Fridays.
- The bookstore is closed at lunch. Working full-time also, lunchtime is the usual time I can go. I have gone to the café only once and the food wasn't too good. Straight out of the microwave.

- Bookstore is too small and takes too long to obtain needed materials.
- I feel some of the bookstores should be opened later than 6 pm due to students who have night classes and cannot get to the store before it closes. Also, I think some of the bookstores need to carry more of the same books, instead of only one campus carrying it. I feel that the bookstore employees are courteous but they're just not always helpful.
- The bookstore is perfect.
- The bookstore needs a larger stock of books and longer hours of operation especially for those who attend school in the evening.
- I was not aware ACC had any food service more than vending machines that are totally inadequate. A student union building with a cafeteria would be nice. I am at school all day 2 days a week and don't eat because no food is available. I've been in the bookstore a couple times and it didn't have books I needed or supplies I could use, so I wrote it off and never went back.
- Bookstores should be opened longer.
- Have a change machine available in food area.
- Get more than one microwave oven in the student lounge at Rio Grande. You used to have two machines.
- The bookstore needs more attendants. It's also helpful to have friendlier, happier and just plain alive attendants.
- Have a closer correlation between new classes and needs of students.
- Weekend hours for the bookstore the weekend before the semester starts would be helpful.
- I have never eaten at ACC or gone to the bookstore.
- The food service is not so good. They don't give you enough for the money that you're spending.
- It was difficult to get all the books and materials (supplemental) before the classes began (within 1st week).
- Preparation for classes offered and professor's requirements could be improved.
- Have required books available at campus bookstores. Have lower textbook prices. Be student friendly. Better food selection.
- I suppose food service is necessary in order to comment on improvement. Soda and candy machines are available at Rio Grande but there's no place to buy fruits or anything substantial. I think a fruit stand is a good idea and would likely be profitable.
- Stay open for evening students who come straight from work.
- Bookstore is fine. The food service needs to be upgraded by offering a better variety to the students.
- Make sure there is an ACC staff member with student workers at all times. Improve on answering phones and returning messages (especially at the Northridge campus).

- Better hours for VA services.
- You need courteous people in the bookstore. It is hard to get the books you need at times.
- They don't offer good "buy back" prices. It must be more fair to students.
- Better quality of food. More nutritious and healthy foods preferred.
- Some of the vending machines in the building are not functional. The only food service Riverside offers is vending. A small grill for the students would be nice, but there is no room.
- Open later for people that work and go to school in the evening. I find myself buying books at places other than ACC because the hours are better.
- Bookstore employees need to be more courteous and quicker.
- Probably okay for college-age kids. I'm almost 50 years old so snack food doesn't appeal to me much.
- There is no food service except vending machines.

Appendix D

STUDENT SURVEY RESULTS

NARRATIVE COMMENTS

The following comments convey the students' perception of ACC and do not reflect the findings or opinion of the Comptroller or review team.

GENERAL COMMENTS

- Please do something about the parking lots. My car has been dinged, scratched and dented in the Riverside Parking lot.
- ACC sells parking permits and then allows outside events to use these parking spaces, thereby denying students (who paid to park) the ability to do so.
- More care needs to be taken when selecting courses to be offered. On numerous occasions a course that is a prerequisite for several others will not be offered; even though the follow-up courses will be. This delays finishing required classes sometimes by as much as 2 years.
- Registration is appalling. On four separate occasions, I faxed in my registration and it was never processed. I registered by phone twice and had the same thing happen. The employees in registration are quite often rude and condescending. This attitude is prevalent not only in registration, but also in the bookstore employees. They need a serious attitude adjustment or replacing. Overall, the instructors are okay. Only a few seem to lack concern over whether they actually teach anyone anything.
- Be able to pick up financial aid checks in the financial aid office rather than signing for it there, then having to go to the cashier's office.
- More distant learning classes.
- Have advisers better trained to assist with transfer course questions.
- Have IDs mailed to students. This is more convenient than having to go to the office every semester.
- More criminal justice classes.
- Get a lot of new staff who exhibit friendliness, helpfulness, and common courtesy. I am a student and ex-employee of ACC. I would never work there again (HBC).
- I believe the requirements for English Comp. I should be explained more thoroughly at the first and the teachers ask for equal requirements for the papers.
- Need a clear cut complaint procedure for students who have some concerns about their teacher's attitudes or style of teaching. I didn't

know who to complain to and how to do it. This needs to be made more transparent to students after all we are the ones who pay for tuition.

- The Rio Grande parking needs to be worked on. When I was attending that campus, I would spend close to ten dollars a week for parking because I had to park on a meter.
- The full printed catalog is not necessary to be sent to every house; a one page ad should be enough.
- I expect more online classes provided to continuing education program with flexible time.
- I just wanted to comment on how wonderful the person working at the Rio Grande Little Store. He's always so chipper. He can brighten up your day.
- Do not hire so many dumb student workers. To get the privilege of working on campus, you should at least know what your job description is and I think many of the student workers have no idea what their purpose in working and they are almost all rude.
- There is no food service on the Riverside campus and we are forced to go to the Tin Cup where prices are outrageous.
- I have been very pleased with the distance learning classes. Of the four classes I've had, two have needed more instructor involvement-they were both taught by the same person. The other two were great.
- One of the instructors was not available during posted office hours on several occasions and never responded when asked to check on contradicting info on quizzes and textbooks-this happened at least 6 times during each course.
- There should be a distance learning contact person in administration to go for these issues.
- Distance learning classes would be more effective if professors gave an outline as to what the student should look for while reading, instead of just read the book. There's just so much information.
- More non-credit courses for enrichment purposes should be offered.
- The president should have fair pay but ACC is not a corporation where executives salaries are not at my point of view proportional to the results. I would like ACC to look more like a higher education institution than to look like a "Big High School". For instance, I don't know why class attendance should be mandatory when dealing with adult or young teenagers who should learn to make themselves responsible.
- Students need more books at the library as well as more access to computer. Each instructor should choose with the department approval the books that he thinks are effective and efficient for his teaching objectives.

- ACC should notify in writing those with a hold on their file so they can fix it before the registration period. ACC's parking permit is too cheap compared to UT, so to raise it up to \$2 should not cause a big harm to students.
- The Northridge Campus has great instructors and I like them all. The café is too expensive and the parking is terrible.
- The lack of knowledge of the front office about RN program is a big inconvenience.
- Making the faculty especially adjunct faculty happier may improve quality of education. Also parking.
- Bookstore to be open later.
- More parking.
- Better advisors and admissions people.
- Student ID cards (not just a cheap plastic card with a sticker).
- Let students know when a class has been cancelled. A sign on the door isn't a good way to tell people.
- About the bookstores, I find it very difficult to find what I need because there is a constant wait for books on back-order, and because the demand is so high and supply so low that sometimes I end up not able to get a textbook or class supply until I have started my class.
- Have more "hands on" materials for the students to use. Classes seem to be plain-lecture all the time.
- More student/campus activities.
- More recruiting.
- More variety in food.
- Overall, I was very pleased with ACC. Being my first semester back in school, I was comfortable and felt very motivated. There was a lot of self motivation, but the faculty helped more than expected.
- Extend the doors on the women's bathrooms so you could actually sit down while using the toilet. I think a man must have designed them.
- With increased enrollment at ACC all campuses need to expand their libraries and computer centers. I can never get on a computer because both areas are always full especially near finals. Same goes for the testing centers.
- I have found the hands on learning environment of the welding department and all of its staff to be an excellent place for acquiring skills and knowledge in a very diverse range of metal working.
- There are few university level classes I have enjoyed and learned as much as all classes I have done in this department.
- Computer labs need to be networked together. Libraries need to have more books. Many times when doing research in the ACC libraries, books are not available. Libraries should be in touch with the faculty on research projects. More adequate parking needs to

be supplied for faculty and students especially at Northridge, Rio Grande and Pinnacle campuses. The registration and records offices need to be more thorough and responsible with student records.

- I would suggest that poor teachers, such as those with less than half their students left towards the end of a semester, be subjected to disciplinary action because when that many students drop a class, there is definitely something wrong with the teacher.
- Offer more English classes.
- Better organization. A class I was in was cancelled. The problem is no one told us. We sat in the class and the instructor never came. I then went all day trying to get into another class.
- Teacher evaluations need to be done for all classes.
- I don't usually complain about teachers at ACC, however, last semester, I, along with other students in my class didn't think that the teacher was teaching us anything about the subject. There were many instances in which students would ask her questions and she wasn't able to answer or would answer incorrectly and another student would correct her. I complained about the teacher but I felt like I had to go through an entire stream of people in order to get my point across. You should set-up some type of system for cases like this.
- I really have no other complaints or suggestions. I pretty much stay in Building D and sometimes go to Building A to use the work out facility which is really good.
- The teaching and lectures of the Personal Finance instructor need to be seriously evaluated. We had a book report due and I accidentally turned in my rough draft which had incomplete sentences, misspells and handwritten notes throughout. It was obvious that he hadn't even taken the time to read our reports because mine was returned with an A and had no comments or anything. It was very insulting that he would give us an assignment and then not even take the time to read it. By the end of the semester, he could see our frustration with him and gave us our final as a take home test.
- Better parking.
- Cleaner grounds.
- Farther distance with smokers.
- Faster registration and easier.
- More tutors in the computer labs.
- It doesn't seem right that students should have to pay parking by the RGC campus. Also, there should be a campus police officer surveying the grounds at night. It is not a safe atmosphere especially when you have to walk up to 5 blocks for your car. The cafeterias should offer better food, not just snacks, because most students spend all day at school, especially during finals, and they

need sustenance, not something to nibble on. I think the custodians do an outstanding job. I have never seen a dirty ACC campus in my two years of attending. I also think ACC has some of the best instructors around. I am very satisfied with my learning and have recommended the school to everyone who asks.

- Counselors need to be more aware of the various transfer school's policy. If a student is not getting an associate degree, need to assist the student with selecting the required transfer courses or direct the student to the appropriate counselor to obtain a degree plan. Both schools can work together.
- I have, more or less, enjoyed my academic stay at ACC. I cannot honestly say that the experience itself promoted a challenging and stimulating learning environment (i.e. the coursework, staff, etc.) as much as my own initiative and search to satiate my hunger for knowledge. So, therefore, I cannot speak for the unmotivated or neutral student. However, I can state unequivocally that, for the person with the desire to alleviate ignorance and drink from the fountain of knowledge, the resources are there. The learning resources center could use some improvement.
- I strongly encourage more parking to be made at Northridge and Rio Grande.
- The parking at Rio Grande campus is really bad. Something needs to be done and when a student buys a parking decal they should be given information on where to park and how restrictive the parking situation is.
- The parking spaces are a bit narrow. The rows are also too narrow. Not enough room to back out of the spaces.
- Why can't the temperature to the classes at the Eastview campus be controlled? It is either too cold or too hot. It is very uncomfortable and makes it difficult to concentrate on the instructor.
- At ACC Rio Grande campus, the tutoring labs do not have enough tutors for some subjects that students really could use some extra help. Also, it would be helpful if the tutoring labs at Rio Grande would operate on weekends.
- The lady that's in the front desk at EVC Admissions is very rude. I thought I was the only one but I would ask my friends and they all said the same thing.
- I'm very happy with the knowledge I've gained while going to school there. The instructors are your best assets.
- Better facilities for students with disabilities. The OSD offices at both campuses I attend are understaffed and aren't large enough.
- I think the Learning Lab in 212 at Rio Grande should be expanded.
- Enforce smoking rules.
- Enforce parking and larger parking spaces.
- Attendance requirements need to be removed from course syllabus. I am fully capable of prioritizing my schedule. At times, class is

not at the top of my list although if I am passing the course (my overall ACC GPA is 3.5) I should not be penalized.

- Hire more qualified instructors rather than stick with the same ones who either don't really know what they are talking about, or expect you to become "experts" in their field, and end up with a high drop rate or a low passing rate.
- Students are not encouraged to enroll at ACC because there is not enough money, and the retention rate at Cypress is horrible because of lack of classes. They need to listen more to student's needs.
- Naturally, some students are more motivated than others. It is not very challenging to take multiple choice and true/false tests. I may regret this suggestion (ha!) but if instructors could get away from using those types of tests, it would be a greater challenge. I am attending ACC for mental stimulation and receive it for the most part.
- ACC eliminates some class which I need to take for my certificate. Therefore, I should stay in ACC one more semester. This is very frustrating for me.
- There are very few schools in the country that offer a blacksmithing program. We actually have one of the best in the nation. Two years ago, I went to a national convention of artist/blacksmiths and ACC had more representatives than any other school in the nation. I think if we advertised more in the trade journals like ABANA'S Anvil Ring we would attract many students. We need to get our name out there, so students know what we have to offer in national journals not just locally. And add a foundry program.
- SDS lost my paperwork and if I hadn't checked back with them, I would have missed registration and getting into my class.
- There aren't enough parking spaces available. We need more.
- I enjoy attending ACC.
- Need to notify students of where and how to pick-up student IDs.
- Add a parking area to Rio Grande and Pinnacle to the ones already existing.
- The Rio Grande campus building needs repair. Riverside's facilities are very nice.
- Expand degree programs that have long waiting lists. For example, your nursing program.
- Not every student is capable of being an "A" student. For some reason, I have always been a "B" student. Keep a vibrant tutoring program.
- I would like to say that my weight training instructor is one of finest teachers I have ever had. He is from Russia and speaks with an accent yet you can understand him. We have all learned so much from him. His classes fill up immediately and remain full

through the last day of class. I wish we had a larger space and better equipment but we couldn't get a better teacher.

- The biggest problem for me was parking at Rio Grande. The lot has an inefficient number of spaces and the parking meters were a hassle.
- To me ACC is a place where people can save money taking their basics while there is still variety for those trying to gain some extra skills for themselves.
- My experience is that "closed" rooms at Northridge without windows and with wall-to-wall carpet and fabric wall covering have allergens. I recommend removing all carpet.
- Pinnacle campus, with it's lack of any grounds and business like atmosphere is not conducive to any sort of campus identity or student social life.
- I think ACC is great. My only concern is the parking lot. The parking spaces are too close together.
- I requested a copy of my transcript or review six months ago and have yet to receive any information. I have called numerous times and get clueless people all the time. It's great to have students work for the college, but please train them appropriately. I wish my advisor(s) knew more about each specific program. It concerns me that they seem to know nothing about transfer programs.
- Tutor help is needed at the San Marcos Center for various classes offered.
- I am very disappointed with ACC. Myself being an international student coming all the way from Africa to study has been very disappointing with ACC standards.
- I have had a fabulous experience at ACC in the Photography Department, the Graphics Design Department and the Visual Communications Department.
- I feel the ACC system should allocate more monies to the allied health programs. The OTA program is excellent, as far as teachers go-they are the best. The facilities however, are old and the equipment needs to be updated in order to allow the students a better lab environment and hands on studies.
- The instructors are very good, helpful, courteous and professional. I've enjoyed attending ACC very much.
- Maybe set a schedule to see counselors by appointment to avoid waiting too long in a line more than an hour.
- I feel that you really need to talk to the people who work at the registration office at the Rio Grande campus. On multiple occasions, I've been given the run-around, and the staff has been extremely rude. If I could afford to go to school somewhere else, I would. Their staff is not helpful, and desperately need to work on their people skills. I feel that this issue must be addressed because I

know that I am not the only student who feels this way. I have heard many other horror stories from my peers.

- Give enough time in class to use the computer lab. Many of the certification exams require that you have seen and touched the equipment in order to answer the question.
- The computer lab assistants are not the least bit helpful. Half of them can hardly speak English. After about a dozen times visiting the computer labs at Northridge and Cypress, I finally got really fed up.
- Bookstore should be open later. There should be more parking. There should be better advisors and admissions people.
- There should be student ID cards and not just a cheap plastic card with a sticker.
- I think ACC has been wonderful. I did not come to ACC to pursue a degree but my first meeting with the counselor planted the seed. I've had 3 promotions since I started ACC and almost doubled my salary. The degree program was very aligned with the skills required for my job advancement. I started out as a secretary and am now a Project/Program Manager. I have no complaints other than parking.