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COMMUNITY COLLEGE DISTRICT NO. 508
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Administrative & Procurement Services Overview

Presentation to the Board of Trustees Committee on
Finance and Administrative Services

September 25, 2013



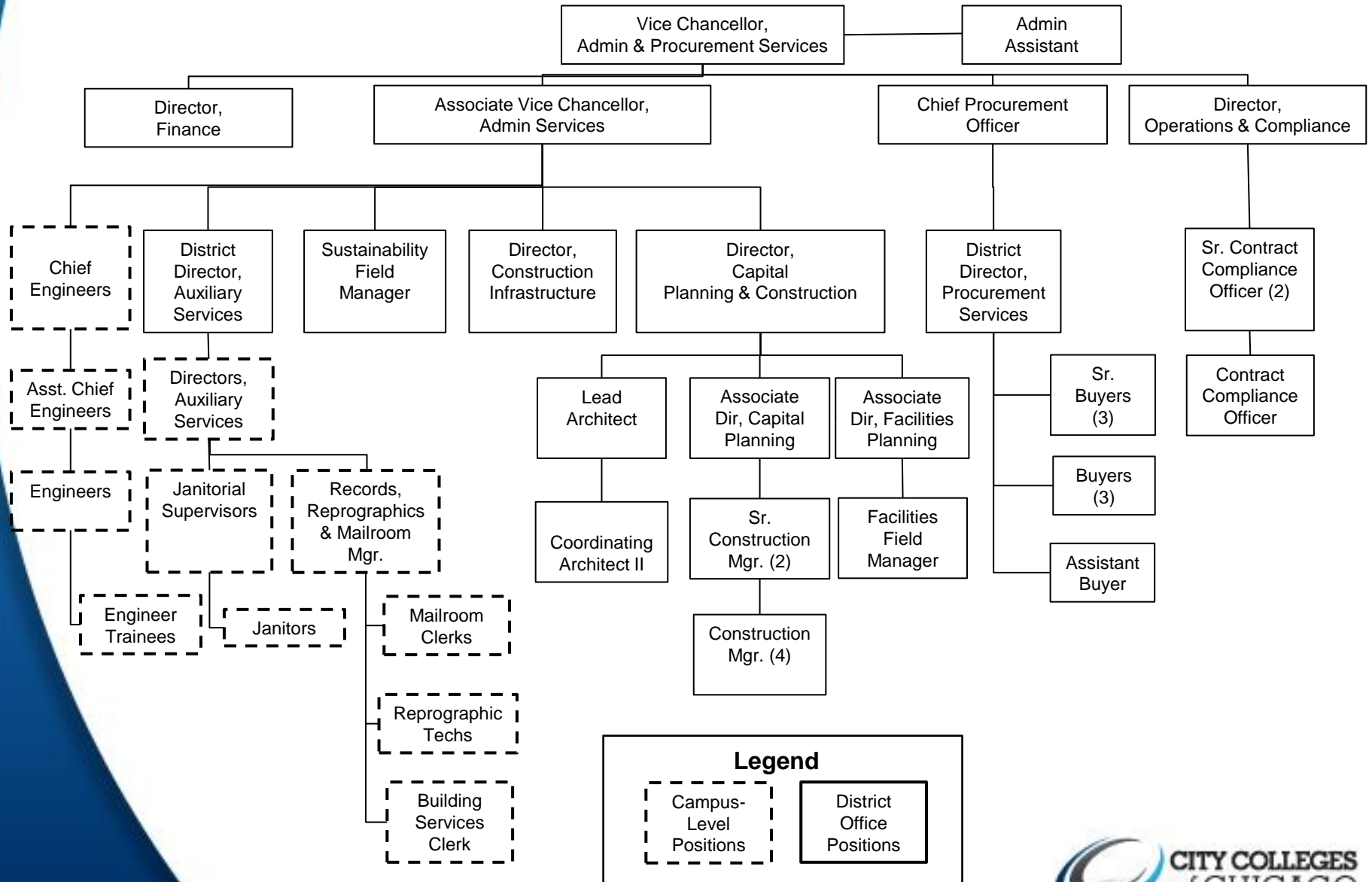
The Office of Administrative & Procurement Services provides three major functions across the District

Capital Projects	Facilities & Operations	Procurement & Compliance
<ul style="list-style-type: none">• Manage and execute all Capital construction, maintenance, and repair projects across the District	<ul style="list-style-type: none">• Manage and maintain facilities across the District• Provide auxiliary services such as reprographics, central stores, and mailroom	<ul style="list-style-type: none">• Facilitate and oversee the purchase of goods and services required across the District• Ensure M/WBE and community hiring goals (where applicable) are met

Our goals for the next year include increasing efficiencies, as well as enhancing sustainability and compliance efforts

Capital Projects	Facilities & Operations	Procurement & Compliance
<ul style="list-style-type: none">• Increase number of capital projects undertaken across the District• Increase in-house use of qualified professionals for basic project design• Perform complete ADA inspection of all facilities and develop 5-year Plan to address any issues identified• Proactively ensure all approvals are received to break ground on-time at MXC and OH TDL	<ul style="list-style-type: none">• Enhance sustainability efforts, including expansion of recycling and improved water and energy management• Improve appearance and maintenance of exterior landscapes• Create efficiencies in engineering schedules• Increase the use of Reprographics for appropriate print/copy projects	<ul style="list-style-type: none">• Increase efficiency of procurement business processes / refine automated (paperless) purchasing process• Refine internal compliance processes to improve monitoring of vendors• Ensure M/WBE and community hiring goals are met

The organization's structure reflects our major functions... the focus for today is the Capital Plan, procurement, and M/WBE compliance



CAPITAL PLAN

The 5-year, \$555 million Capital Improvement Plan (CIP) supports renovations, upgrades and rebuilding the seven campuses and satellite learning centers

- CIP is based upon an condition assessment of:
 - 1) Existing capital assets and facilities
 - 2) Campus security
 - 3) Academic environment
 - 4) Technology infrastructure
- Used a weighted prioritization project selection system to:
 - 1) Address life safety & compliance issues
 - 2) Prioritize projects that keep the building operational
 - 3) Identify academic programmatic needs
 - 4) Upgrade classroom technology
- Sources of Capital Funding:
 - Existing and anticipated capital and operating resources totaling \$256 million, 46%
 - Appropriated and requested State capital resources \$37 million, or 7%
 - City TIF proceeds \$12 million, or 2%
 - Bond issuances totaling \$250 million, or 45%

»Debt Service from the Corporate Personal Property Replacement Tax revenue allows for a bond issue of \$207 million

»Debt service from student fees allows bond issue of \$107 million

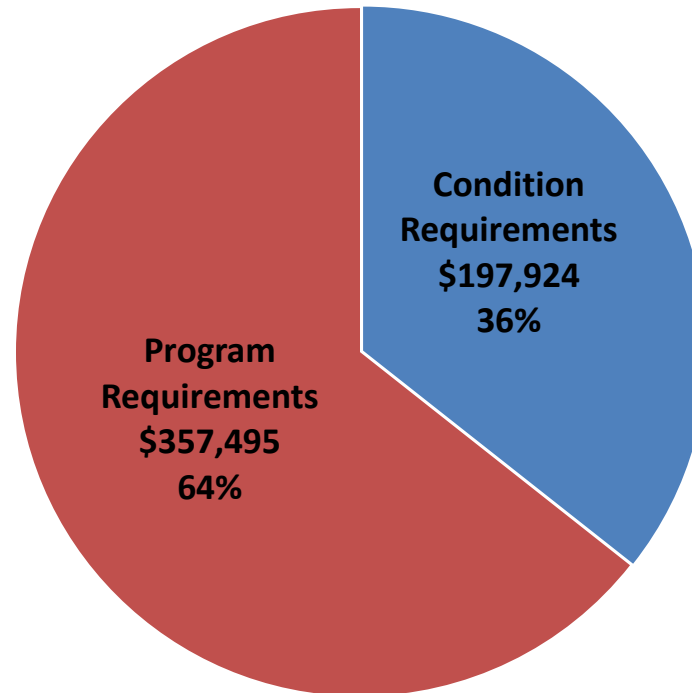
The five-year plan invests in a variety of project types across the Colleges

	Daley College	Harold Washington College	Kennedy-King College	Malcolm X College	Olive-Harvey College	Truman College	Wright College	District Office/Wide	Totals
Property	\$ 1,991	\$ 1,910	\$ 3,829	\$ 180	\$ 1,673	\$ 1,500	\$ 2,985	\$ 4,300	\$ 18,368
Architectural & Structural	10,321	4,410	5,912	1,524	8,617	13,224	14,065	12,706	70,779
Conveying Systems	185	380	284	-	338	300	334	438	2,259
Mechanical	5,938	2,047	6,139	321	2,431	7,203	3,905	4,638	32,622
Electric	4,734	695	4,049	519	1,088	3,215	3,847	6,395	24,542
Academic Enhancements	3,209	8,927	953	500	7,329	5,914	2,106	-	28,938
Technology	4,140	4,140	4,976	-	4,140	4,140	4,140	36,270	61,946
Campus Security	1,627	270	1,391	89	1,151	2,119	1,241	5,376	13,264
Subtotal	\$ 32,144	\$ 22,779	\$ 27,534	\$ 3,133	\$ 26,767	\$ 37,614	\$ 32,623	\$ 70,123	\$252,718
	-	-	-						
New Facilities	-	-	-	251,000	45,450	-	6,250	-	302,700
Totals	\$ 32,144	\$22,779	\$27,534	\$254,133	\$72,217	\$37,614	\$38,874	\$70,123	555,418

Nearly two-thirds of Capital Plan spending over the five-year period is allocated for programmatic investments

Capital Plan Spending by Type of Requirement

- New Facilities or Expansions
- Academic Enhancements
- Advanced Technology
- Reinvention Initiative



- Building Envelope
- Facility Infrastructure
- Surrounding Site Landscape

A sampling of capital projects planned for the first half of FY14 includes...

- Humboldt Park Vocational Education Center Building Expansion and Renovation Planning and Design
- Curtain Wall Restoration at Truman and Daley
- Space Planning and Reallocation to Improve Academic Programming at Harold Washington and Wright
- Daley Lobby Renovation
- Roof Replacement at Wright and Daley
- Olive-Harvey Library Renovation
- Washburne Simulation Lab at Kennedy King
- Replace Rooftop HVAC Systems with New Energy Efficient Equipment at Dawson Tech
- AVI Fitness Center
- ADA Survey
- Installation of Security Access Control and ID Systems (multiple campuses)

PROCUREMENT

Procurement Services performs a variety of roles to ensure the District obtains the goods and services it requires to fulfill its mission

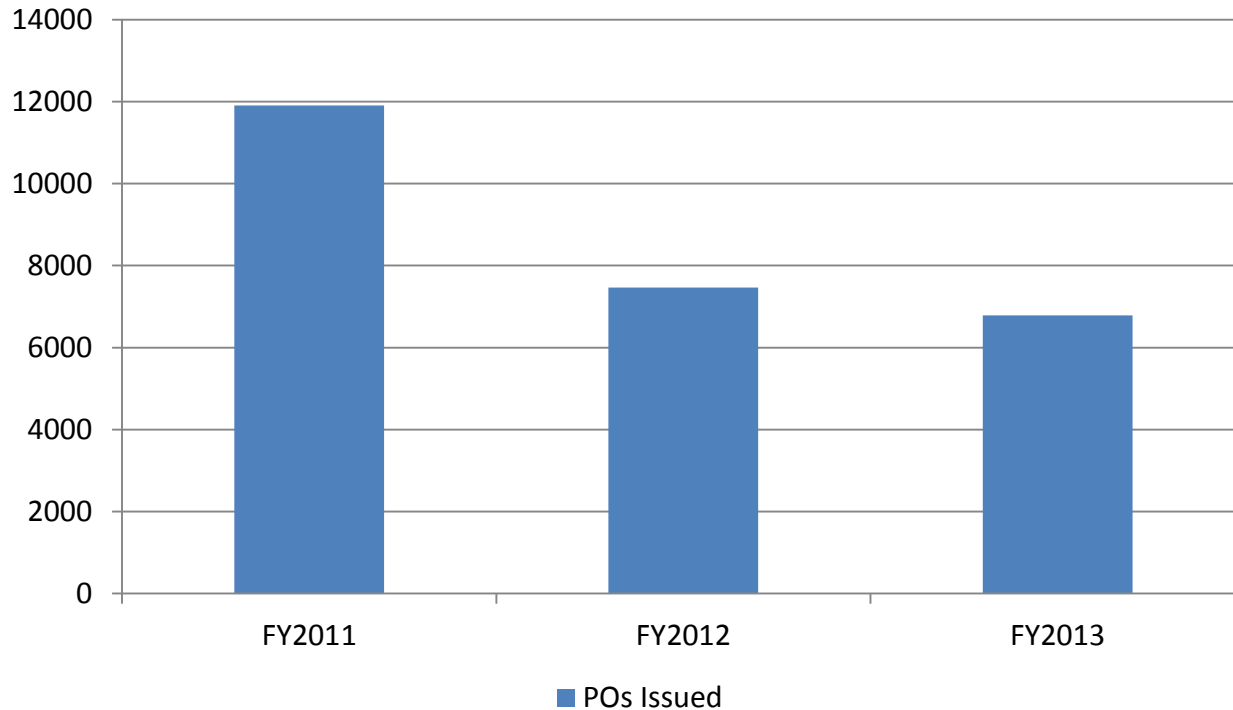
- Vendor Budget/Commitment Control
- Vendor Setup and Maintenance
- Requisitions and Purchase Orders (POs)
 - Selectively review PO's less than \$10,000 for compliance
 - Final review and approval of all POs greater than \$10,000
- Competitive Bidding and Request for Proposals
- Establish District Wide Contracts
- Procurement Policy Training

The Board of Trustees has approved the following spending thresholds

- **Purchases of less than \$2,500:** Competitive bidding is not required. Such items may be purchased from any vendor offering the required goods or services at a reasonable price. Price comparison is highly recommended
- **Purchases of \$2,500 and up to \$25,000** require three price quotations in writing. At least one of the three vendors must be a certified MBE/WBE vendor
- **Purchases in excess of \$25,000** formal competitive bidding is required
 - Work with the initiating department to prepare written specifications describing the required goods or services
 - Ensure specifications are prepared as objectively as possible, so that the advantage provided to any particular vendor is based on the appropriateness of that vendor's product
 - Manage the RFP/Bid process through Board approval

By consolidating purchases, Procurement Services has reduced the number of POs issued each year

Purchase Orders
FY2011 – FY2013



In 2011, KPMG estimated the cost of a purchase order to CCC at more than \$53 per transaction

M/WBE COMPLIANCE

The District's Board of Trustees adopted a Minority & Women Business Enterprise (M/WBE) Participation Plan in 1993

- The purpose of the M/WBE Plan is to...
 - Ensure that Minority Businesses and Women Businesses shall have the maximum feasible opportunities to participate on City Colleges contracts
 - Remedy the effects of historical discrimination while minimizing impact on Non-MBE and Non-WBE businesses
- Plan includes goals for participation of certified MBE and WBE firms in CCC business
- Proposed utilization of such firms is considered as part of the evaluation criteria for contract awards

The District has increased its compliance team from one, half-time support staff to a Director and three full-time personnel over the last year underlining the commitment of the Chancellor and Board of Trustees to the M/WBE Plan

The District's M/WBE Participation Goals are...

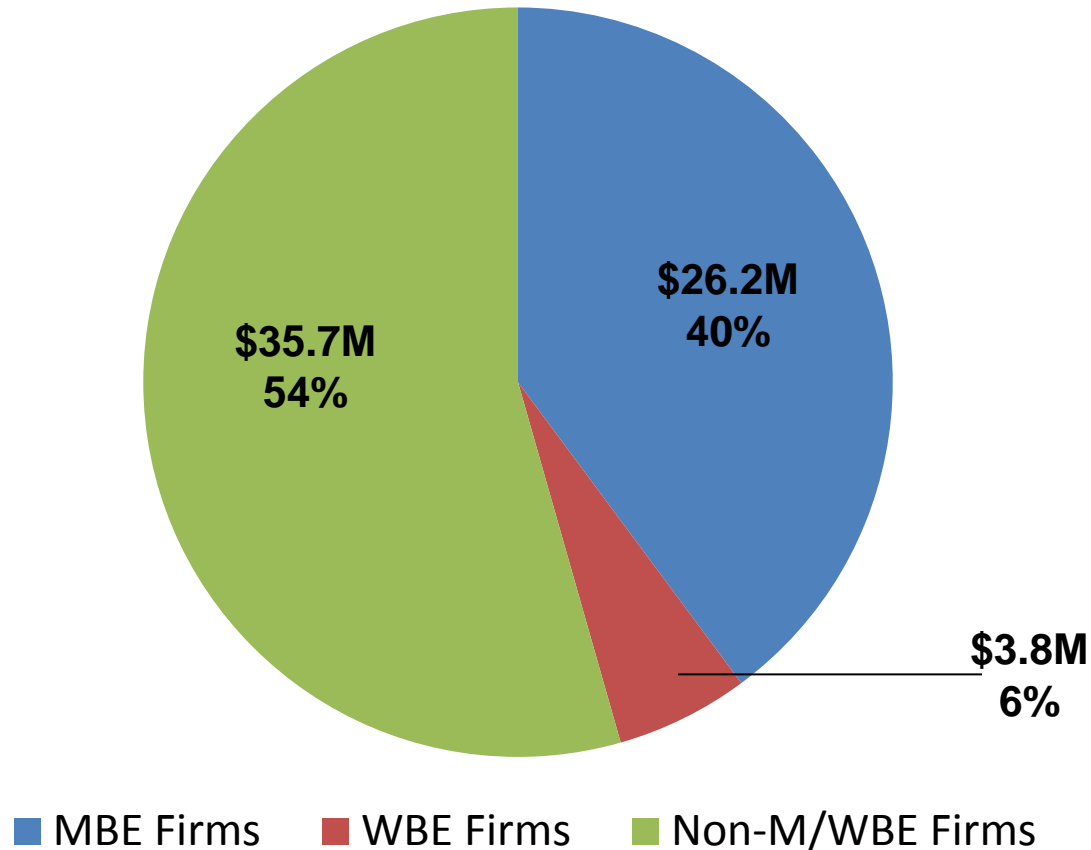
MBE: 25%

WBE: 7%

- Prime vendors on contracts over \$25,000 are expected to meet these goals through a subcontracting plan (purchases \$2,500-\$25,000 require at least one M/WBE quote)
- Only certified firms count towards goals (CCC does not certify but accepts certification from a variety of organizations)
- Dollar amounts are credited to either MBE or WBE, not both (even if the vendor is certified as both)

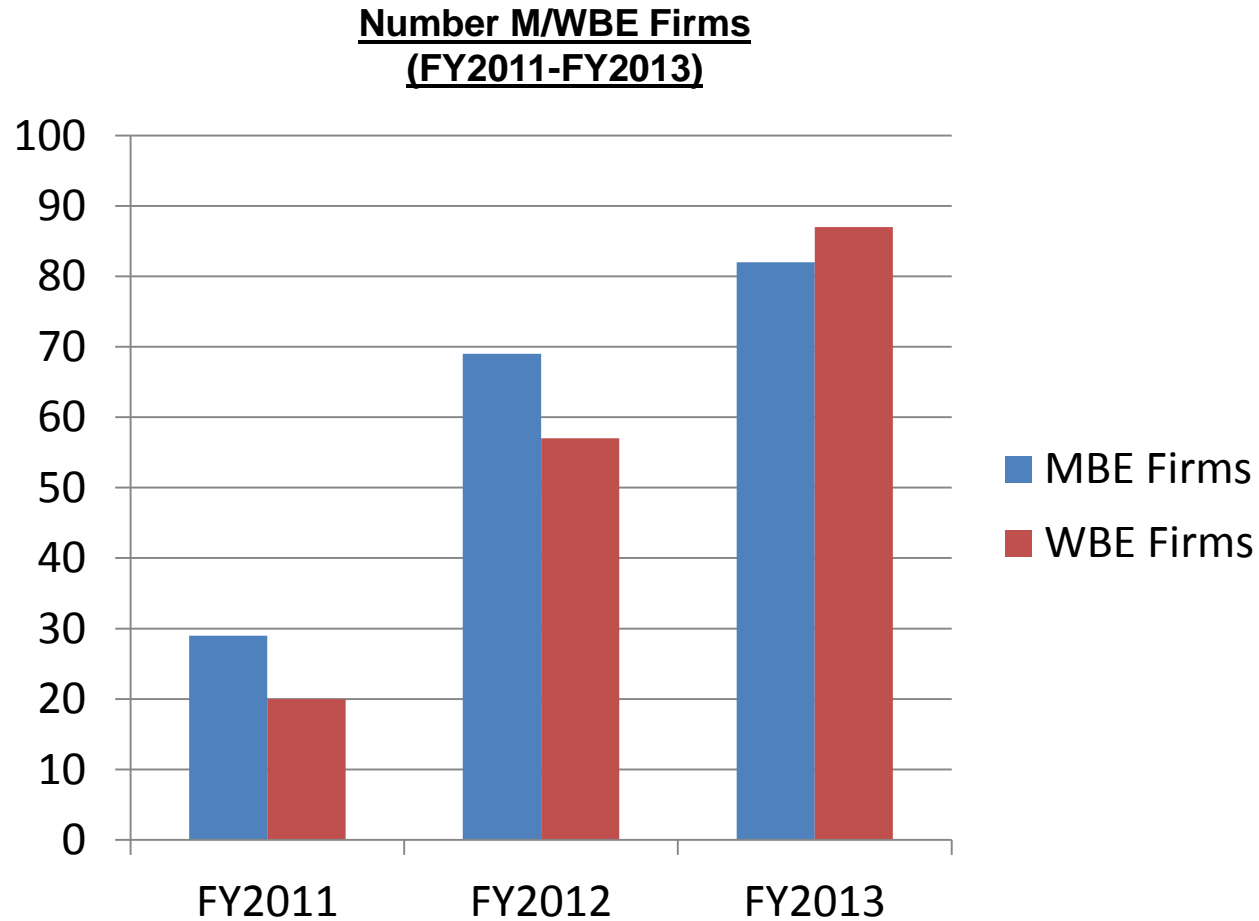
In FY2013, the District significantly exceeded its MBE goal and is approaching the WBE goal

Percent of Total Contract Dollars Awarded to M/WBE Firms
(FY2013)



*Note: Eligible spending excludes CCC expenditures through consortiums; subscriptions; chargebacks; payments to other city, state or federal agencies; legal services; bookstore (when financial aid voucher reimbursements); work study payments; utility and internet services; rent; and grant subcontracts. Dollar amounts reported include verified payments to M/WBE subcontractors.

The District has also increased the number of M/WBE firms with which it does business



Note: Number of firms includes subcontractors with verified payments received from CCC prime vendors as part of an M/WBE subcontracting plan

Improving WBE participation and continuing to strengthen compliance policy and processes are the focus for FY13 and forward

- Targeted outreach to and strategy development with advocacy organizations, including the Women's Business Development Center
- Establish a relationship with the Federation of Women Contractors to improve WBE participation, specifically focused on construction and maintenance projects
- Reviewing the M/WBE Participation Plan and suggesting revisions, if necessary (last revised in 2007)
- Increase emphasis on early and proactive corrective planning for prime vendors not meeting District goals
- Increasing both training opportunities for District staff and outreach to advocacy organizations, including hosting a CCC vendor fair to connect M/WBEs with potential CCC customers