

Supervising Auxiliary Operations in Community Colleges

Presented by:

Tom Bauer, Director of Auxiliary Services
San Mateo County Community College District

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SESSION OVERVIEW

- *Auxiliary Services: A Definition*
- *General Perspectives*
- *Key Auxiliary Entities/Operations*
- *Management Issues*
- *Resources*



The Random House Definition

Auxiliary:

- 1. Subsidiary; additional; supplementary***
- 2. Used as a reserve (auxiliary engine)***
- 3. Giving Support; serving as an aid; helpful***



The Random House Definition

Service:

1. ***The performance of any duties or work for another; helpful or professional activity***
2. ***Something made or done by a commercial organization for the public benefit and without regard to direct profit***
3. ***The mating of a female animal with the male***



Auxiliary Services

A WORKING DEFINITION

Departments or Operations that provide additional or supplemental support for the benefit of the campus without regard to direct profit



General Perspectives

Traditional Roles of Campus Auxiliaries

- Shield against liability
- Enhance Budgetary Flexibility
- Avoid Spending Restrictions
- Accumulate Reserves-Cash Cow
- Add Debt Capacity



Auxiliary Funds

- It is a unique fund, separate from the college's other funds.
- It is used to account for:
 - Bookstore operations ***
 - Vending ***
 - Food Service ***
 - Student Centers
 - And any related debt



Today's Students

- ✓ Students are mature consumers when they arrive at our doors. Today's students seek out what they want.
- ✓ They will not be happy with the traditional shopping experience.
- ✓ They demand greater value for their dollars---particularly with books and food.



Campus Bookstore

- Bookstore vs. Campus Store concept
- Retailing concepts critical to success
- Understanding retail mathematics including inventory turns, ROI
- Understanding product margins and marketplace demands
- Evaluation of efforts; sales/sq..ft.
- Retail accounting Methods



Campus Store

- ✓ To Lease or Not to Lease
- ✓ E-Commerce
- ✓ Customer Service/Relationship Building
- ✓ Strategic Vendor Partnerships
- ✓ National Buying Groups
- ✓ The Right POS Solution
- ✓ Involvement with faculty **CRITICAL** to success



Campus Store

- ✓ Requisition Reward Programs
- ✓ Meeting the Campus Needs-are we really doing it? Assessment...more to come
- ✓ Budget and Business Plans
- ✓ Textbook Pricing Surveys Essential
- ✓ Partnership with Student Services
- ✓ Active Members of the community

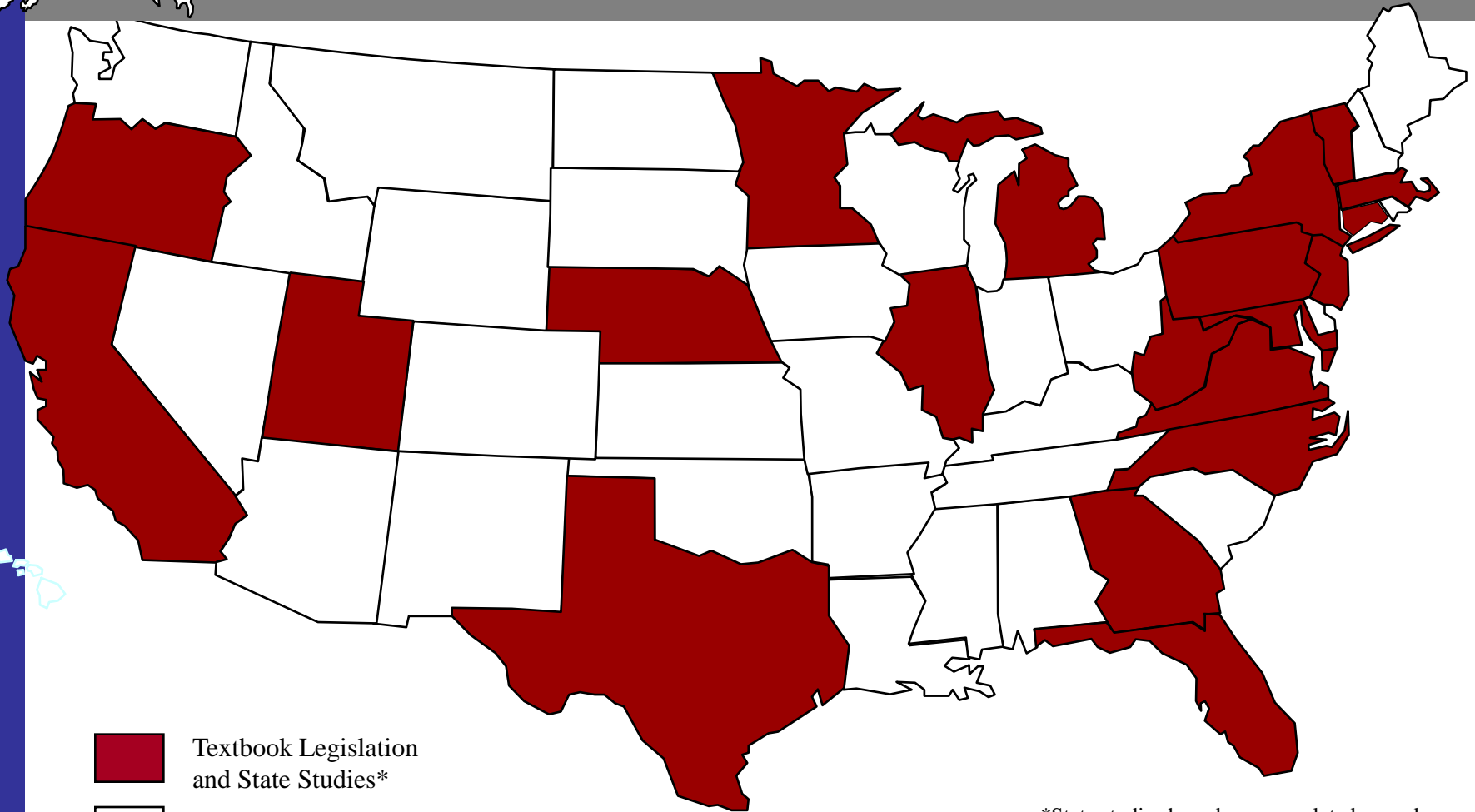



Campus Store


- 2003-20: Textbook Issues on the front page!
- Cost of Textbooks—national concern; effect on community colleges vs. 4 year colleges.
- Legislation-State and Federal ***
- Rental Programs/Digital Textbooks



2005 State Higher Education Textbook Legislation and State Studies



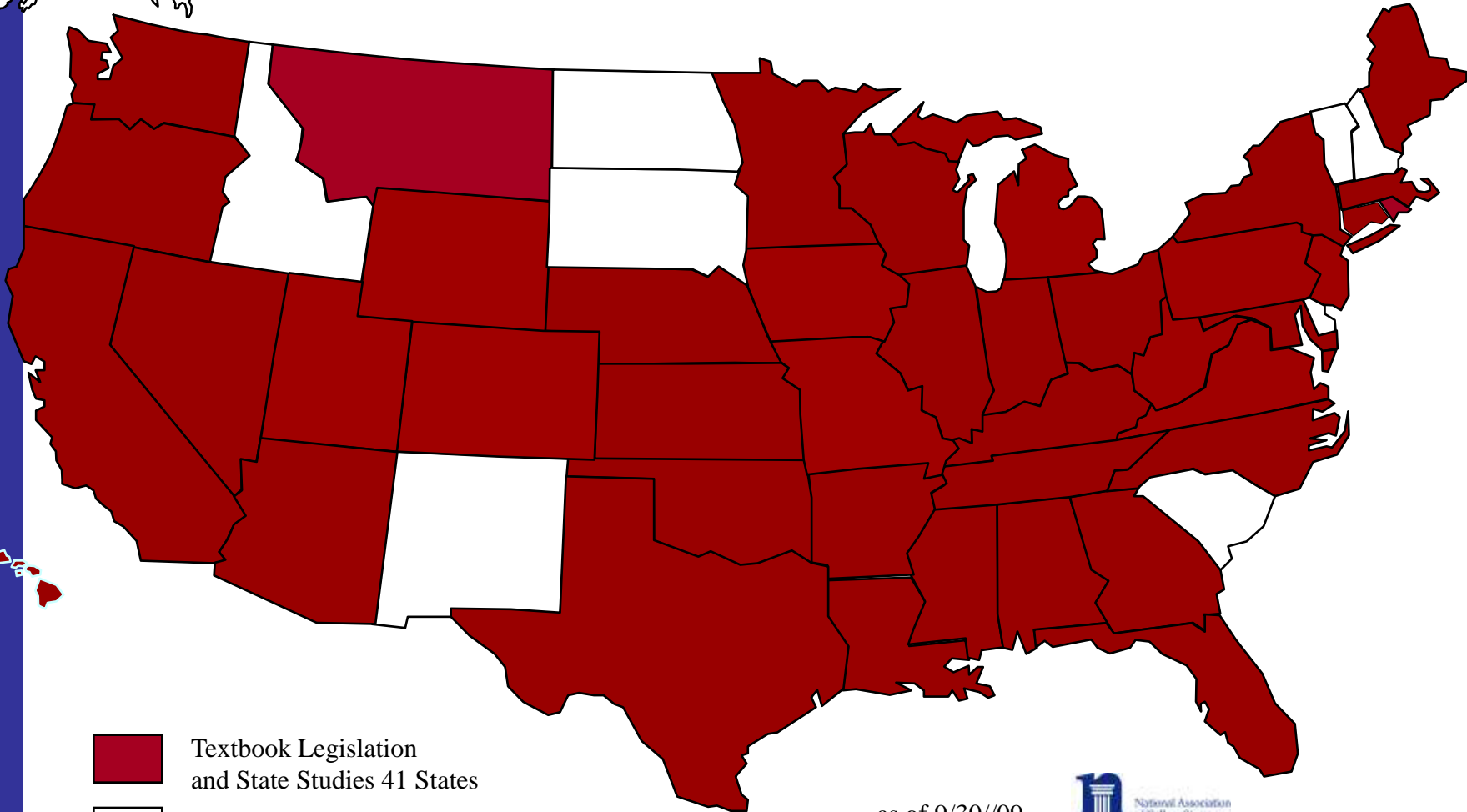
 Textbook Legislation and State Studies*



 No Action

*State studies have been completed or underway in CT, GA, IL, NC, VA, and WV.



Laws Introduced or Enacted Study in Progress or Completed



-  Textbook Legislation and State Studies 41 States
-  No Action 9 States + DC

as of 9/30/09



Take Control of Textbook Costs on
Your Campus

2009-10 Academic Year

- \$157,415 in rental fees collected
- \$629,660 at full retail
- \$472,245 savings to students using the textbook rental program

Take Control of Textbook Costs on
Your Campus

Cañada College Bookstore · College of San Mateo Bookstore · Skyline College Bookstore

The Numbers: 2005 to 2010

January 2006

- 1,700 students
- 35 titles
- \$106,373 retail
- \$26,593 rental
- **\$79,780 savings**

Through January 2010

- 20,000+ students
- 700+ titles
- \$2,408,181 retail
- \$642,045 rental
- **\$1,766,136 savings**



Higher Education Act 2008

Colleges, will disclose

either on line or in printed course schedule

- **International Standard Book Number (ISBN)**
or, author, title, publisher, and copyright date
- **Selling price information**
of required and recommended textbooks and supplemental materials for each course listed in the course schedule.

Take Control of Textbook Costs on
Your Campus

Cañada College Bookstore · College of San Mateo Bookstore · Skyline College Bookstore

Assess, Assess & Assess Again

- Customer Service and Satisfaction Survey: Available through NACS in both print and on-line format.
- Informal “secret shopping”
- In-house program review
- Contracted program review; ex. Campus Bookstore Consulting Group



Food Services

OPERATIONAL CONCEPTS

- **Self Operation**
- **Fully Contracted**
- **Multiple Contracts—several operators**
- **Hybrid mix**



Common Foodservice Challenges

- College food service used to generate commissions and capital investment for renovations.
- Food service net income has been declining over the last several years, and the current food service provider is losing money.
- Many dining and retail areas are in need of renovation to give a more contemporary look and feel, but traditional sources of funding are not available.
- A radical change in approach to dining services is required to provide improved dining and catering services.



Food Services

- Campus Card Impact/Investment
- Impact of Convenience Stores
- Partnership with Campus Store
- Portability
- Branding: Pro's and Con's
- Franchise or District Owned



Food Services

- Vending Contracts
- Coke or Pepsi?
- Partnering with Suppliers
- Labor---In House vs. Outsourced
- Pricing---Retail, Cost Recovery or Subsidized?
- Catering---Quality, price or both?
- Concessions---campus or market driven



Faculty/Staff Housing

- Aids both Recruitment and retention:
SMCCD example
- Sale or Rental or Both?
- Faculty/staff Housing Services Center
- Ground Lease Concept



Copy Services & Other Surprises

- In House or Outsourced-Does bringing an outside vendor in campus deliver a better more cost effective service than running it in house?
- Pros and Cons
- Commercial Fitness Center
- Facilities Rental/Event Planning



Management Success

- Full Recovery of All Costs
- Ability to Respond to Institutional Changes
- Meet Expectations of Profitability
- Understand skill sets required for management of various AS departments
- Appropriate accounting methods for each service
- Measurement of success



Contract Management Skills

- Assessment and review
- Selection Skills
- Financial management
- Staff Transition issues
- On-Going involvement and review
- Negotiation Skills



Resources

- National Association of College Stores***
(NACS)
- National Association of College Auxiliary
Services (NACAS)
- California Association of College Stores
(CACS)***
- National Association of Convenience Stores
- National Association of College and
University Food Services (NACUFS)

