

Fall 2008 Comprehensive Program Review

Name of Program: Purchasing / Contracts / Accounts Payable
Name of Unit: Finance and Technology
Name of Area: Administrative Services
Date Completed: 11/10/2008

Program's Mission Statement

The Los Angeles City College Purchasing/Contracts/Accounts Payable Division provides valuable professional support services to the campus community through the procurement of goods and services promoting educational success.

Per the LACC Strategic Plan, Goal C "Enhance Resources and Accountability" the goal of the Department is to facilitate the purchasing of goods and services for the College to support the educational programs. We also strive to process payment in a timely fashion to maintain the College's good credit standing; thus, ensuring a wide range of available vendors/contractors.

Program Outcomes

The Purchasing/Contracts/Accounts Payable Division provides timely and friendly service. Per the LACC Administrative Services Campus Climate Summer 2008 survey, the Department showed a 44% "Very Satisfied." During the past 6 years the college has had four Vice Presidents of Administration, 1 Vice President of Academic Affairs, and four Presidents. For each new administration, there is a learning process which results in delays on approval of documents. The department anticipates that this rating will increase as District Procurement training for new administrators becomes more frequent and accessible.

The District provided Procurement Training for all Department Heads. This allows for all Departments (Academic, Students Services, and Administrative Services) to submit Purchase Requests with the appropriate information expediting our procurement process. Therefore, the Purchase Orders are generated expeditiously. The vendors receive the requests right away; the orders are shipped to the campus and the departments receive the orders in a timely fashion for the classes/offices.

Program's Characteristics, Performance, and Trends

The Los Angeles City College Purchasing/Contracts/Accounts Payable Division takes pride in providing services as quickly as permitted without compromising the quality of our work and following established District rules and regulations.

We serve the college community and outside companies/groups by providing the following services:

1. Campus Facilities Reservations for filming, special events, etc., Process Requests for Models, Athletic Officials, and Community Services instructors.
2. Contract invoices & Facilities invoices: matching & SAP Release, CALCARD invoice matching. Process payment for Models, Athletic Officials and Community Services instructors.
3. Contracts (services)
4. Purchasing: Equipment, Printing, License Fees, Advertising (inc. TV, Radio, Billboards)
5. Purchasing: Supply, Transportation, Subscriptions, Royalty fees, Membership Dues, Inspection fees, Request for Warrants (for companies only)
6. Purchasing invoices, matching & SAP release

The performance of the Department is based on the College Budget, see below the fluctuation in Budget and the number of purchase orders processed.

City College POs by fiscal year

| | Ranging from # | To # | # POs created | Total Value |
|---------|----------------|------------|---------------|----------------|
| FY 2006 | 4500057907 | 4500076874 | 2,324 | \$6,012,693.42 |
| FY 2007 | 4500076875 | 4500096550 | 2,095 | \$5,857,777.33 |
| FY 2008 | 4500096551 | 4500114852 | 1,848 | \$5,264,512.86 |

Program's Strengths and Weaknesses

Strengths

We have a multicultural office which motivate us to understand and help each other to achieve the goals of the division; "Excellent Customer Service." Per the 2008 Administrative Services, Purchasing/Contracts/Accounts Payable Staff Survey, 100% agree to "We work effectively to help students." We believe that by processing orders as efficiently as we can the students will receive the products and services to obtain their educational goals.

Weaknesses

According to the 2008 Administrative Services, Purchasing/Contracts/Accounts Payable Staff Survey, 33% disagree with "I am kept informed and up-to-date." Information from the Administration regarding budget and changes in department heads is not disseminated in a timely fashion directly impacting operations.

Delay in payment of Purchase Orders is another area of concern. Departments receive products and do not notify the Receiving Department. Therefore, when the invoices are received they cannot be paid because Receiving has not released the Purchase Order (acknowledgment in the SAP system that the product has been received and tagged - equipment). This results in vendors putting a credit hold on LACC's account refusing to fill Purchase Orders until they are paid.

Frequent District training sessions including procurement training for newly hired administrators would enable our department to function at optimal levels of efficiency and provide departments with excellent customer service.

Program's Opportunities and Challenges

The procurement system was transitioned in 2002 to SAP. Everyone had to be trained and learn a new system. Per 2008 Staff Survey, 100% Agreed to "I have been given adequate training." The system continues to evolve which require learning new ways of doing our job and many times with very little notice from the District. We have a dynamic office environment which allows us to adapt to changes and help one another to learn and achieve the Department's goal.

According to each fiscal year's budget for Program 10100 and the various Specially Funded Programs, our Division work pattern fluctuates.

In 2002 we had to restructure the office and two accounts payable staff members were added to handle the decentralization of payable shifted to the campus by the District SAP system. For the past six years, our division comprises of:

- 2 Purchasing Aide
- 1 Accounts Payable Technician
- 1 Accounts Payable Assistant
- 1 Administrative Aide
- 1 Supervisor

Future requirements expected: As the SAP system continues to be upgraded, our computers will require memory upgrades.

Per the 2008 Administrative Services, Purchasing/Contracts/Accounts Payable Staff Survey, 100% strongly agree that "we have adequate and appropriate equipment and supplies" and "the office is clean and comfortable." We have a comfortable work environment which motivates everyone to work effectively and harmoniously.

Evaluation of Program's Performance

We have delays in the procurement and payable process that we wish would be minimized. However, it depends on departments submitting incorrect budget information, not following established District purchasing guidelines, etc. This delays our process and very often we have to return the purchase requests because they do not respond to our emails or memos requesting budget, quotes, etc.

We believe that with additional District Procurement Training these delays could be eliminated allowing us to process purchase requests in a timely fashion; thus, getting the products and services to the students faster.

Program's 3-5 Year Strategic Directions

Paperless: We are trying to scan all the documents handled in the office to reduce the number of cabinets needed and go paperless.

A record retention software was initially acquire by the Admission & Records Office and our Department has been added to the Contract. We have acquired the scanners and received appropriate training. We are currently scanning into the system on an everyday basis. This allows us to retrieve information expeditiously; thus, enhancing our ability to provide services.

IT Department has notified us that we will need to share the cost of purchasing a new server for our document storage needs, see quote below. Based on our percentage of use (4.71%) our Department share of the cost for a new server will be approximately \$3,035.18.

Storage Area Network (SAN) needed for the document imaging solution.

SCIENCE & TECHNOLOGY BUILDING
IT EQUIPMENT - SERVERS & STORAGE
13043 166th ST., Cerritos, CA 90703
MANUFACTURER: HP
pho 562 345 8751 fax 562 345 8714
2/18/09 quote valid for 30 days
Contact: James Gonzalez

Storage

Item # 1

Description: Embedded SAN/iQ Software 12 SATA drives 750 GB, 7,200 (for two units – 24 total SATA drives INCLUDES: 1 year Basic LeftHand system (hw & sw) support
Part #: B-2122-9000-07 (replaced# B-2120-9000-07)
Qty. 2; Unit Price: \$19,845.00; Ext Price: \$39,690.00

Item # 2

Description: Premium 4 year extended (5 year total) SAN Platform support
Part #: W-2120-E4-PRM 2
Qty. 2; Unit Price: \$9,920.00; Ext Price: \$19,840.00
Subtotal: \$59,530.00
Tax: \$4,911.23
Total: \$64,441.23

Current percentage of storage used by department:

| Departments | Usage by Dpt |
|----------------------|--------------|
| Admissions & Records | 54.58% |
| Financial Aid | 31.58% |
| Purchasing | 4.71% |
| EOP&S | 4.21% |
| Accounting | 3.59% |
| Bookstore | 1.25% |
| Facilities | 0.08% |
| | 100.00% |

We project that we will have to replace our computer systems within the next three to five years. Most of the computers in the office and printers are 5 years old or older. With the SAP module upgrades and new technology, they will be obsolete within the next three years. Per the quotes below, we will need approximately \$7,327 to replace the systems and printer.

1. FORMAL QUOTE

13043 166th Street. Cerritos, CA 90703
 Phone (562) 345-8700 Fax (562) 345-8701

Quote Date: 18-Feb-09
 Customer ID: LACCC

LACC CONTACT:
 Juan Mendoza
 323-953-4000X2036
 mendozj@lacitycollege.edu

SALES REPRESENTATIVE:
 J. GONZALEZ
 (562) 345-8751
 jgonzalez@gstes.com

Quote #:3336089
 Quote life:ENDS: 3/18/09
 Terms Net 30
 FOB LA, CA

Items Description:

| | | | |
|---|---|------------|------------|
| 1 | HP DC5850 MICROTOWER6 Integrated ATI Radeon® X3100 graphics; (Chipset ADM 780V, integrated TPM 1.2) GENUINE WINDOWS XP PROFESSIONAL; Energy Star 4.0 label AMD Athlon X2 Dual-core 5000B 2.6GHz; 2 GB PC2-6400 DDR2-800 (1x2GB DIMM) 160GB SATA NCQ HDD SMART IV; SATA 48X/32X DVD/CD-RW COMBO DRIV USB 2-Button Optical Scroll Mouse; PS/2 STANDARD KEYBOARD HP PCI Parallel Port Adapter; 80plus Power Supply dc5 MT chasis COUNTRY KIT; 3-YEAR LIMITED WARRANTY – MT; (parts/labor/NBD on-site) Price \$3,033.90 | | |
| 2 | APC Personal 7-outlet Surge Protector | \$60.00 | |
| 3 | HP L1950g 19IN FLAT PANEL DISPLAY (VGA & DVI-D) | | \$1,350.00 |
| 6 | FLAT PANEL SPEAKER BAR FOR HP L1750/L1950 | | \$168.00 |
| 7 | 2 GB PC2-6400 DDR2-800 (1x2GB DIMM) | | \$312.00 |
| | Sub-total | \$4,923.90 | |
| | Tax 8.25% | \$406.22 | |
| | Ewaste fee \$8 per monitor | \$64.00 | |
| | Grand Total | \$5,394.12 | |

2. FORMAL QUOTE

Items Description

| | | |
|---|--|------------|
| 1 | HP LaserJet 5200 - Black/White Printer | \$1,373.00 |
| | It must include internal JetDirect 635n print server 1 | \$402.00 |
| | OPTIONS | |
| 2 | APC Personal 7-outlet Surge Protector | \$9.00 |
| | Sub-total | \$1,784.00 |
| | Tax 8.25% | \$147.18 |
| | Grand Total | \$1,931.18 |

Goal #1 Long term (2-5 years)

Status: in progress

Deadlines: Encourage Department Heads to follow deadlines to ensure goods and services are provided and payment issued by the end of the fiscal year.

Evaluation of Goal

This will assist the closing of the books for the fiscal year.

Objective #1.1

Status: in progress

Send reminder emails via V.P. of Administration to ensure Departments plan ahead for the LACC/LACCD Purchasing deadlines.

Goal #2 Short term (1 year)

Status: in progress

Proactively work to ensure all information regarding training on LACCD Procurement policies and procedures is provided to new classified staff, faculty and administrators.

Evaluation of Goal

This will ensure all Department Heads are up to date on purchasing policies and procedures; thus, reducing the amount of time spent making corrections to requests.

Objective #2.1

Status: in progress

Disseminate information on a consistent basis via email and provide copies of the Purchasing Manual at the beginning of every semester. Also, provide updates at Academic Department meetings and Students Services Meetings. Continue to update the information on the LACC web as new information becomes available.

Individuals Who Participated in Developing this Plan

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1. Zelaya, Mayra
 2. Disimulacion, Prima
 3. Amirkhanian, Gohar
 4. Ryan, Kelly
 5. Holmes, Noie
 6. Ho, Michelle