



Texas School Performance Review

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# Alamo Community College District

The Alamo Community College District (ACCD) serves nearly 49,000 students at four independently accredited colleges, including San Antonio College, Palo Alto College, St. Philip's College and Northwest Vista College. As a founding board member and former president of the Austin Community College (ACC) Board of Trustees, I literally knocked on doors all over Austin to ensure a successful election in December 1972 to initially set up ACC. To this day, I continue to have a deep and abiding interest in the success of community colleges around this state. In October 2002, following a series of controversies and requests from a current board member and former state representative, I selected ACCD for a performance review.

Since the announcement, ACCD continues to be embroiled in controversies and criminal proceedings, and challenges remain. Yet, the college's stellar instructional and academic programs demonstrate ACCD's emphasis on the primary purpose of a community college—to provide academic courses, workforce development and lifelong learning.

After more than six months of work, my Texas School Performance Review (TSPR) team and I found that as ACCD continues to improve its services and programs and looks toward future growth, the board and administration must address five major challenges:

- Stabilizing governance;
- Strengthening management oversight;
- Reorganizing operations and staffing for efficiency and effectiveness;
- Enhancing contract oversight and compliance; and
- Improving student services and instructional delivery systems.

This report identifies both exemplary programs as well as areas for improvement. If fully implemented, the 119 recommendations in this report could save

the college nearly \$34.9 million over the next five years, while reinvesting nearly \$4.7 million to improve operations. Net savings are estimated to reach nearly \$30.2 million that the district can redirect to instruction.

ACCD's board and administrators must take swift, corrective action to restore trust and open communication with faculty, staff and the community it serves to stop infighting and ensure that its students receive the highest quality education. The board must hold administrators and staff accountable for their actions and work with the administration to establish a clear vision for implementing a strong system of internal management procedures and controls at all levels of the organization. Staffing levels must be controlled and the organization restructured to ensure better internal communication and decision-making. And, most importantly, resources must be equitably allocated to colleges so that all students have access to the programs they need to be successful.

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.

By addressing these issues and others, I believe ACCD can move boldly into the future and set an example for other community colleges in Texas and across the nation to follow. I am confident that board members, administrators, faculty and community leaders are all committed to making ACCD the best it can be for its students.

Carole Keeton Strayhorn, Texas Comptroller

**Net savings are estimated to reach nearly \$30.2 million that the district can redirect to instruction.**



# KEY FINDINGS AND

TSPR examined Alamo Community College District's (ACCD's) operations and heard from employees, board members, administrators, faculty, staff, students and community and business leaders. Following are the major proposals TSPR has developed to help the college address various issues:

## Major Proposals

### Stabilize Governance

- **Develop a board Code of Conduct and enforce policy for board member training including participation in annual ethics training.** Board members do not have a process of self-monitoring or evaluation. Board members are inappropriately involved in the day-to-day operations of the district, are not meeting state requirements for orientation and professional training and stated that they did not understand their roles and responsibilities. In addition, district policy defining board duties is contradictory, fueling the board's inappropriate interactions with employees, departmental reorganizations and hiring practices. By developing a Code of Conduct including succinct governance policies and a self-evaluation process, while enforcing state training requirements including ethics, the board's individual and corporate conduct can be improved and micromanagement reduced.
- **Implement a formal districtwide strategic planning process to establish effective mission and vision statements, goals, objectives and performance measures.** ACCD does not have an effective districtwide strategic planning process or long-range plan linked to the budget, although individual colleges develop strategic plans. Between 1995 and 2000, the district had a Strategic Planning Committee that developed a broad strategic plan, last updated in fall 2001; however, the board chair said there is no plan to update the plan and prior to 2001-02, the board was unaware of the existence of a strategic plan. Using the board's vision to guide implementation of a formal districtwide strategic planning process and providing regular progress reports to the board should enable the district to more effectively monitor identified strengths, weaknesses and opportunities for improvement for all colleges.

### Strengthen Management Oversight

- **Reorganize the central administration.** ACCD's central organizational structure is duplicative in some cases and does not provide logical alignment and adequate expertise for key functional areas of the district's operations. For example, the risk management function has moved three times in three years with current oversight by the chancellor; and technology management is duplicative at each of the colleges with no coordination of services. The Human Resources Department, with far-reaching responsibilities districtwide, is itself unorganized and inefficient; and Internal Audit staff administer elections, which is inherently a conflict of interest

with the internal audit function. Reorganizing the district's central and departmental management, appropriately staffing key functions, eliminating duplicative administrative positions and creating a vice-chancellor of Fiscal Affairs at the executive level would help the district streamline operations, logically align functions and ensure consistent services districtwide.

- **Establish in-house legal services to reduce routine legal costs.** ACCD averaged legal costs of \$583,163 per year from 1998-99 through 2001-02 and the hourly rates have increased by 4 percent during the same time. The district is plagued with lawsuits, many of which are employee grievances or lawsuits settled prior to trial. ACCD consequently hires counsel for both special and routine matters. By hiring two full-time attorneys and a legal secretary to handle routine legal matters, the district should realize net savings of more than \$1.6 million over five years.
- **Prepare a districtwide facilities master plan.** ACCD lacks a long-range facilities master plan and strategic facilities plan that defines facility improvements and growth needs as well as potential capital outlay. Additionally, the district does not have a long-range plan that coordinates maintenance and operations for facilities and considers the geographic location of each college and the administrative facilities. Developing a districtwide facilities master plan will ensure that ACCD proactively defines, plans and is prepared to fund future facility, maintenance and operations improvements and growth needs for all college facilities. It is estimated that this can be accomplished with a one-time cost of \$403,264.

### Reorganize Operations and Staffing for Efficiency and Effectiveness

- **Reorganize central and college-level Information Services management creating a service-oriented organization model and establish formal Service Level Agreements.** The district has four Information Technology departments that operate autonomously without college-level or central Information Systems coordination. There is also no districtwide strategic technology direction nor a practice or methodology to measure performance and service delivery. Reorganizing the Information Services Department to centralize the planning, service and accountability functions and establishing formalized Service Level Agreements will enhance immediate and long-term communication and services provided to users districtwide and will result in more than \$1.4 million in savings over five years.
- **Eliminate the mailing of Continuing Education course schedules.** Each of ACCD's four colleges produces and mails separate Continuing Education course schedules. In total, ACCD prints more than 353,000 Continuing Education course schedules a year and mass mails more than 262,000. ACCD could realize net savings of \$224,554 by replacing course schedule mailings with postcard mailers sent each



# R E C O M M E N D A T I O N S

semester and directing potential students to either request a hard copy or go directly to the ACCD Web site for registration and class schedule information.

## **Enhance Contract Oversight and Compliance**

- ***Develop a comprehensive contract management plan and assign contract management and monitoring responsibilities.*** Contract management and monitoring of district contracts are fragmented because no one position or department is responsible for financial and operational performance oversight. Moreover, committees at each campus are responsible for contract oversight, but neglect to do so; therefore contract enforcement does not ensure that the contractors meet all contractual obligations. A formal process that assigns contract management responsibilities and requires contract performance data to be compiled and reported to the Acquisitions and Administrative Services Department will not only ensure that the district is receiving the services that it is paying for but also identify and document compliance issues early so that corrective action can be taken in a timely manner.
- ***Revise board policy and written procedures for facilities construction and professional service contract selection.*** ACCD lacks clearly written procedures and policies regarding the contracting process for capital improvements. As evidenced by criminal proceedings, three former board members and an architect were engaged in some level of bidding and construction award improprieties. ACCD Facilities staff evaluate and rank proposals prior to submitting a recommendation for vendor selection to the board. Board policy, however, states

that evaluation results be submitted to the board unranked. Additionally, the Facilities Department does not have written procedures and processes with respect to monitoring the quality of professional services received from vendors. By revising existing policies and developing detailed procedures for obtaining professional services for capital improvements, the district should avoid any perceived contracting improprieties and ensure it receives the best professional and cost-effective services.

## **Improve Student Services and Instructional Delivery Systems**

- ***Establish a policy to direct allocation of resources for student services based on standardized criteria, such as enrollment.*** ACCD does not allocate student services equitably among the colleges. Budgeted resources for student services range from \$87 per student at SAC to \$129 per student at Palo Alto College. By establishing board policy, the allocation of revenues and resources for student services will be equitably distributed among the district's colleges based upon enrollment.
- ***Increase average class size across the district.*** The average 2001-02 ACCD class size for full-time faculty declined from 1998-99 levels. Enrollment maximums are based upon classroom size, availability of equipment and requirements of programs regulated by accrediting agencies. By continuously evaluating each section individually for appropriateness and raising the average class size from 18.3 to 20 students for full-time and adjunct faculty would require fewer full-time and adjunct faculty for savings of more than \$25.5 million over five years.

## **What is TSPR?**

The Texas School Performance Review (TSPR), a program of the Texas Comptroller's office, is the nation's first state-level vehicle designed to improve the management and finances of public school districts and higher education institutions.

Since its creation in 1991, TSPR has conducted in-depth, on-site management reviews of more than 100 Texas school districts and higher education institutions. These reports contain nearly 8,000 recommendations that could save more than \$850 million in five year net savings when fully implemented.

These reviews diagnose administrative, organizational, and financial problems and recommend ways to cut costs, increase revenues, reduce overhead, streamline operations, and improve the delivery of educational services. TSPR not only looks for areas that can be improved, but also identifies exemplary areas to be shared with other educational institutions across the state. The Comptroller's overall goal is

to ensure that every possible education dollar is directed to the classroom.

A TSPR review is more than a traditional financial audit. Instead, TSPR in reviewing higher education institutions examines the entire scope of operations, including governance and leadership; instruction and academic support; student services; human resources management; asset and risk management; purchasing and warehousing, management information systems; college relations and alumni affairs; plant operation and maintenance; and auxiliary and service departments.

Individuals or boards can request a review or the Comptroller can select districts or higher education institutions for a review. In selecting districts for a performance review, the Comptroller gives highest priority to those school districts or higher education institutions that are poorly performing academically and/or poorly performing financially, and where a review will benefit the greatest number of students.



# Exemplary Programs and Practices in Alamo Community College District

TSPR identified numerous best practices in Alamo Community College District (ACCD). Through commendations in each chapter, the report highlights model programs, operations and services provided by the college's administrators, faculty and staff. Other community colleges throughout Texas are encouraged to examine these exemplary programs and services to see if they could be adapted to meet local needs.

- **ACCD successfully implemented workforce development partnership with the San Antonio business community.** ACCD has a lengthy history of working with business and industry to develop and improve the skills of the area workforce through on-the-job training, acquisition of state-of-the-art equipment and volunteer mentors and teachers. The district has a One Stop Employer Clearinghouse that connects employers to ACCD training and workforce resources in the aerospace, information systems and security industries. These collaborations provide opportunities for ACCD to introduce students to career opportunities, integrate classroom and work-based learning, build educational programs that prepare students for successful careers and re-train workers in need of skills improvement.
- **ACCD has established collaborative relationships with the military bases in San Antonio and provides for the unique needs of military personnel and their dependents.** Application, registration and enrollment services as well as some classes are provided on base by ACCD faculty. Providing these services on an outreach basis ensures convenient higher education opportunities are available to military personnel and their families.
- **ACCD's budget instruction manual provides a useful resource to assist budget managers with developing and monitoring their budgets.** ACCD's Budget Office publishes an informative and useful instruction manual for the district's budget managers. The publication entitled, "Budget Management Information for Budget Managers," helps budget managers with developing, monitoring and processing their budgets. The manual is especially useful as a helpful reference for new budget managers.
- **ACCD uses sweep accounts to effectively manage cash balances and maximize interest earnings.** Before acquiring sweep accounts, the treasurer had to manually move funds in and out of the district's operating accounts each day and monitor pledged collateral requirements for remaining balances. Sweep accounts are designated accounts in which funds are automatically swept to zero and invested on a nightly basis and then returned with any earned interest the following morning. As of February 2003, remaining cash balances are minimized using the sweep account, which also reduces the amount of pledged collateral needed to insure the funds. ACCD's sweep account facilitates cash management while maximizing interest earning.
- **ACCD operates a user-friendly, comprehensive Web site that provides students and the community with useful resources and information.** ACCD maintains a comprehensive Web site that posts detailed information for current and prospective students about academic and workforce departments, registration, catalogs and schedules, financial aid, academic calendars, Texas Academic Skills Program (TASP) information and continuing education. Additionally, the Web site posts board agendas and minutes, press releases, frequently asked questions, a link to the ACCD e-portal and links to each college's homepage. Maintaining a user-friendly Web site provides another avenue for ACCD to communicate with its students and the community.
- **ACCD entered into an interagency agreement with Texas A&M University (TAMU) Experimental Research Station's Energy Systems Lab to evaluate its energy management activities and identify savings.** In a proactive move to evaluate and identify potential energy management savings, ACCD entered into a two-year agreement with Texas A&M University to evaluate its facilities and utility costs from January 2002 through November 2004 including installation of meters to capture actual energy readings and measure savings after equipment improvement or new equipment installation. ACCD expects savings of \$511,364 annually.

## Requesting a Texas School Performance Review

To request a Texas School Performance Review, individuals, district officials or superintendents, civic groups, or state legislators may send a written request to:

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Texas Comptroller  
Post Office Box 13528  
Austin, Texas 78711-3528

