



# The Board of Governors of the California Community Colleges

PRESENTED TO THE BOARD OF GOVERNORS

DATE: March 21-22, 2016

SUBJECT: The Foundation for California Community Colleges' CollegeBuys Program: Expanding Engagement, Partnerships, and Collaboration in Cooperative Purchasing		Item Number: 3.5	
		Attachment: No	
CATEGORY:	Foundation for California Community Colleges	TYPE OF BOARD CONSIDERATION:	
Recommended By:	 Keetha Mills, President/CEO	Consent/Routine	
		First Reading	
Approved for Consideration:	 Brice W. Harris, Chancellor	Action	
		Information	X

**ISSUE:** This item provides information on the Foundation’s CollegeBuys purchasing program, providing an overview of the program, its impact on the system, current offerings, and new opportunities available through the California Higher Education Shared Services (CHESS) Initiative.

**BACKGROUND:** Since the inception of the Foundation over 15 years ago, the CollegeBuys purchasing program has been core to our mission of benefiting, supporting, and enhancing the missions of the California Community College system by offering discounts of up to 85% on a wide range of educational products – from industry-leading software and technology to office and classroom furniture. This entrepreneurial program provides self-sustaining support for the Foundation, flexible funding for Board of Governors and Chancellor’s Office special initiatives and activities, and substantial cost savings for the California Community College (CCC) system as a whole.

**RECOMMENDATION:** This item is presented for information and discussion.

## **ANALYSIS:**

### ***Creating and Developing the CollegeBuys Program***

CollegeBuys was launched in 1999 to support our system-wide procurement needs by increasing and expanding college resources through innovative cost-savings and best-value vendor agreements. CollegeBuys offerings and related vendor agreements are guided by a collaborative process with college procurement professionals to meet the specific needs of the California Community Colleges.

*Technology Initiatives.* In 1999, Microsoft became the first corporate partner with CollegeBuys by providing a significant discount to all California Community Colleges, faculty, and staff for Microsoft Enterprise campus licenses and Microsoft Office software, based on the size of the system as a whole. This offering was the first of its kind in our system to leverage the aggregate purchasing power of the California Community Colleges. For the first time, the Microsoft offering gave all colleges, large or small, an even playing field for a common system-wide purchasing need. The Microsoft offering also provided significant cost-savings to our faculty and staff for important software needs, which was ultimately expanded to benefit our students. Today, our agreement with Microsoft is utilized by 109 of the 113 CCCs, generates millions of dollars in cost-savings for our colleges, faculty, staff, and students, and is one of the most expansive agreements of its kind nationwide.

Over time, the CollegeBuys Microsoft offering has been modeled and replicated to expand our suite of technology offerings to include a number of key technology partners such as Adobe, Blackboard, Cisco, Xerox, Konica Minolta, and others. We have also recently partnered with the system-wide Online Education Initiative to contract with a number of vendors to provide significant discounts to all CCCs for online advising, tutoring, proctoring, and other services.

*Furniture, Fixture and Bond Projects.* In 2005, in response to opportunities from local bond initiatives that supported new construction and the retrofit of existing community college infrastructure, the Foundation partnered with San Mateo Community College District to initiate an aggregate purchasing program for furniture and fixtures through the CollegeBuys program. The Foundation's contracts in this area have become more comprehensive over time to cover multiple applications, including storage systems, seating, flooring, display boards, prefabricated aquatic pools, synthetic turf, energy-efficient exterior LED Luminaires, and furniture for classroom, office, and executive areas.

Contracts are manufacturer-held and emphasize the total cost of ownership approach, calculating the cost of a commodity over its life, encompassing college needs prior to and following the purchase. Awarded vendors agree to and are subject to high levels of accountability in order to provide high-quality products and services that will reduce long-term operational costs for colleges. Because buying local is often a goal of our community colleges, our manufacturer-held contracts include dealers and service providers that are geographically located in the communities we serve. All contracts are competitively bid and comply with California Public Contract code requirements.

These vendors have also made significant contributions to the CCC Scholarship Endowment Fund, providing almost \$600,000 for student scholarships in perpetuity.

## ***CollegeBuys Today: Expanding Engagement and Partnerships***

For over 15 years, CollegeBuys has continually evolved to support the growing business needs of our colleges through the expansion of available offerings and key vendor partners. Currently, we work with over 60 corporate partners and continue to achieve year-over-year increases in system-wide engagement with and utilization of CollegeBuys. Our most recent growth has come primarily from enhanced engagement of CCC procurement professionals, partnership with K-12, collaboration with CCC system-wide initiatives, and collaboration with California State University (CSU) and University of California (UC).

*System Engagement.* The success of the CollegeBuys program relies heavily on the buy-in and engagement of CCC procurement professionals. While our contracts are made widely available to all colleges, faculty, staff, and students, no one in the system is required to use them. The Foundation employs a small but mighty team of four professionals to administer the program and relies heavily on grassroots marketing efforts to get the word out about the value and quality of our offerings. Broad-reaching system engagement in supporting the work of CollegeBuys is critical to the program.

For the past 10 years, CollegeBuys has organized and funded the CCC Purchasing Conference. This conference is the only one dedicated to California Community College purchasing professionals, providing valuable professional development opportunities and a venue that fosters exchanges of ideas that pertain to various procurement topics. CollegeBuys provides scholarship funds to purchasing professionals for travel, registration, and accommodations – ensuring the widest breadth of community college participation is present. The conference is also a venue for CollegeBuys corporate partners to engage in discussions with purchasing professionals to understand and develop community college business practices.

A CollegeBuys Advisory Group was formed in 2014 to formalize and provide a systematic structure for our collaborative process with college procurement departments. The Advisory Group structure helps us increase college engagement in and utilization of CollegeBuys initiatives, better understand the needs and priorities of colleges, and evaluate the feasibility of new initiatives. The Advisory Group is comprised of nine district procurement professionals representing the diverse regions and perspectives of our system. The Advisory Group launched three subgroups to expand local participation—Facilities, Technology, and Legislative & Shared Procurement—each chaired by members of the Advisory Group, with several seats reserved for CCC experts in the applied field. This expanded collaborative structure has been effective in developing ideas and solutions for challenges to community college procurement and identifying strategic priorities and opportunities for the CollegeBuys program.

*Partnership with K-12.* Guided by the Advisory Group process, CollegeBuys was asked to explore community college utilization of existing K-12 agreements in an effort to expand offerings without the need to separately engage in the onerous RFP process. This initiative resulted in the expansion of CollegeBuys through the adoption of K-12 commodity agreements, which adhere more closely to CCC procurement codes than any other education system. In 2014, CollegeBuys piloted this initiative in partnership with Wiseburn Unified School District and KYA Services for carpet and resilient flooring, synthetic turf and sports flooring, and athletic equipment by way of contracts already competitively bid and secured through K-12 processes. CollegeBuys has since adopted additional K-12 agreements that meet community college needs.

*Collaboration with System Initiatives.* Building on the program’s experience with securing value-based technology contracts, CollegeBuys was enlisted by the California Community Colleges Online Education Initiative (OEI) to support the engagement of vendors and provide various components of the system’s online education ecosystem. CollegeBuys ensured compliance with Public Contract Code and Education Code in securing these agreements, negotiated the terms of the agreement, and ensured that the agreements are available for use by all CCCs. Three agreements have been recently secured as a result of this partnership – LinkSystems International (Online Tutoring), Proctorio (Online Proctoring), and Cranium Café (Online Counseling). Two additional agreements for Online Academic Integrity and Learning Diagnostic Assessment are currently in the RFP process or contract negotiation.

*Collaboration with CSU and UC.* In 2014, CollegeBuys was commissioned to support the Chancellor’s Office, under the leadership of Vice Chancellor Dan Troy, for the California Higher Education Shared Services (CHESS) partnership with CSU and UC. Through the leadership of Vice Chancellor Vincent Stewart and respective CSU and UC governmental affairs offices, the CHESS initiative successfully fostered Assembly Bill 653 (Levine) to passage. This key piece of legislation allows (in Public Contract and Education Codes) for CCCs to utilize CSU and UC agreements – a practice once considered a “gray area” due to stringent procurement requirements in our system’s section of Public Contract Code. Currently, CollegeBuys is leading the work to transition CSU and UC agreements to easily understandable and standard CCC formats, and when possible, renegotiate specific terms to meet the business needs of the community colleges. This new inter-segmental practice will foster shared procurement and collaboration among California’s three systems of higher education—creating even more economies of scale to reduce costs and maximize efficiencies.

### ***Results and Value***

Over the past 5 years alone, utilization of the CollegeBuys program has resulted in over \$85 million in cost savings to colleges, faculty, staff, and students, while also providing important unrestricted revenues to self-sustain Foundation operations through vendor rebates. This important funding stream allows the Foundation to build a strong, robust infrastructure to advance the organization’s programs and services in support of Chancellor’s Office and Board of Governors priorities, and provides flexible funding for Board of Governors and Chancellor’s Office special initiatives and activities.

We are very proud of the impact and efficiency of our work, ensuring that 85 cents of every dollar that comes into the Foundation goes back into the system to fund programs and services that support students, colleges, college foundations, and the system as a whole.

### ***Looking Forward***

We look forward to continued growth in the CollegeBuys program through expanded partnerships, new offerings, and increased utilization. The success of CollegeBuys relies heavily on grassroots efforts and ambassadors throughout the system who are committed to increasing participation from colleges and business partners. Brochures and fliers are available through the Foundation to promote this important work - please join us in helping to get the word out and encouraging participation.