

AMERICAN SAMOA COMMUNITY COLLEGE

TOTAL COST OF OWNERSHIP

Report and Recommendations

Fall Semester 2010

Introduction:

In August of 2009, the ASCC Institutional Strategic Plan 2009 – 2013 was approved by the Board of Higher Education and presented to internal and external stakeholders. The Institutional Strategic Plan was written from an integrated and broad-based representation of the college using program review data. The strategic plan identified five strategic focus areas (academic excellence, technology, physical facilities and maintenance, staffing, and budget) and included maintenance plans to implement activities addressing the areas of technology, equipment, facilities, and air conditioning. The goals, objectives, and activities are covered under the Technology strategic focus section and the Physical Facilities and Maintenance strategic focus section of the plan.

With the American Rehabilitation and Recovery Act (ARRA) providing funds to the American Samoa Community College for 28 projects, the implementation of the activities as outlined in the Institutional Strategic Plan has moved forward, addressing many areas of the strategic plan..

The ARRA funds are providing the institution with the needed source of funding to carry out the activities for maintenance and other campus and technology improvements. Since the ARRA funds are a temporary source of funding, the plan to sustain the total cost of ownership include both a technology fee (\$5.00 per credit) and the financial provision to ASCC as outlined in Public Law 22-30 as addressed by the Governor of American Samoa in the WASC Visiting Team interview with the Governor in March 2010.

The following is a detailed report on the technology, facilities, and air-conditioning plan to fund total cost of ownership for recent capital investments.

TECHNOLOGY PLAN FOR TOTAL COST OF OWNERSHIP

American Samoa, the southernmost territory of the United States, is located about 2,500 miles south west of Hawaii, making access to resources and information difficult at times. The advent of technology has made resources and information more readily available and more efficient to access and process, has broken down some of the borders of geographic isolation, and has allowed the stakeholders of the American Samoa Community College to begin to open doors of opportunities that were not feasible a decade ago.

The emphasis and dependence on utilizing technology at the American Samoa Community College (ASCC) has increased with the growing enrollment and the requirement of faculty that students seek information and utilize resources via technology. Technology has made work more efficient, and resources more effective and more available.

In alignment with the *American Samoa Community College Institutional Strategic Plan*, the Technology Total Cost of Ownership Plan will align with the resources, data and activities of the Institutional Strategic Plan.

Background:

There is variety and diversity in the technology resources that are currently being utilized at ASCC, including computers, servers, network devices, telecommunication, copiers, multi-media, peripherals, software, Smart technologies, internet, distance learning technologies and DataTel.

There are a number of computer labs made available to students, faculty and staff. There are approximately 500 computers, with approximately 200 of these available to students via computer labs, department labs and special programs. Funding from the *American Recovery & Reinvestment Act of 2009 (ARRA)* allows for additional acquisition of technology and upgrades. The student-to-computer ratio will improve, providing a broader access to technology. Faculty and staff will be provided current state of the art technology to enhance and support student learning.

ARRA will be providing additional technologies such as computers, copiers, software, additional internet bandwidth, upgrade of network and telecommunication, Distance Learning technologies, Smart Technologies and more. In anticipation of this injection of new technologies, ASCC will provide a document to guide maintenance, support expansion of the physical infrastructure and develop the human infrastructure to better utilize the technologies to support teaching and learning.

All of these previous and recent purchases of technology require that ASCC has a plan to address the total cost of ownership (TCO) to assure that these technologies are functional, appropriately supported and made available to all ASCC stakeholders.

ASCC has already begun this process by adopting a Technology Fee of \$5.00 per credit hour which assists with providing a variety of resources. The Institutional Strategic Plan addresses the resources needed to assure availability, assurances, and disposal of the technology.

Guiding Points:

Narrative:

The Technology Fee has been implemented for several years now to provide TCO for Technology related programs for ASCC. Over the last 2 years an average of \$184,000 per year has been budgeted for these activities.

1. The Technology Fee has already been implemented. A \$2.50 per credit is assessed to students to assist with the following:
 - a. Technologies for the computer labs
 - b. Internet access
 - c. Network infrastructure
 - d. Management Information System Department (MIS) professional development
 - e. Maintenance and support of computer labs
 - f. Supplies
 - g. DataTel
 - h. Telecommunication

Recommendation:

With the remaining \$2.50 per credit hour assessed to students, the following is recommended:

- The Technology fee policy be amended to extend and include the maintenance and support of faculty and staff technologies.
- The Technology fee policy be amended to extend and include the funding of additional staff for the MIS as technology and student population increases to allow for wider support of services required by the ASCC stakeholders.

Narrative

Additional funds are required to address professional development for faculty and staff to better utilize the technology and infrastructure, enabling them to become more productive and effective users of the technology.

2. A new fee should be created to assure that sufficient funding for professional development of faculty, staff and administration to utilize current technologies to enhance support of student learning activities.

Recommendations:

- Allow for Public Law 22-30 to be fully funded to allow for these activities to take place.
- Assess a fee to fully fund these activities
- Introduce a Bill that will assess a tax on internet services, with a portion of these fees to be provided to ASCC to offset technology acquisition and training costs.

PHYSICAL FACILITIES AND MAINTENANCE PLAN FOR TOTAL COST OF OWNERSHIP

The Physical Facilities and Maintenance (PFM) Strategic Plan identified three focus areas/goals: new construction, renovation and repair, and maintenance. (Goal 1 New Construction is not a focal point of this report, because TCO plans are in place for Capital Improvement Projects (CIP) such as the Multi-Purpose Building and the Land Grant Wellness Center. Department of Interior-funded CIP projects included a 5% set-aside, matched by institutional funds, for maintenance.). Goals 2 and 3 outline areas of renovation, repair, and maintenance which are focal points of this report and are considered in the total cost of ownership plan.

Renovation and Repair

Problems:

1. Need to set a priority list and identify high need areas
2. Need to follow a timeline for renovation and repair projects
3. Reclaim classrooms for Smart Classrooms and additional classroom space

Process for repair and renovation

1. Division heads submit a job order to the PFM Director
2. PFM Director assesses the request on the job order
3. If all available materials are on-hand, renovation or repair proceeds
4. If there is a need to obtain materials for renovation or repair, a purchase requisition is submitted, routed for signature approval, and ordered

Renovation and Repair Concerns

- ❖ There may be a delay in immediate need for repair or renovation due to supplies and equipment.
- ❖ There may be a delay in following job orders due to other priority projects.
- ❖ Costs for repair and renovation come from the PFM division, not from the requesting division.

Recommendations

- ❖ PFM set priorities and timeline based on categories of major, minor, or beyond repair.
- ❖ Set a rotational schedule for assessing need for repairs and renovation.

Recommendations for Funding

- ❖ Each division will be given a repair and renovation budget to cover unforeseen repairs and renovations that are not in the plan. Currently only the PFM has this in their budget. The funding source is PL 22-30 under the divisional or institutional maintenance fund.

Maintenance

Problems

1. Need to set scheduled maintenance for all facilities and equipment.
2. Need to prioritize maintenance for facilities and equipment based on minor, major, and beyond maintenance.
3. Equipment maintenance rarely occurs.

Process for Maintenance

1. PFM has set scheduled cleaning and maintenance for all facilities.
2. Purchase requests are processed through the PFM for all cleaning and maintenance.
3. PFM submits purchase requests for any new equipment.
4. Divisions may request for unscheduled cleaning or maintenance to be approved by the PFM director and VP of Administration.

Concerns

- ❖ Annual or more frequently scheduled maintenance of facilities needs to occur so there are fewer emergency repairs needed.
- ❖ Unscheduled maintenance adds to unbudgeted costs to the college.
- ❖ Very little maintenance is done on equipment and newly purchased equipment may not come with a maintenance service agreement.

Recommendations for Funding

- ❖ A budget be set aside for annual maintenance of all facilities, the source of funding to come from PL 22-30 (set % x total number of facilities).
- ❖ A maintenance fee be set for all newly purchased equipment which will be in the budget of all divisions rather than just the PFM division. Any new equipment purchased must include a set % for maintenance of equipment.
- ❖ Unscheduled maintenance be charged to the division requesting the maintenance rather than PFM.

AIR CONDITIONING

Problems:

1. Rooms are not properly insulated.
2. Air conditioning units are nearing the end of their life usage.
3. New air conditioning units being purchased are not energy efficient.
4. The maintenance of the air conditioning units is not properly completed.
5. The units are either too small or too big for the office space.

Process for Acquiring/Maintaining Air Conditioning Units

Acquiring

1. A job order is produced and forwarded to Physical Facilities & Maintenance (PFM) for a new air conditioning unit.
2. PFM will call for quotes for a new air conditioning unit.
3. The following criteria must be taken into consideration:

- Accurate measurement of area size for the new air conditioner location/placement to determine the size of the unit accurately.
 - Energy efficient air conditioners.
(Vendor must provide evidence that the unit that is being proposed for sale is energy efficient.)
 - Room/space is insulated and wired for energy conservation.
4. Upon completion of Step 2, the PR is processed for the new air conditioning unit.

Maintenance

1. Maintenance of air conditioners must be done on a regular basis. ASCC currently outsources the maintenance tasks of all air conditioning units to Mink's Company.
2. The maintenance cost per month is \$1500, not inclusive of repair parts and labor.
3. The maintenance person verifies with each department that the maintenance routine of the air conditioners has been completed.
4. The completed report for the month is compiled by the vendor and an invoice of \$1500 is forwarded to ASCC for payment.
5. If a new unit has been advised by the Mink's Coolair, the proper procurement steps must be followed.

<u>Cost Analysis</u>			
Outsourcing		ASCC In House	
\$1,500 x 12 months	\$18,000	Hire Air Con Tech	\$17,505
Repair Parts	\$12,000	Repair	Parts
		\$12,000	
Labor for Extra Repair		Labor for Extra Repairs	
65 p/hr (2 hrs per month)	\$1,560	Labor included in Salary	\$0
Total Cost	\$31,560	Total	Cost
		\$29,505	

Recommendations:

- ❖ Air conditioning maintenance should be done in house.
- ❖ ASCC should hire a full time air conditioner technician

Funding:

- ❖ Annual Budget of \$15,000 through ASCC's local budget (covered through PL 22-30)
- ❖ The remaining costs will be spread among the grants with regard to time and effort. This will also be taken into consideration for indirect cost calculation for grant programs