To: Dr. Wise Allen, President  
cc: Ms. Shirley Slaughter, Business Officer

From: Shirley Fogarino, PIO

Date: July 16, 2007

Subject: Berkeley City College Catalog Costs and Purchasing Process

We have received a request for payment for printing Berkeley City College’s 2007-09 Catalog. Because of the 100%+ percent cost increase, I discussed with Dr. Vogt the possibility of reducing our original catalog order from 5,000 to 4,000. This option was presented at a Wed., July 11 district catalog meeting at which the print vendors were present.

On Thursday, I e-mailed and left a phone message with FP Press asking that they provide us with a revised cost. The cost for 4,000 BCC catalogs will be $26,978.64 (see attached spreadsheet).

You should be aware that BCC set aside $15,000 from the college’s 2006-07 budget to pay for its 2007-09 catalog. That was the same amount expended for BCC’s 2005-07 catalog. However, in BCC’s 2006-07 Strategic Marketing Plan Budget, I requested a set-aside of $16,500, given that average costs for printing increase from 5 to 10% each year. The college’s final set-aside was about $1,500 less than was estimated in our 2006-07 strategic marketing plan.

As indicated in my June 15 memo to you and Dr. Walters, the college did not expect or plan for (based on past years) an initial 100% + increase in college catalog publishing costs (from $15,000 in 2005-07 to $33,250 in 2007-09). This indicates that purchasing processes did not (but should) include college consultation, long before district officials make final selections. In this case, current processes malfunctioned, nor were they included in college-level strategic planning and budgeting processes.

BCC and its sister colleges were not informed at critical junctures in the purchasing process that catalog bids were prohibitively expensive, and way out of college publications spending allocations. Had such consultation occurred, BCC could have taken measures (before a final selection was made) to solicit other bids. We would have shared the information with our sister colleges and PCCD. Using a different vendor, BCC could have published 5,000 BCC catalogs for $18,086, or 4,000 BCC catalogs for $15,700. We must now assume costs for which we did not plan, and we cannot afford them.
In an environment where colleges and district engage in integrated strategic planning and budgeting, the system failed. The college, through no decision of its own, must now allocate thousands of dollars which should be invested into FTES-generating products and activities.

Cases in point: The additional $15,164 which BCC would have paid for 5,000 catalogs, could have gone to purchase one full year’s worth (ALL) of college AND Peralta class schedules:

- Summer 5,000 Peralta Class Schedules 4,000 BCC Class Schedules
- Fall 5,000 Peralta Class Schedules 15,000 BCC Class Schedules
- Spring 5,000 Peralta Class Schedules 15,000 BCC Class Schedules

The additional $11,814 which we must expend to pay for 4,000 catalogs, could have gone to pay for:

- Fall 15,000 BCC Class Schedules
- Spring 15,000 BCC Class Schedules

The money also could have paid for increased class sections, more student ambassadors, or any number of FTES-generating projects and activities.

How will BCC pay for 2007-08 class schedules and other FTES-generating marketing and community relations initiatives when a good part of its 2007-08 publications budget must go for a product for which the college had no input about cost or vendor choice?

This is another example, which has undermined integrated college/district strategic planning and budgeting. District bidding, in this case, was not integrated with (and was completely divorced from), college planning and budgeting. Purchasing processes must therefore consider and include:

- Consultations with the colleges by PCCD purchasing staff BEFORE requests for bids are sent, then again at critical junctures in the bidding process, to gage how much the colleges, through planning, have budgeted for various projects, and thus can afford.

- Options to re-bid if vendors’ prices do not meet planned college budget allocations.

- Once bids are in, colleges should be given the opportunity to review, discuss, and question them if they do not meet college planning and budget specifications. The colleges’ should have opportunities to research, propose, be involved in, and negotiate reasonable and competitive prices for mandatory college publications.