State of North Carolina County of Wake

STUDY OF NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Contract

THIS AGREEMENT, made and entered into this the 17th day of December, 2002, by and between MGT of America, hereinafter referred to as the Vendor, and the Joint Legislative Education Oversight Committee of the North Carolina General Assembly, hereinafter referred to as the "Committee" in conjunction with the North Carolina Board of Community Colleges, hereinafter referred to as the "State Board", with the approval of the Legislative Services Commission of the North Carolina General Assembly.

WITNESSETH

THAT WHEREAS, the Committee and the State Board have issued a Request for Proposal, entitled "North Carolina Community College System Study", that is attached hereto as Appendix A and incorporated herein by reference;

Whereas, the Vendor's response, has been accepted by the Committee and the State Board;

Whereas, the parties hereto desire to reduce the terms of their agreement in writing;

NOW THEREFORE, for and in consideration of the mutual promises made to each other, as hereinafter set forth, the parties to hereto mutually agree as follows:

1. Performance of Study

The Vendor agrees to perform, in a manner satisfactory to the Committee and the State Board and consistent with this agreement, the study described in the Request for Proposal, Appendix A. The Vendor agrees to perform the study as provided in Vendor's response, which is attached hereto as Appendix B and incorporated herein by reference.

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2. Applicable Terms and Conditions

The terms and conditions set out in the Request for Proposal, Appendix A of this agreement, shall control unless otherwise specified in this agreement.

3. Governing Law

This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina.

4. Situs

The place of this contract, its situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to is validity, construction, interpretation and enforcement shall be determined.

5. Contract Period

The Vendor agrees that time is of the essence in the completion of this agreement and agrees that services under this agreement are to commence on the execution date of this agreement and shall be completed on or before June 1, 2003, unless extended or terminated as provided herein.

6. Termination

Upon mutual written agreement of the Committee and the State Board and the Vendor, the contract may be terminated at any time. Failure to perform by the Vendor may result in termination by the Committee and the State Board. In addition, the Committee and the State Board have the right to terminate the contract at their discretion with 10 days written notice. In the event of termination, the Vendor will be paid an amount commensurate with work completed.

7. Independent Vendor

The Vendor shall be considered to be an independent Vendor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Vendor represents that it has, or will secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the Committee, the State Board, the Legislative Services Office, the North Carolina

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Community College System, any local board of trustees of any North Carolina Community College, or any North Carolina Community College.

8. Conflict of Interest

The Vendor shall inform the Committee and the State Board in writing of any contracts for consulting services entered into by the Vendor with clients who may have a financial interest in the decisions and recommendations of the Committee, State Board, any local board of trustees of any North Carolina Community College, the North Carolina Community College System, any North Carolina Community College, or any combination therein. Failure to disclose the names of such clients may result in the termination of this contract by the Committee and the State Board for cause.

9. Key Personnel

The Vendor shall not substitute key personnel assigned to the performance of this contract without prior written approval by the Committee and the State Board. The individuals designated as key personnel for purposes of this contract are those specified in the Vendor's proposal.

10. Subcontracting

Work proposed to be performed under this contract by the Vendor or its employees shall not be subcontracted without prior written approval of the Committee and the State Board.

11. Performance and Default

If, through any cause, the Vendor shall fail to fulfill in timely and proper manner the obligations under this agreement, the Committee and the State Board shall thereupon have the right to terminate this contract by giving written notice to the Vendor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this contract prepared by the Vendor shall, at the option of the Committee and the State Board, become their property, and the Vendor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials. Notwithstanding, the Vendor shall not be relieved of liability to the Committee and the State Board for damages sustained by the Committee and the State Board by virtue of any breach of this

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agreement, and the Committee and the State Board may withhold any payment due the Vendor for the purpose of setoff until such time as the exact amount of damages due the Committee and the State Board from such breach can be determined. In case of default by the Vendor, the Committee and the State Board may procure the services from other sources and hold the Vendor responsible for any excess cost occasioned thereby. None of the parties shall be deemed to be in default of their obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado or other catastrophic natural event or act of God.

12. Bankruptcy-

Upon the filing for bankruptcy or insolvency by or against the Vendor, the Committee and the State Board may terminate the contract, and the provisions of paragraph entitled "Performance and Default" shall apply.

13. Performance Bond

The Committee and the State Board may require either a performance bond up to the full amount of the contract or another performance guarantee.

14. Availability of Funds

Any and all payments to the Vendor are dependent upon and subject to the availability of funds to the Legislative Services Office, the Committee or the State Board or any combination therein, for the purpose set forth in this agreement.

15. Confidentiality

The Vendor agrees to protect the confidentiality of any files, data, or other materials provided by the Committee and/or the State Board and to restrict their use to the purpose of performing the contract. The vendor shall comply with the provisions of Article 17 of Chapter 120 of the North Carolina General Statutes regarding confidentiality between the Vendor and members of the General Assembly.

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16. Care of Property

The Vendor agrees that it shall be responsible for the proper custody and care of any files or other property furnished by the Committee and/or the State Board.

17. Copyright

No deliverable items produced in whole or in part under this agreement shall be the subject of an application for copyright by or on behalf of the Vendor.

18. Access to Persons and Records

The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7. The Vendor shall retain all records for a period of three years following completion of the contract.

19. Transfer or Assignment

The contract shall not be transferred or assigned to a third party.

20. Compliance with Laws

The Vendor shall comply with all laws, ordinances, codes, rules, regulations and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction or authority.

21. Equal Opportunity Statement

The nondiscrimination clause contained in Section 202 Executive Order 11246, as amended by Executive Order 11375, relative to equal employment opportunity for all persons without regard to race, color, religion, sex, age or national origin, and the rules and regulations prescribed by the United States Secretary of Labor, are incorporated herein. The program for Employment of the Handicapped (Affirmative Action) Regulations issued by the Secretary of Labor of the United States in Title 20, Part 741, Chapter VI, Subchapter "C" of the Code of Federal Regulations, pursuant to the provisions of Executive Order 11758 and Section 503 of the Federal Rehabilitation Act of 1973, are incorporated herein.

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22. Insurance

The vendor shall obtain, pay for, and keep in force, for the duration of the contract, workers' compensation insurance, as required by the laws of North Carolina, covering all of the Vendor's employees engaged in any work on the project in the State.

23. Additional Contract Expenses

The contract for the project is not a time and materials agreement. Any expenses of the Vendor in addition to those contracted for, or above the contract amount, are the sole responsibility of the Vendor.

24. Advertising

Vendor agrees not to use the results or existence of the contract, or the products produced pursuant to the contract as a part of any news release or commercial advertising without the prior written approval of the Committee and the State Board.

25. Contract Schedule

The Vendor agrees to the following schedules for the completion of the report:

Interim report March 15, 2003 Final report June 1, 2003

26. Payment Schedule

The State Board shall make monthly payments to the Vendor for its services upon receipt of an itemized invoice from the Vendor and approval of the invoice by the Contract Administrator.

Notwithstanding any other provision of this contract, total payment under this contract, including expenses, shall not exceed seventy-eight thousand, five hundred and twenty-five dollars (\$78,525) for services described in this agreement. Payment by the State Board shall be made in accordance with this paragraph.

27. Contract Administrator

Kristine Leggett is designated as the Contract Administrator for the Committee and the State Board. The Contract Administrator shall be

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responsible for ensuring Vendor conformance with the terms, conditions, performance specifications as set forth in this contract, and an evaluation of the Vendor's performance. The Committee and the State Board have complete discretion in replacing the Contract Administrator with another person of their own choosing.

28. Amendment

This contract may be amended only by written amendments duly executed by the Committee and the State Board and the Vendor.

29. Entire Agreement

This contract, including any documents or exhibits incorporated specifically by reference, represent the entire agreement between the parties and supersede all prior oral or written statements or agreements.

30. Notice

Any notice under this contract to the Committee and the State Board shall be sufficient if mailed to the Committee and the State Board as indicated below:

Kristine Leggett
Fiscal Research Division
North Carolina General Assembly
300 N. Salisbury Street
Legislative Office Building, Suite 619
Raleigh, NC 27603

Any notice under this contract to the Vendor shall be sufficient if mailed to the Vendor as indicated below:

J. Kent Caruthers MGT of America, Inc. 2123 Centre Point Blvd. Tallahassee, FL 32308-4930

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31. Applicability of terms

All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitations.

32. General Indemnity

The Vendor shall hold and save the State of North Carolina, its officers, agents, and employees, and the local boards of trustees, their officers, agents, and employees, harmless from liability of any kind, including all claims and losses, accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Vendor in the performance of this contract and that are attributable to the negligence or intentionally tortious acts of the Vendor provided that the Vendor is notified in writing within 30 days that the State and/or the local boards of trustees have knowledge of such claims. The Vendor represents and warrants that it shall make no claim of any kind or nature against the State's agents and/or the local boards of trustees' agents who are involved in the delivery or processing of the Vendor's goods to the State. representation and warranty in the preceding sentence shall survive the termination or expiration of this contract.

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IN WITNESS THEREOF, the parties have executed this agreement in duplicate originals, one of which is retained by each of the parties effective the day and year first above written.

APPROVED BY

THE LEGISLATIVE SERVICES COMMISSION

Krishil Regett	
Krispiel Kenett	BY Beautins
10	Marc Basnight, President Pro Tempore

Krishre & Legett	BY: James B. Black
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FOR THE
JOINT LEGISLATIVE
EDUCATION OVERSIGHT COMMITTEE

WITNESS:	2)	BY: WANAS SUUSI
		Sen. Walter H. Dalton, Cochair

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FOR THE NORTH CAROLINA STATE BOARD OF COMMUNITY COLLEGES

WITNESS:

James J. Woody, Chairman

FOR MGT OF AMERICA, INC.

WITNESS:

Elizabeth 7. Willis BY: J. Kent Caruthers

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Appendix A

NORTH CAROLINA GENERAL ASSEMBLY

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM STUDY

REQUEST FOR PROPOSAL (RFP#01-20021209)

November 14, 2002

Sealed proposals subject to the conditions made a part hereof will be received until 5:00 p.m., Monday, December 9, 2002, for furnishing services described herein. Send all proposals to the following address:

Bonnie Trivette
Fiscal Research Division
General Assembly of North Carolina
Room 619, Legislative Office Building
300 N. Salisbury Street
Raleigh, NC 27603
Phone: (919) 733-4910

The contact person to whom you should direct all inquiries and questions about the RFP is Kristine Leggett at the above address. E-mail: kristinel@ncleg.net.

NOTE: Indicate firm name on the front of each sealed proposal envelope or package, along with the date for receipt of proposals specified above.

NOTE: Questions concerning the specifications in this Request for Proposal may be asked at the website designated for this proposal (November 14, 2002 through December 2, 2002) or may be in writing prior to 5:00 p.m., December 2, 2002 to: kristinel@ncleg.net or mailed to the mailing address listed above. No questions will be taken after December 2, 2002. A summary of all questions will be posted at: http://www.ncleg.net/NCGADocuments/educationoversi/default.htm.

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NORTH CAROLINA GENERAL ASSEMBLY

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM STUDY

November 14, 2002 STATE OF NORTH CAROLINA NORTH CAROLINA GENERAL ASSEMBLY

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North Carolina Community College System Study

INTRODUCTION

Pursuant to Section 8.7(a) of Chapter 126 of the 2002 Session Laws, the North Carolina Joint Legislative Education Oversight Committee (Committee), in conjunction with the North Carolina State Board of Community Colleges (State Board), is seeking a qualified vendor with expertise in education policy and finance to conduct a study of and make recommendations regarding the North Carolina Community College System (NCCCS) (See Appendix A, NCCCS Study). The study should be an analysis of the organization and structure of the NCCCS, the number of colleges within the NCCCS, the location and size of the colleges, and the effects of consolidating some of the colleges and programs. The study should also analyze the formula used to fund administration at the colleges; appropriate funding levels for administration of the various colleges, and the appropriate number of administrative staff members for colleges of different sizes. Finally, the study should consider how multi-campus colleges and off-campus centers are funded including the appropriate number of administrative staff members for these entities and the appropriate funding mechanisms for administration and other purposes.

BACKGROUND

Organization and Structure of the NCCCS

The NCCCS offers a comprehensive range of educational programs to meet the needs of local communities for workforce preparedness and higher academic education, basic educational skills, job retraining, personal growth and development, and community and economic development. Fifty-eight colleges and the Center for Applied Textile Technology make up the NCCCS. A complete list of the colleges and their locations can be found in Appendix B.

The State of North Carolina has assigned the fifty-eight colleges and the Center for Applied Textile Technology to the State Board. The State Board consists of 21 members selected by the Governor and the General Assembly, and has full authority to adopt all policies, regulations, and standards it may deem necessary for the operation of the NCCCS. The NCCCS Office, headed by the NCCCS President, provides State-level administration and leadership of the NCCCS under the direction of the State Board.

Each individual college is governed by a local board of trustees composed of a minimum of twelve citizens from the service area in which the college is located. The local board of trustees sets local policy. The local board of trustees elects and the State Board approves the selection of the president of each college. All personnel employed at the colleges are employees of the college and not the State of North Carolina.

Administrative Funding Formula

The Community College Budget. The NCCCS operates on funds from four sources: State, local, federal, and tuition and fees. The majority of funding for the NCCCS comes

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from the State and is used for administration and instruction. (Maintenance of plant and capital costs are generally the purview of the counties in which the colleges are located.) Funds are distributed to the colleges primarily through two funding formulas: the instructional formula and the administrative formula. In FY01-02, the total General Fund operating budget for the NCCCS was \$650,888,736. Of that, 59% (\$381 million) was used for the instructional formula; 27% (\$179 million) for administration; 4% for the NCCCS Office; and the remaining 10% for equipment and books and other miscellaneous programs.

Although funds are provided to the colleges for specific purposes, the presidents and the local board of trustees of each individual college have the flexibility to manage their funds in a manner appropriate for their college. The only limitation on this flexibility is a 2% transfer restriction on faculty salary funds. The colleges may not move more than 2% from faculty salaries to other areas within the budget (i.e. administration, equipment, etc.)

The Administrative Formula. This study will focus only on the administrative formula, and not on instruction, equipment, or categorical funding. Administration at each college usually consists of the president, senior administrators, guidance counselors, financial aid officers, registrars, librarians, and other non-instructional staff. State funds may be used to pay for all non-instructional staff except maintenance personnel. The current administrative formula provides a base allotment of \$1.61 million (based on the cost of 31 positions). Enrollment funding is provided at a rate of \$1,103 per full-time equivalent student (FTE) for every FTE over 750. The president's salary is based on a salary scale that has recently been revised by the State Board; that salary is not included in the administrative formula. The adjusted average administrative allotment for FY01-02 was \$3.9 million.

Multi-Campus Colleges and Off-Campus Center Funding

Multi-Campus Colleges (MCCs). MCCs are essentially self-contained satellites of existing colleges. In order to be categorized as a MCC by the State Board, the college must offer at least one Associate degree obtainable entirely at the campus, and have an enrollment of at least 300 full-time equivalent students (FTE). MCCs offer all student services – financial aid, registration, guidance counselors, and libraries.

Current Funding for MCCs. Currently there are 12 colleges with a total of 17 campuses designated as MCCs. A listing of all MCCs can be found in Appendix C. Each college receives \$92,093 per campus to supplement the administrative formula allotment. (MCCs and off-campus centers do not require additional instructional funding. Costs associated with instruction are covered by the regular instructional formula allotment.)

Off-Campus Centers. Off-campus centers are convenience locations that provide appropriate population and geographic access for community outreach, faculty and staff office space, literacy, continuing education, and curriculum instruction. Students may complete certificates or diplomas. Generally, only limited services are provided at off-campus centers. Colleges usually employ at least one person to oversee scheduling and

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operations; other staff may include counselors, financial aid officers, Currently, forty-six colleges have an off-campus center. A complete campus centers can be found in Appendix D. No additional funding is properation of the off-campus centers.

PROJECT DESCRIPTION AND SCOPE

In gathering the necessary data, the consultant is encouraged to meet with staff from the Fiscal Research Division of the North Carolina General Assembly, the Business and Finance Division of NCCCS, representatives from the State Board, representatives from individual community colleges in North Carolina, and other appropriate individuals. The consultant may obtain and review information from other states' community college systems as part of this project.

The project shall include consideration, analysis, and assessment of the following:

- 1. The organization and structure of the NCCCS including recommendations regarding organization and structure.
- 2. The size (full-time equivalent students and headcount) and number of colleges, (including campuses and off-campus centers) within the NCCCS; their proximity to one another; and whether or not the consolidation of two or more colleges or the administrations of two or more colleges, is feasible.
- 3. The basic elements of administration required to effectively operate a college or a subset of colleges:
 - a. Direct and indirect costs;
 - b. Staffing requirements; and
 - c. Appropriate levels of funding for administration at a college.

The consultant may categorize colleges according to similar relevant characteristics which affect administrative needs, and may sample different types of colleges to determine the basic elements of administration required for each category.

- 4. The current administrative formula:
 - a. Whether the current formula adequately provides for administration at each college;
 - b. Whether the current formula should be revised to reflect enrollment differences; and
 - c. Whether other factors should be considered in the current administrative formula to reflect administrative requirements at different colleges; and
 - d. Recommendations for other changes needed in the administrative formula.
- 5. MCCs and Off-Campus Centers:
 - a. Whether MCCs have special administrative funding requirements and if so, recommendations as to appropriate funding mechanisms to address those special requirements; and

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b. Whether there are additional costs associated with the operation of offcampus centers and if so, recommendations as to appropriate funding mechanisms to address those additional costs.

The vendor will be expected to present interim and final reports to the Committee and the State Board. The interim report should at least include the analysis of the organization and structure of NCCCS and the analysis of the basic elements of administration required to effectively operate a community college. Following the submission of the final report, the vendor will be expected to make a presentation to the House and Senate Appropriation Subcommittees on Education during the 2003 General Assembly Legislative Session; the date and time to be determined by the Committee. The vendor will also be expected to make a presentation to the State Board; the date and time to be determined by the State Board.

PROJECT TIMEFRAME

Key dates and deadlines associated with this study are listed below:

Activity
Issue RFP
Proposal Deadline
Award Contract
Interim Progress Report
Final Report

Projected Completion Date
November 14, 2002
December 9, 2002
December 20, 2002
March 15, 2003
June 1, 2003

PROPOSAL FORMAT

The proposals for this project must be submitted in two separate sealed envelopes, one containing the technical proposal and the other containing the cost proposal. Requirements for each of these items are described below.

Technical Proposal Content

The technical proposal shall consist of the following sections:

- 1. Executive Summary: The executive summary shall consist of a brief summary of the contents of the proposal.
- 2. Corporate Background and Experience: This section shall include background information on the organization and details of experiences with similar projects. In addition, a list of at least three references, including contacts and telephone numbers for whom similar work has been performed should be included. (References may not include current project stakeholders.) Samples of work projects should be provided.
- 3. Project Staffing and Organization: This section shall include a description of proposed staffing, deployment and organization of personnel to be assigned to the

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project. The vendor shall also include the resumes of key personnel who will actually be assigned to the project, describing experience with similar projects and the responsibilities to be assigned to each person. In addition, the section shall include a detailed description of how the study will be planned, organized, and executed.

4. Task Description and Schedule: This section shall include, in narrative, outline, or graph form, the vendor's approach to accomplishing the tasks outlined in the projects description section of this RFP. A description of each task and the schedule for accomplishing each shall be included.

In summary, vendors must demonstrate clearly and succinctly that they have the necessary experience, qualifications, and proven track record to complete the project successfully, on time, and within budget. Elaborate, verbose technical proposal documentation is neither wanted nor required to establish fitness or credentials for accomplishing this work.

Cost Proposal Content

The cost proposal shall include:

- 1. Personnel-related costs including hourly rate and number of hours;
- 2. Anticipated travel and subsistence expenses;
- 3. Office space, telephone, and other support needs, if any, anticipated from the Committee or State Board;
- 4. Subcontractor costs (if any);
- 5. Other costs;
- 6. Total proposed cost of the project (see page 6);
- 7. Rates for additional analyses requested during the project period; and
- 8. A current balance sheet, a certified financial statement or equivalent information that indicates the financial stability of the vendor.

PROPOSAL SUBMITTAL PROCESS

- 1. Two original and ten copies of both the technical proposal and cost proposal, in separate sealed packages.
- 2. Each original shall be signed and dated by an official authorized to bind the vendor.
- 3. Other guidelines for the submission of proposals and questions concerning the RFP are addressed on Page 1.

COST PROPOSAL/EXECUTION OF PROPOSAL

By submitting this propo	osal, the potenti	ial vendor certi	fies the following:	
The vendor can of after notice of awards after notice of awards and avards performing the set the proposed cost. All labor costs, do proposed cost. The potential vendor and agrees to the are gister within two	obtain insurance vard. ilability of all exercices describe t. irect and indirect and indirect and indirect and indirect and are with no exceptistered in NC I vo days after no	equipment, mate equipment, mate ed herein have le ect, have been d and understands eptions. E-Procurement of tification of co		ssociated with included in led in the thin this RFI grees to
Therefore, in compliance herein, the undersigned of days from the date of the to exceed \$	offers and agree	s, if this propos	sal is accepted within	thirty (30)
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THIS PAGE MUST BE SIGNED AND INCLUDED IN YOUR PROPOSAL.

<u>Unsigned proposals will not be considered.</u>

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EVALUATION PROCESS

Evaluation Process Explanation

- Technical proposals will be evaluated first.
- The Committee and the State Board may request oral presentations from, or discussions with, any or all vendors for the purpose of clarifying or amplifying the material presented in any part of the proposals. However, vendors are advised that this provision is not mandatory; therefore, all proposals, both cost and technical, should be complete, concise, and reflect the most favorable terms available from the bidders. Vendors may be required to provide copies of reports and other pertinent documentation they have completed for similar projects, especially in the public sector.
- Proposals will be evaluated according to the criteria listed below under "Evaluation Criteria." The award of the contract to one vendor does not mean that the other proposals lacked merit, but with all factors considered, THE SELECTED PROPOSAL WAS DEEMED TO PROVIDE THE BEST COMBINATION OF TECHNICAL AND COST VALUES TO THE STATE OF NORTH CAROLINA.
- Vendors are cautioned that this is a request for proposals, not a request to contract, and the Committee and the State Board reserve the unqualified right to reject any or all offers for any contract when such rejection is deemed to be in the best interest of the State of North Carolina.

Evaluation Criteria

- 1. Understanding the key objectives of the study.
- 2. Approach to the completion of the study including methodology to be employed, work plan to be followed, concepts to be emphasized, issues to be addressed, and resources to be used.
- 3. Staffing resources assigned to the study, including:
 - a. Experience levels and areas of expertise;
 - b. Use of unique resources for specific areas, organizations, and disciplines involved;
 - c. Adequate time commitment of senior management and technical and education specialists;
- 4. Capability, including proven track record, to ensure the successful completion of the study; and
- 5. Cost.

GENERAL CONDITIONS FOR SUBMITTAL OF PROPOSALS

All proposals are subject to the terms and conditions outlined herein. All responses shall be controlled by such terms and conditions and the submission of other terms

and conditions, price lists, catalogs, and/or other documents as part of a vendor's response will be waived and have no effect either on this Request for Proposals or on any contract that may be awarded resulting from this solicitation. The Vendor specifically agrees to the conditions set forth in the above paragraph by signature to the proposal.

Competitive Offer

Pursuant to the provision of G.S. 143-54, and under penalty of perjury, the signer of any proposal submitted in response to this RFP thereby certifies that this proposal has not been arrived at collusively or otherwise in violation of either Federal or North Carolina antitrust laws.

Right to Enter Negotiations

The Committee and the State Board reserve the right to enter into negotiations over the cost of the contract with the selected vendor, prior to acceptance, if the vendor's cost proposal is not within the funds available to the Committee or the State Board for the purpose set forth in this RFP.

Right to Reject

The Committee and State Board reserve the unqualified right to reject any and all proposals when such rejection is deemed to be in the best interest of the State of North Carolina.

Time for Acceptance

Each proposal shall state that it is a firm offer that may be accepted within a period of ninety (90) days from the date of submission.

Unsolicited Proposal Changes

Any unsolicited change to a proposal that is received after the closing date of this RFP will be rejected.

Responsibility to Make Timely Submission

The vendor is responsible for assuring the timely delivery of a proposal. Late proposals will be rejected without review.

Cost for Proposal Preparation

Any costs incurred by vendors in preparing or submitting offers are the vendor's sole responsibility; the Committee and the State Board will not reimburse any vendor for any costs incurred prior to award.

Oral Explanations

The Committee and the State Board shall not be bound by oral explanations or instructions given at any time during the competitive process or after award.

Reference to Other Data

Only information which is received in response to this RFP will be evaluated; reference to information previously submitted shall not be evaluated.

Elaborate Proposals

Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired.

In an effort to support the sustainability efforts of the State of North Carolina we solicit your cooperation in this effort.

It is desirable that all responses meet the following requirements:

- All copies are printed double sided.
- All submittals and copies are printed on recycled paper with a minimum post-consumer content of 30% and indicate this information accordingly on the response.
- Unless absolutely necessary, all proposals and copies should minimize or eliminate use of non-recyclable or non re-usable materials such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable.
- Materials should be submitted in a format which allows for easy removal and recycling of paper materials.

Titles

Titles and headings in this RFP and any subsequent contract are for convenience only and shall have no binding force or effect.

Confidentiality of Proposals

In submitting its proposal the vendor agrees not to discuss or otherwise reveal the contents of the proposal to any source outside of the Committee, State Board or the Legislative Services Office staff until after the award of the contract.

Right to Submitted Materials

All responses, inquiries, or correspondence relating to or in reference to this RFP, and all other reports, charts, displays, schedules, exhibits, and other documentation submitted by the vendors shall become the property of the State of North Carolina when received.

Form of Proposal

Proposals shall be submitted in a form that, in the opinion of the Committee and State Board, may be incorporated verbatim into a contract.

Exception to Terms

Any exception, interpretation, or suggestion for clarification by the vendor to any of the terms and conditions of this RFP must be clearly stated by the vendor.

Vendor's Representative

Each vendor shall submit with its proposal the name, address, and telephone number of the person(s) with authority to bind the firm and answer questions or provide clarification concerning the vendor's proposal.

A THE RESTAURANCE

Proprietary Information

All vendor information submitted in the proposal has the potential to become public information. Vendors are cautioned that any proprietary information contained in the proposal may not be protected as confidential and should not be submitted in response to this RFP.

Historically Underutilized Businesses

Pursuant to General Statute 143-48 and Executive Order #150, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.

TERMS AND CONDITIONS OF RESULTING CONTRACT

The following terms and conditions will be included in the contract for conducting the project. Other terms and conditions may be added prior to the signing of the contract.

Contractor

The contract is between the Committee and the State Board (subject to the approval of the Legislative Services Commission) and the selected vendor (hereinafter referred to as "Contractor").

Governing Law

This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina.

Situs

The place of this contract, its situs and forum, shall be Raleigh, North Carolina, where all matters, whether sounding in contract or tort, relating to is validity, construction, interpretation and enforcement shall be determined

Contract Period

The terms of the contract shall begin at its signing and shall end on or before June 1, 2003, unless extended or terminated as provided in this document.

Termination

Upon mutual written agreement of the Committee and the State Board and the Contractor, the contract may be terminated at any time. Failure to perform by the Contractor may result in termination by the Committee and the State Board. In addition, the Committee and the State Board have the right to terminate the contract at their discretion with 10 days written notice. In the event of such termination, the Contractor will be paid an amount commensurate with work completed.

Independent Contractor

The Contractor shall be considered to be an independent contractor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees.

The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the Legislative Services Office, the NCCCS, the Committee, the State Board, or any North Carolina Community College.

Conflict of Interest

The Contractor shall inform the Committee and the State Board in writing of any contracts for consulting services entered into by the Contractor with clients who may have a financial interest in the decisions and recommendations of the Committee, the State Board, any local board of trustees, or any combination of the three. Failure to disclose the names of such clients may result in the termination of this contract by the Committee and the State Board for cause.

Key Personnel

The Contractor shall not substitute key personnel assigned to the performance of this contract without prior written approval by the Committee and the State Board. The individuals designated as key personnel for purposes of this contract are those specified in the Contractor's proposal.

Subcontracting

Work proposed to be performed under this contract by the Contractor or its employees shall not be subcontracted without prior written approval of the Committee and the State Board.

Performance and Default

If, through any cause, the Contractor shall fail to fulfill in timely and proper manner the obligations under this agreement, the Committee and the State Board shall thereupon have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this contract prepared by the Contractor shall, at the option of the Committee and the State Board, become the property of the Committee and the State Board, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials. Notwithstanding, the Contractor shall not be relieved of liability to the Committee and the State Board for damages sustained by the Committee and the State Board by virtue of any breach of this agreement, and the Committee and the State Board may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the Committee and the State Board from such breach can be determined. In case of default by the Contractor, the Committee and the State Board may procure the services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

Bankruptcy

Upon the filing for bankruptcy of insolvency by or against the Contractor, the Committee and the State Board may terminate this contract, and the provisions of the paragraph entitled "Performance and Default" shall apply.

Performance Bond

The Committee and the State Board may require either a performance bond up to the full amount of the contract or another performance guarantee.

Availability of Funds

Any and all payments to the Contractor are dependent upon and subject to the availability of funds to the Legislative Services Office, the State Board, or both, for the purpose set forth in this agreement.

Confidentiality

The Contractor agrees to protect the confidentiality of any files, data, or other materials provided by the Committee and the State Board and to restrict their use to the purpose of performing the contract. The contractor shall comply with the provisions of Article 17 of Chapter 120 of the North Carolina General Statutes regarding confidentiality between the contractor and members of the General Assembly.

Care of Property

The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished to it by the Committee and the State Board for use in connection with the performance of this contract or purchased by it for this contract and will reimburse the Committee and the State Board for loss of damage of such property.

Copyright

No deliverable items produced in whole or in part under this agreement shall be the subject of an application for copyright by or on behalf of the Contractor.

Access to Persons and Records

The State Auditor shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7. The Contractor shall retain all records for a period of three years following completion of the contract.

Transfer of Assignment

The contract shall not be transferred or assigned to a third party.

Compliance with Laws

The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction or authority, or both jurisdiction and authority.

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Equal Opportunity Statement

The nondiscrimination clause contained in Section 202 Executive Order 11245, as amended by Executive Order 11375, relative to equal employment opportunity for all persons without regard to race, color, religion, sex, age, or national origin, and the rules and regulations prescribed by the Secretary of Labor of the United States, are incorporated herein. The program for Employment of the Handicapped (Affirmative Action) Regulations issued by the Secretary of Labor of the United States in Title 20, Part 741, Chapter VI, Subchapter "C" of the Code of Federal Regulations, pursuant to the provisions of Executive Order 11758 and Section 503 of the Federal Rehabilitation Act of 1973, are incorporated herein.

Insurance

The Contractor shall obtain, pay for, and keep in force, for the duration of the contract, worker's compensation insurance, as required by the laws of North Carolina, covering all of the Contractor's employees engaged in any work on the project in the State.

Additional Contract Expenses

The contract for the project is not a time and materials agreement. Any expenses of the contractor in addition to those contracted for, or above the contract amount, are the sole responsibilities of the Contractor.

Advertising

The Contractor agrees not to use the results or existence of the contract, or the products produced pursuant to the contract as a part of any news release or commercial advertising without the prior written approval of the Committee and the State Board.

General Indemnity

The Contractor shall hold and save the State of North Carolina, its officers, agents, and employees, and the local boards of trustees, their officers, agents, and employees, harmless from liability of any kind, including all claims and losses, with the exception of consequential damages, accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the contractor in the performance of this contract and that are attributable to the negligence or intentionally tortuous acts of the Contractor provided that the Contractor is notified in writing within 30 days that the State and/or the local boards of trustees have knowledge of such claims. The Contractor represents and warrants that it shall make no claim of any kind or nature against the State's agents and/or the local boards of trustees' agents who are involved in the delivery or processing of the Contractor's goods to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of this contract.

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APPENDIX A

CHAPTER 126 OF THE 2002 SESSION LAWS SECTION 8.7(a)

"COMMUNITY COLLEGE SYSTEM STUDY"

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COMMUNITY COLLEGE SYSTEM STUDY

SECTION 8.7.(a) The Joint Legislative Education Oversight Committee, in conjunction with the State Board of Community Colleges, shall hire an outside consultant to consider:

- (1) The organization and structure of the Community College System, the number of colleges within the System, the location and size of the colleges, and whether the State could realize any administrative savings from the consolidation of some colleges or programs;
- (2) The formula used to fund administration at the colleges, appropriate funding levels for administration of the various colleges, and the appropriate number of administrative staff members for colleges of different sizes; and
- (3) The funding of multicampus colleges and off-campus centers, including the appropriate number of administrative staff members, and an appropriate funding mechanism for administration and for other purposes.

APPENDIX B

THE NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

COLLEGE LISTING

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Alamance CC
Post Office Box 8000
Graham, NC 27253-8000
(336) 578-2002
www.alamance.cc.nc.us

Asheville-Buncombe Tech CC 340 Victoria Road Asheville, NC 28801 (828) 254-1921 www.asheville.cc.nc.us

Beaufort County CC 5337 Highway 264 East Washington, NC 27889 (252) 946-6194 www.beaufort.cc.nc.us

Bladen Community College Post Office Box 266 Dublin, NC 28332 (910) 862-2164 www.bladen.cc.nc.us

Blue Ridge Community College College Drive Flat Rock, NC 28731 (828) 694-1700 www.blueridge.cc.nc.us

Brunswick Community College Post Office Box 30 Supply, NC 28462 (910) 755-7300 www.brunswick.cc.nc.us

Caldwell CC & Tech. Institute 2855 Hickory Boulevard Hudson, NC 28638 (828) 726-2200 www.cccti.com

Cape Fear Community College 411 North Front Street Wilmington, NC 28401 (910) 251-5100 http://cfcc.net

Carteret CC 3505 Arendell Street Morehead City, NC 28557-2894 (252) 222-6000 www.carteret.cc.nc.us

Catawba Valley CC 2550 Highway 70, Southeast Hickory, NC 28602 (828) 327-7000 www.cvcc.cc.nc.us Central Carolina CC 1105 Kelly Drive Sanford, NC 27330 (919) 775-5401 www.centralcarolina.org

Central Piedmont CC Post Office Box 35009 Charlotte, NC 28235 (704) 330-2722 www.cpcc.cc.nc.us

Cleveland Community College 137 South Post Road Shelby, NC 28152-6296 (704) 484-4000 www.cleveland.cc.nc.us

Coastal Carolina CC 444 Western Boulevard Jacksonville, NC 28546-6899 (910) 455-1221 www.coastal.cc.nc.us

College of the Albemarle Post Office Box 2327 Elizabeth City, NC 27909-2327 (252) 335-0821 www.albemarle.cc.nc.us

Craven Community College 800 College Court New Bern, NC 28562 (252) 638-4131 www.craven.cc.nc.us

Davidson County CC Post Office Box 1287 Lexington, NC 27293-1287 (336) 249-8186 www.davidson.cc.nc.us

Durham Technical CC 1637 Lawson Street Durham, NC 27703 (919) 686-3300 www.durhamtech.org

Edgecombe Community College 2009 West Wilson Street Tarboro, NC 27886 (252) 823-5166 www.edgecombe.cc.nc.us

Fayetteville Technical CC Post Office Box 35236 Fayetteville, NC 28303-0236 (910) 678-8400 www.faytech.cc.nc.us Forsyth Technical CC 2100 Silas Creek Parkway Winston-Salem, NC 27103-5197 (336) 723-0371 www.forsyth.tec.nc.us

Gaston College 201 Highway 321, South Dallas, NC 28034-1499 (704) 922-6200 www.gaston.cc.nc.us

Guilford Technical CC Post Office Box 309 Jamestown, NC 27282 (336) 334-4822 http://technet.gtcc.cc.nc.us

Halifax Community College Post Office Drawer 809 Weldon, NC 27890 (252) 536-4221 www.hec.cc.nc.us

Haywood Community College 185 Freedlander Drive Clyde, NC 28721 (828) 627-2821 http://w3.haywood.cc.nc.us

Isothermal Community College Post Office Box 804 Spindale, NC 28160 (828) 286-3636 www.isothermal.cc.nc.us

James Sprunt CC Post Office Box 398 Kenansville, NC 28349-0398 (910) 296-2400 www.sprunt.com

Johnston Community College Post Office Box 2350 Smithfield, NC 27577 (919) 934-3051 www.johnston.cc.nc.us

Lenoir Community College Post Office Box 188 Kinston, NC 28502-0188 (252) 527-6223 www.lenoir.cc.nc.us

Martin Community College 1161 Kehukee Park Road Williamston, NC 27892 (252) 792-1521 www.martin.cc.nc.us

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Mayland Community College Post Office Box 547 Spruce Pine, NC 28777 (828) 765-7351 www.mayland.cc.nc.us

McDowell Technical CC 54 Universal Drive Marion, NC 28752 (828) 652-6021 www.mcdowelltech.cc.nc.us

Mitchell Community College 500 West Broad Street Statesville, NC 28677 (704) 878-3200 www.mitchell.cc.nc.us

Montgomery CC 1011 Page Street Troy, NC 27371 (910) 576-6222 www.montgomery.cc.nc.us

Nash Community College 522 N. Old Carriage Road Rocky Mount, NC 27804-0488 (252) 443-4011 www.nash.cc.nc.us

Pamlico Community College / Post Office Box 185 Grantsboro, NC 28529 (252) 249-1851 www.pamlico.cc.nc.us

Piedmont Community College Post Office Box 1197 Roxboro, NC 27573 (336) 599-1181 www.piedmont.cc.nc.us

Pitt Community College Post Office Drawer 7007 Greenville, NC 27835-7007 (252) 321-4200 www.pitt.cc.nc.us

Randolph Community College Post Office Box 1009 Asheboro, NC 27204-1009 (336) 633-0200 www.randolph.cc.nc.us

Richmond Community College Post Office Box 1189 Hamlet, NC 28345 (910) 582-7000 www.richmond.cc.nc.us Roanoke-Chowan CC 109 Community College Road Ahoskie, NC 27910-9522 (252) 862-1200 www.roanoke.cc.nc.us

Robeson Community College Post Office Box 1420 Lumberton, NC 28359 (910) 738-7101 www.robeson.cc.nc.us

Rockingham CC Post Office Box 38 Wentworth, NC 27375-0038 (336) 342-4261 www.rcc.cc.nc.us

Rowan-Cabarrus CC Post Office Box 1595 Salisbury, NC 28145-1595 (704) 637-0760 www.rccc.cc.nc.us

Sampson Community College Post Office Box 318, Hwy 24 W Clinton, NC 28329-0318 (910) 592-8081 www.sampson.cc.nc.us

Sandhills Community College 3395 Airport Road Pinehurst, NC 28374 (910) 692-6185 www.sandhills.cc.nc.us

South Piedmont CC Post Office Box 126 Polkton, NC 28135 (704) 272-7635 www.southpiedmont.org

Southeastern CC Post Office Box 151 Whiteville, NC 28472 (910) 642-7141 www.southeastern.cc.nc.us

Southwestern CC 447 College Drive Sylva, NC 28779 (800) 447-4091 www.southwest.cc.nc.us

Stanly Community College 141 College Drive Albemarle, NC 28001 (704) 982-0121 www.stanly.cc.nc.us Surry Community College Post Office Box 304 Dobson, NC 27017 (336) 386-8121 www.surry.cc.nc.us

Tri-County Community College 4600 East U.S. 64 Murphy, NC 28906 (828) 837-6810 www.tccc.cc.nc.us

Vance-Granville CC Post Office Box 917 Henderson, NC 27536 (252) 492-2061 www.vgcc.cc.nc.us

Wake Technical CC 9101 Fayetteville Road Raleigh, NC 27603 (919) 662-3400 www.wake.tec.nc.us

Wayne Community College Post Office Box 8002 Goldsboro, NC 27533-8002 (919) 735-5151 www.wayne.cc.nc.us

Western Piedmont CC 1001 Burkemont Avenue Morganton, NC 28655 (828) 438-6000 www.wp.cc.nc.us

Wilkes Community College Post Office Box 120 Wilkesboro, NC 28697 (336) 838-6100 www.wilkes.cc.nc.us

Wilson Technical CC Post Office Box 4305 Wilson, NC 27893 (252) 291-1195 www.wilsontech.cc.nc.us

North Carolina Center for Applied Textile Technology Post Office Box 1044 Belmont, NC 28012 (704) 825-3737 www.charlotte.zip2.com/nccatt

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APPENDIX C

THE NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

MULTI-CAMPUS COLLEGE LISTING

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The following list shows those community colleges which have campuses designated by the State Board as multi-campus sites.

Caldwell CC & TI Watauga County Campus

Cape Fear CC
North Campus

Central Carolina CC
Chatham County Campus
Harnett County Campus

Central Piedmont CC
North Campus
South Campus
Southwest Campus
West Campus

College of The Albemarle
Dare County Campus

Edgecombe CC
Rocky Mount Campus

Gaston College
Lincoln County Campus

Guilford TCC
Greensboro Campus

Rowan-Cabarrus CC
Cabarrus County Campus

South Piedmont CC
West Campus

Vance-Granville CC Franklin County Campus Granville County Campus

Wake TCC Health Sciences Campus

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APPENDIX D

THE NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

OFF-CAMPUS CENTER LISTING

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The following list shows those community colleges which have State Board approved off-campus centers.

Alamance CC Burlington Center

Asheville-Buncombe TCC Madison County Center

Bladen CC Kelly/East Arcadia Center

Blue Ridge CC Transylvania County Center

Brunswick CC
Job Link Center
Leland Center
Southport Center

Caldwell CC & TI
Adm. Support/Basic Skills Center
(Watauga County)
Watauga County Continuing Ed.
Center

Cape Fear CC
Burgaw Center (Pender County)
Hampstead Center (Pender
County)

Carteret CC Davis Center

Central Carolina CC
School of Telecommunications
Center
Siler City Center

Central Piedmont CC
West Center (Allegany Street)

College of The Albemarle Chowan County Center Riverside Ext. Center

Craven CC Havelock/Cherry Point Center

Davidson County CC
Davie County Center

Durham TCC Northern Durham Center

Fayetteville TCC Firefighting Facility Center Spring Lake Center Forsyth TCC Carver Road Center Kernersville Center West Center

Gaston College Lincoln County Campus

Guilford TCC Aviation Center High Point Center Small Business Center

Haywood CC
Continuing Education Center
Dayco Retirees Center
High Tech Center
Human Resource Dev. Center

Isothermal CC
Polk County Center

Lenoir CC
Aviation Center
Greene County Center
Jones County Center
Walstonburg Center
West Boundary Street Center

Martin CC
Bertie County Center

Mayland CC Avery County Center Yancey County Center

McDowell TCC Marion Center

Mitchell CC Mooresville Center

Pamlico CC Bayboro Center

Piedmont CC
Caswell County Center
Randolph CC
Archdale Center

Richmond CC Continuing Education Center James Nursing Bldg Scotland County Center Robeson CC Emergency Training Center Lumberton Extension Center Pembroke Extension Center

Rowan-Cabarrus CC Corban Center

Sampson CC.
Courthouse Annex
Multi-Purpose Center

Sandhills CC
Hoke County Center

South Piedmont CC
Continuing Education Center
Wadesboro Center

Southeastern CC Business/Industry Trng. Center

Southwestern CC Macon County Center Swain County Center

Stanly CC Western Stanly Center

Surry CC Yadkin County Center

Tri-County CC
Graham County Center

Vance-Granville CC Warren County Center

Wake TCC Adult Education Center

Wayne CC Aviation Center Western Piedmont CC North King/West Meeting Street Center

Wilkes CC
Alleghany County Center
Ashe County Center

Wilson TCC Police Academy Center

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A Proposal to Conduct the North Carolina Community College System Study

Submitted to:

Ms. Bonnie Trivette
Fiscal Research Division
General Assembly of North Carolina
Room 619, Legislative Office Building
300 N. Salisbury Street
Raleigh, NC 27603

Submitted by:



2123 Centre Pointe Boulevard Tallahassee, Florida 32308-4930

December 9, 2002

All Pages Printed on 30% Recycled Paper

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December 5, 2002

Ms. Bonnie Trivette
Fiscal Research Division
General Assembly of North Carolina
Room 619, Legislative Office Building
300 N. Salisbury Street
Raleigh, NC 27603

Dear Ms. Trivette:

MGT of America, Inc., is pleased to submit the accompanying proposal to assist the North Carolina General Assembly with the North Carolina Community College System Study (RFP # 01-20021209). We believe that our proposal responds fully to the requirements listed in your RFP. Should further information be needed, however, we will be pleased to respond.

As you review our proposal, I believe you will find that MGT is especially well-qualified to serve the Joint Legislative Education Oversight Committee on this assignment. We have conducted similar projects of many other state community college systems, and have collected information on "best practices" in state funding models from our numerous national and regional surveys.

The North Carolina General Assembly's RFP lays out a very ambitious schedule for completion of the project. We are accustomed to working in this environment, and we are well-staffed and equipped to receive, process, and analyze significant volumes of information under tight deadlines.

We look forward to working with the Joint Legislative Education Oversight Committee and its staff on this important project. Please feel free to contact me at (850) 386-3191 if you have any questions about our proposal or if you require additional information.

Sincerely,

J. Kent Caruthers

Deputy CEO and Senior Partner

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J:\031\6000 - NC General Assembly\Proposal Sections\letter.doc

Centre Pointe Boulevard Tallahassee, FL 32308 850.386.3191 850.385.4501 fax www.mgtamer.com

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COST PROPOSAL (Under Separate Cover)

1.0 EXECUTIVE SUMMARY

1.0 EXECUTIVE SUMMARY

1.1 Introduction

MGT of America, Inc., is pleased to respond to the Request for Proposals for the North Carolina Community College System Study. We commend the North Carolina General Assembly and its Joint Legislative Education Oversight Committee for their initiative in undertaking the planned review.

This study is required to collect and analyze quantitative and qualitative information, summarize results, and produce meaningful, realistic recommendations and specific strategies that the North Carolina General Assembly can use to enhance the current funding policies and practices for North Carolina's community colleges. In the remainder of this proposal, we respond to each of the requirements listed in the Request for Proposals (RFP) and describe why we believe MGT is unusually well-qualified to conduct the review. This proposal includes:

- a brief profile of our firm and a review of previous studies that we have conducted in other states that required similar types of analyses and assessments (see Chapter 2.0 – Corporate Background and Experience);
- the qualifications of the project team members that we will assign to this important review (see Chapter 3.0 – Project Staffing and Organization); and
- a detailed description of our approach to the planned review along with a step-by-step work plan and time line (see Chapter 4.0 – Task Description and Schedule).

1.2 Corporate Background and Experience

MGT is a well-established and nationally recognized management research and consulting organization that focuses on public sector issues. The higher education practice at MGT is especially known for its extensive experience in addressing state-level issues in higher education finance and management, similar to the topics that are the focus of the Committee's RFP. MGT has a history of successful performance on projects in North Carolina, many of which have been initiated by the General Assembly and concern educational structure and finance issues. Chapter 2.0 of our technical proposal describes the firm's background and experience in greater detail, including brief descriptions of numerous projects that are similar to the Committee's planned study.

1.3 Project Staffing and Organization

Each member of our proposed project team has experience that will be directly relevant to their assignment on the Committee's study of the NCCCS. The project director and two technical advisers on the proposed project team have extensive



backgrounds in state-level higher education finance, and each has conducted similar studies of community college funding issues in other states. Other members of the proposed team have also served in similar capacities on previous MGT projects where community college finance, operations, and structure issues were addressed. Chapter 3.0 of our technical proposal introduces each member of our proposed project team and describes the role that they will play on the NCCCS study for the Committee.

1.4 Task Description and Schedule

The final section of our technical proposal describes our general methodology and lists nine, specific tasks and supporting work activities that we believe will lead to a successful outcome for the Committee's study of the NCCCS. Our methodology calls for a close working relationship with the Committee's project manager and provides various opportunities for stakeholder input on issues related to organization, structure, potential consolidation arrangements, and funding requirements. The qualitative input from stakeholders will be used to supplement a series of quantitative analyses and a review of best practices in other state community college systems. A series of interim reports, keyed to the five major elements of the scope of services listed in the RFP, will contribute to a comprehensive final report and presentations to the Committee and State Board.



2.0 CORPORATE BACKGROUND AND EXPERIENCE

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2.0 CORPORATE BACKGROUND AND EXPERIENCE

MGT of America, Inc., is a national, multidisciplinary management consulting firm that specializes in working with public sector organizations. MGT has extensive experience working with colleges and universities, school districts, and communities throughout the nation. Since 1974 MGT has partnered with public entities to develop innovative solutions for challenges our clients face. MGT has provided services to over 2,100 clients in 49 states, Puerto Rico, and several foreign countries.

The firm employs more than 130 professionals throughout our offices in Florida, Texas, California, Washington, and South Carolina. Helping to create innovative solutions to public sector challenges is *all we do*. Since our inception 28 years ago, higher education has been at the very heart of our work, and as we continue to grow it remains a dominant emphasis for our company.

MGT maintains one of the nation's leading higher education consulting practices. MGT's understanding of college, university, and state system operations far exceeds that of most other management consulting firms. This understanding has been built over a 28-year period of conducting higher education studies in over 30 different states. Additionally, we have conducted feasibility studies, national surveys, and benchmark analyses of institutional programs, revenues, costs, operations, and organizational structures. In total, we have conducted over 2,100 client engagements, over half of which have involved educational institutions or state education agencies. Our clients have included:

- legislatures
- governors' offices
- state commissions and committees
- special task forces
- blue ribbon committees
- state higher education boards
- community colleges
- universities
- school districts
- schools for disabled students
- private and nonprofit businesses

Our combined knowledge of community college and state government operations, and the national credibility we have built along with our reputation, will significantly enhance our abilities to conduct this important project for the North Carolina General Assembly as is demonstrated in the following sections.

2.1 Specific Higher Education Project Experiences

We have had extensive experience in conducting a full range of state system and institutional reviews, especially funding policy and budget formula studies. The following list of previous funding and budgeting studies illustrates the range and depth of our prior experiences.



2.1.1 Funding/Budgeting Studies

MGT consultants are unparalleled in their understanding of higher education finance and operations, having held high-level planning and budgeting positions with university and state system offices.

Studies conducted by our staff include:

- assessment of formula budgeting processes and recommendations for change to request and allocation guidelines;
- development of new appropriations request formulas;
- identification and evaluation of alternative funding methods for state systems of higher education;
- performance of equity analyses; and
- development of performance-based funding models.

These projects have resulted in the development of an extensive library of reference files and financial databases, valuable resources for the delivery of in-depth and accurate evaluations, and sound recommendations to our clients.

2.1.2 Related Studies

- Review of the funding formulas used for North Carolina community colleges, Mississippi Institutions of Higher Learning, Wyoming community colleges, South Carolina Commission on Higher Education, Texas colleges and universities, Virginia colleges and universities, West Virginia colleges and universities, Maryland community colleges, Pennsylvania State System of Higher Education, Washington Public Vocational-Technical Institutes, and Idaho colleges and universities.
- Development of performance and effectiveness measures for the lowa Board of Regents and the University System of Georgia.
- Performance of policy and fiscal analyses of higher education and related matters for the California Higher Education Policy Center.
- Determination of funding levels at benchmark institutions for the Kentucky Council on Postsecondary Education.
- Review of changes in state budgeting practices to enhance the quality of colleges and universities for the Southern Regional Education Board.
- Assessment of funding equity issues for the University System of West Virginia, the Arizona Board of Regents, the Connecticut State



University System, the University of North Carolina, and the State University System of Florida.

- Development of performance funding models for public colleges and universities.
- Assessment of funding formula used for plant operations and maintenance by the Texas Higher Education Coordinating Board for the state's Comptroller of Public Accounts.
- Assessment of policies on facilities funding for the Office of the Governor, State of Washington.
- Review of standards and procedures developed by the New Jersey Department of Higher Education for capital project proposals for higher education.

2.2 References

MGT is pleased to offer the following references from projects similar in nature to the one currently being initiated by the North Carolina General Assembly. We encourage you to contact these clients regarding the quality and professionalism of our staff and work products and our ability to meet established time lines.



Study of State Funding Structure

Client: Mississippi State Board for Community & Junior Colleges

Contact Person: Ms. Deborah Gilbert

Associate Executive Director

3825 Ridgewood

Mississippi State Board for Community & Junior Colleges

Jackson, MS 39211 (601) 432-6337

MGT assisted the Mississippi State Board for Community and Junior Colleges with a study of the state's funding structure for community colleges. MGT reviewed historical funding models, compared the Mississippi model to best practices/benchmarks in other states, and developed recommendations for a new funding model approach. Funding strategies for small colleges and branch campuses were a specific focus of the study.





Administrative Services Consolidation Study

Client: University System of Georgia

Contact Person: Mr. William Bowes
Vice Chancellor

University System of Georgia

270 Washington Street, SW, Suite 6096

Atlanta GA 30334-1450

(404) 657-7581

To assist the Georgia Board of Regents address its concerns about high administrative costs, MGT is studying the feasibility of consolidating selected administrative support functions at the smaller campuses. MGT is developing various generic models of how support services could be delivered on a consolidated basis, including a regional service center concept. Additionally, MGT developed a screening model to identify which support functions were most likely to be delivered successfully on a consolidated basis.



Funding Needs Assessment

Client: South Carolina Commission on Higher Education

Contact Person: Mr. Je

Mr. John Smalls Director of Finance

South Carolina Commission on Higher Education

1333 Main St, Suite 200 Columbia, SC 29201 (803) 737-2260

The South Carolina Commission on Higher Education contracted with MGT to review the current Mission Resources Requirement Model (MRR), or funding formula, for public higher education. MGT developed a set of guiding principles and criteria to evaluate funding formulas. Comparisons of regional and national reports that address funding were performed to identify data definitions and determine clarity, consistency, and uniformity. MGT identified institutional peers and compared the funding of those institutions to funding for the South Carolina institutions. Analyses compared funding per student for each South Carolina institution to funding per student at the peer institutions and to the Southern Regional Education Board (SREB) institutions of the same type. The MRR was compared to other funding formulas, and options and recommendations for revisions to the Model were developed. MGT also evaluated current definitions, guidelines, and other information related to financial reporting and made recommendations for changes in definitions and reporting standards

MGT was selected by the South Carolina Commission on Higher Education to assist in the development of a performance funding model. The 1996 General Assembly had directed the Commission to develop a multiyear plan to move toward a new funding model based solely on performance indicators. The project included a review of



performance indicators for four different types of postsecondary institutions and an analysis of data systems. MGT also reviewed the work of various task forces.



Mandated Programs and Debt Service Surveys

Client: Kentucky Council on Postsecondary Education

Contact Person: Ms. Angela Martin

Vice President for Finance

Council on Postsecondary Education 1024 Capitol Center Drive, Suite 320

Frankfort, KY 40601 (502) 573-1555

MGT developed and administered a survey related to mandated programs and debt service for the Kentucky Council for Postsecondary Education. The survey results were used in support of the Council's budget development activities for the 2002-2004 biennium. The survey collected information on state-funded mandated research and public service programs as well as state-funded debt service from the 110 peer or benchmark institutions of the Kentucky colleges and universities. MGT developed recommendations as to how the survey results should be incorporated into the Kentucky benchmark funding model.



Student Expenditures for Community Colleges

Client: Washington State Board of Community and Technical Colleges

Contact Person: Mr. Scott Morgan

Vice President for Administrative Services

Clark College

(Former Finance Director of Washington State Board of Community

and Technical Colleges) 1800 E. McLoughlin Blvd. Vancouver, WA 98663

(360) 992-2123

The Washington State Board for Community and Technical Colleges (SBCTC) contracted with MGT of America, Inc., to survey and analyze the cost per student for community college systems in 12 western states. The outcome of the study was to compare the expenditures per student of western states' systems against the cost per student for Washington's community college system. In 1996, MGT conducted a similar study with the SBCTC. For this study, MGT developed a survey form requesting expenditure and FTE enrollment information for the years 1997-98, 1998-99, and 1999-2000. The expenditure information was requested by fund source from state appropriations, tuition, and local tax sources. The analysis ensured that the expenditure



and enrollment information was consistent and comparable between states. In addition to distributing the report to the SBCTC, copies of the report were distributed to all of the states that participated in the study.



2.3 Related Experience

Our relevant past experience provides us with superior qualifications to conduct comprehensive management and efficiency evaluations in higher education. To demonstrate the breadth of our experience, we have provided abstracts describing a sampling of the numerous projects MGT has conducted for higher education clients.

RELATED EXPERIENCE WITH COMMUNITY COLLEGES

Postsecondary Distance Learning Organizational Study

Client: Florida Community College Distance Learning Consortium/Florida Virtual Campus

The Florida Community College Distance Learning Consortium contracted with MGT to conduct a review of the roles and responsibilities of both the Distance Learning Consortium and the Florida Virtual Campus to assess the feasibility of combining the two functions. MGT reviewed relevant Florida legislation, conducted surveys and interviews with staff and users, and compiled and analyzed the information gathered. The result was a report that included the recommended role of the organization, recommended staffing pattern, and projected budget needs.



Collegewide Strategic Plan

Client: Bellevue Community College, Washington

Bellevue Community College contracted with MGT of America, Inc., to assist in developing an institutional strategic plan. MGT used its traditional strategic planning model, which is based on experience gained from numerous strategic planning engagements nationwide, to help Bellevue capitalize on opportunities, while effectively addressing its challenges. After establishing the purpose, or directive, for the strategic planning effort, MGT used a variety of interactive planning tools to collect and share data and information, develop data-based narrative statements, organize findings into themes, and develop a strategic plan incorporating measurable goals. MGT worked closely with a steering committee throughout the project to ensure that the project met its intended directives. In addition, MGT helped guide and facilitate the process to involve Bellevue's stakeholders in all phases of the project, ensuring support for the planning process as well



as the final strategic plan. The data collection tools used by MGT consisted of Web-based surveys and traditional data collection instruments and methodologies, including questionnaires, all-college meetings, interviews, and focus groups.



Post-Performance Review Assistance

Client: Austin Community College

MGT assisted Austin Community College, Texas, in developing responses to the recommendations in the performance review completed by the Texas Comptroller of Public Accounts. MGT advised ACC on public relations and communications as well as operational implementation of recommendations.



Heath Care Program Needs Assessment

Client: Palm Beach Community College

Palm Beach Community College contracted with MGT to assist the college in conducting an assessment of demand for alternative delivery of nursing program services and to evaluate the need for new programs in other health related professions. The study involved an analysis of labor market data, economic development interests, student and employer demand, and the ability of the college to provide alternative or expanded programs and services.



Housing Facility Feasibility Study

Client: Tallahassee Community College at Pat Thomas Law Enforcement Academy

Tallahassee Community College (TCC) contracted MGT to assess the feasibility of and options for expanding its participant housing facility at the Pat Thomas Law Enforcement Academy (PTLEA). The project goals included validation of demand and determination of the financial feasibility of constructing and operating a participant housing facility at PTLEA. Project activities included interviewing key TCC and PTLEA leaders, interviewing law enforcement agency training directors, reviewing facility plans and cost factors, and developing pro forma financial statements for a participant housing facility.





Space Gap Analysis and Prioritizing Capital Projects

Client: University and Community College System of Nevada

The University and Community College System of Nevada retained MGT to determine the space gaps between needed space, based on space standards, and the actual space of each institution. This project included developing a data input template and associated instructions that were sent to all Nevada higher education institutions to serve as the basis for determining the gap analysis. MGT reviewed the data and associated calculations and produced aggregated space gap spreadsheets for the Nevada system. Based on the proposal biennial capital projects list for each institution and the space gap analysis, MGT developed a capital project priority list for the system.



Facilities Master Plan for Southwest College

Client: Southwest Los Angeles Community College

In conjunction with Sasaki & Associates, MGT developed a facilities master plan for Southwest College, Los Angeles Community College District. MGT conducted an analysis of the college's space inventory and compared the college's existing space to the California Community College space standards. A high-level analysis of the college's utilization was conducted in conjunction with the inventory analysis. MGT also assessed the strategic plan for the college, including the programatic direction of the college, options for instructional delivery, instructional technology needs, and the general needs of the community to be served by the college. Based on the space analysis and assessment of the college's instructional direction, master plan alternatives were developed. MGT staff worked with architects from Sasaki to develop the final facilities master plan for the college.



Benchmarking Update

Client: Austin Community College

Austin Community College, Texas, engaged MGT to update a 1999 benchmarking/peer analysis study for strategic planning. MGT researchers collected information on programs, students, facilities, library holdings, staffing, revenues, expenditures, and operations from a group of peer institutions and compared the data to ACC. Findings were developed not only from the survey responses but also from information collected from other national sources.





Market Survey

Client: Tidewater Community College

Tidewater Community College retained MGT to conduct a needs assessment survey in three of the institution's markets surrounding their repective campuses. A Random Digit Dialing sample used with a telephone interview methodology was used to collect perceptions and opinions of the college and identify postsecondary education and training needs of adult residents within the cities of Virginia Beach, Chesapeake, and Norfolk. MGT prepared a telephone survey questionnaire, developed sampling procedures and specifications, tested and conducted the survey, analyzed data by market and resident segments, and prepared a full report of findings and an electronic executive summary for distribution to internal and external constituents and stakeholders.



Strategic Marketing Plan

Client: Houston Community College System, Texas

MGT developed a strategic marketing plan for the Houston Community College System. The project included market research related to the system's five college institutions, trend analysis regarding the existing market, and an assessment of all current marketing materials that incorporated written collateral materials and electronic media and Internet offerings. It also included a management assessment of student services and current communications and marketing activities and the development of a creative marketing plan that took advantage of the system's current strengths to develop a strong competitive advantage brand for the system and all of its component institutions.



Higher Education Needs Assessment

Client: The McConnell Foundation, California

The McConnell Foundation of Redding, California, selected MGT to conduct a comprehensive assessment of higher education needs across a six-county area of Northern California. The study was conducted in cooperation with two area community colleges and two four-year public institutions serving the market. Research activities included the compilation and analysis of population figures and other related demographics, educational participation and enrollment trends, and occupational outlook projections by county. Additionally, MGT performed extensive efforts to gather needs information directly from local higher education providers, currently enrolled students, high school guidance counselors, local community leaders, and major employers throughout the region. Higher education needs were identified by geography, level, and program category, and demand estimates were developed. The MGT team identified opportunities to deliver programs through a variety of mechanisms or cooperative efforts for each of the participating schools to consider.



Assessment of Preventive Maintenance Practices at Florida's Community Colleges

Client: Florida Community College System

The Florida Community College System contracted MGT to conduct an assessment of preventive maintenance practices among the 28 Florida community colleges. A primary focus of the study will be the extent to which roofing system preventive maintenance/management plans are used throughout the community college system. The project will consist of an on-line survey of physical plan directors at all 28 colleges and site visits to six colleges. Guidelines for "best practices" in roof system management/maintenance will be developed.



Feasibility Study: Student Housing Project

Client: Green River Community College

Green River Community College, a two-year public institution in Auburn, Washington, offers degrees and certificates in academic, professional, and technical programs, as well as courses in continuing and developmental education. It is believed that on-campus housing would help to meet the housing needs of international and domestic students, serve to attract a greater international population, and provide a richer and more diverse living and learning environment for everyone. MGT assisted Green River Community College with its Feasibility Study for Student Housing. MGT confirmed and identified market demand and analyzed prevailing rental market rates. The study team evaluated anticipated capacity, assessed four potential building sites, and developed preliminary cost estimates. The project included extensive interaction with college staff, administration, and students, and produced a usable product that will support capital planning and implementation efforts for the college.



Portsmouth Campus Relocation Study

Client: Tidewater Community College

The architect and engineering firm, Moseley, Harris & McClintock, Virginia Beach, Virginia, retained MGT to conduct a needs assessment research component for the Tidewater (Virginia) Community College Portsmouth Campus Relocation Study. A team conducted a review and analysis of service area demographics, enrollment trends, and educational participation and attainment data, and collected original research from adult residents, current TCC students, community leaders, and others.





Development of Higher Education Funding Guidelines

Client: Commonwealth of Virginia, Joint Subcommittee on Higher Education Funding Guidelines

MGT was hired to develop higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies. The study included an assessment of current funding adequacy among the State's four-year institutions and community colleges, the development of base funding guidelines for four-year institutions and community colleges, and the development of alternatives for maintaining institutional base funding adequacy. In addition, MGT developed performance funding options and provided recommendations. The General Assembly used the results of the work in their legislative session.



Joint Use Facility Study

Client: Postsecondary Education Planning Commission, Florida

MGT examined joint-use facilities involving a state university and community college and assessed the impact of the arrangement on the delivery of quality postsecondary education for the Postsecondary Education Planning Commission. The study focused on both instructional and support services, including registration, advisement, library access, time-to-degree, and student attainment of educational objectives.



Funding Equity Study

Client: University and Community College System of Nevada

MGT was retained to assist the University and Community College System of Nevada (UCCSN) in assessing whether the six institutions (two universities and four community colleges) in the system were equitably funded. MGT used a two-part methodology for the study. External peer comparisons in support per student were made for each of the six institutions. Detailed intersystem analyses were conducted for both the universities and community colleges, examining funding and staffing levels in the areas of instruction, support services, physical plant and operations, financial aid, and special programs. From these analyses, MGT was able to recommend strategies for addressing inequities. MGT's recommendations encompassed short- and long-term issues, designed to help UCCSN better face the challenges and opportunities of the future.





West Virginia Funding Model

Client: West Virginia Legislature

MGT assisted the West Virginia Legislature's Subcommittee on Resource Allocation to assess the strengths and weaknesses of the state's funding model. MGT also analyzed the state's policies for higher education and developed a system to identify needs and allocate state appropriation's for the state's universities, regional colleges, and community colleges.



Two-Year Education Needs in Western Montana

Client: University of Montana

MGT was selected to conduct a study of two-year education needs in Western Montana. The study encompassed the campuses of the University of Montana in Butte, Dillon, Helena, and Missoula, and the Flathead Valley Community College in Kalispell, including the adjoining areas. The assessment also included the demand for existing and new occupational and technical programs, associate programs, and remedial programs. MGT provided recommendations on programs and strategies to respond to identified needs.



Organizational/Personnel System Study

Client: Seminole Community College, Florida

MGT conducted a detailed organizational review, redesigned the College's personnel and classification system, and classified all existing positions. The organizational review included consideration of: the ability of the current organizational structure to address high priority issues and concerns of the college; the financial and cost implications of the current organizational structure; and how the college's organizational structure compared to those of similar institutions. The study also addressed administrative and professional classification and pay issues.



Analysis of Funding Practices for Technical Education

Client: Texas Comptroller of Public Accounts

MGT assisted the Texas Performance Review staff in analyzing state policies for funding postsecondary technical education. Of particular concern was the procedure for appropriating capital budgets for technical colleges in the state. A secondary issue was whether the funding practices adequately recognized program differentiation and tuition policy objectives. Relevant experience gained in the project included: analysis of the state



funding formula used for two-year colleges; creation of program mix profiles for community colleges and technical colleges; and development of recommendations for a change in state budgeting practices for two-year colleges.



Assessment of Community College Funding Formula

Client: Wyoming Community College Commission

MGT reviewed the funding formula used by Wyoming's seven community colleges to request and allocate funds. Issues included the use of program cost differentials, equalization of local tax revenue, and economy of scale.



Higher Education Management Review

Client: Commission to Study the Management of State Government, Connecticut

MGT conducted a detailed management review of the structure, operations, and programs of Connecticut's public higher education system. The review included evaluations of state administrative structures and processes, as well as the structure and operations of universities and community colleges. Recommendations were developed for increasing state revenues, decreasing costs, and improving educational effectiveness. Relevant experience gained in this project includes: developing peer comparisons of institutional revenue and expenditure patterns; evaluating state administrative structures and costs; assessing educational needs and how well those needs are being met; and conducting a large-scale management review of a public agency.

FUNDING FORMULA EXPERIENCE

Funding Formula and Performance Funding

Client: Pennsylvania State System of Higher Education

MGT assisted the Pennsylvania State System of Higher Education in developing a new funding allocation methodology to distribute its state appropriations to the 14 institutions in the system. The majority of the funds were to be distributed through a need-based formula, and a small portion was to be distributed based on performance. Development of the need-based formula included consideration of economies of scale, recognition of high-cost programs, inclusion of tuition revenues and varying abilities of the constituent institutions to raise tuition revenues, and national trends and practices. MGT reviewed the funding practices of other sites as well as the literature on funding formulas and performance funding to analyze the current SSHE formula. To improve the



funding structure, it was recommended that the funding mechanism be tailored to the special needs of the institutions, while distributing funds equitably. Special attention was given to funding distance learning, other collaberative learning programs, graduate programs, and university spheres of excellence. MGT suggested performance indicators and a method of translating performance into funding.



Funds Distribution Analysis

Client: Connecticut State University

MGT contracted with the Connecticut State University System to review the fund distribution methodologies and funding formulas used for public, multicampus systems of higher education across the United States. The study compared and contrasted the methodologies currently in use in the Connecticut State University System to the methodologies used by similar campus systems. MGT considered the impact of formula-driven budgets, current curricula, and the mix of undergraduate and graduate programs on funding requirements. In addition, MGT examined the need for a base level of funding or recognition of fixed costs in the allocation of resources, and the need for the inclusion of factors that recognize economies of scale. MGT provided the Connecticut State University System recommendations based on its findings.



Performance Funding Study

Client: South Carolina Commission on Higher Education

MGT was selected by the South Carolina Commission on Higher Education to assist in the development of a performance funding model. The 1996 General Assembly had directed the Commission to develop a multiyear plan to move toward a new funding model based solely on performance indicators. The project included a review of performance indicators for four different types of postsecondary institutions and an analysis of data systems. MGT also reviewed the work of various task forces.



Conceptual Design of New Funding Formula

Client: Georgia Department of Technical and Adult Education

MGT was hired by the Georgia Department of Technical and Adult Education to identify alternative responses to a request by a Governor's Study Commission that DTAE develop a funding request formula. MGT reviewed proposals that were under consideration and offered suggestions for how each might be refined.



Formula Funding Study

Client: Maryland Higher Education Commission

MGT reviewed funding formulas to assess the adequacy of operating funding for all public colleges and universities in Maryland. Guidelines and formulas in use by the Maryland Commission on Higher Education were reviewed in the context of their historical development using funding formulas developed by other sate systems of higher education. Recommendations on needed revisions to operating budgets were made and, consequently, implemented by the Commission.



Update of Higher Education Funding Formula

Client: Louisiana Board of Regents

For a number of years, the funding formula for public higher education in Louisiana had been ignored by the governor and legislature. In an effort to restore credibility for the formula so that it could be used by newly elected leaders, the Board of Regents retained MGT to assist a committee of Regents, staff and system representatives to assess the old formula and to recommend modifications as needed. Relevant experience gained in the project included: analysis of long-term educational funding trends and economic conditions; review of equity concerns in the current allocation of funds; identification of peer institutions; and development of alternative models for justification of funding needs.



Review of Funding Formula

Client: Georgia Board of Regents

MGT was selected to perform an internal review of the funding formula used by the Georgia Board of Regents to request their appropriation from the Governor and General Assembly. A number of institutional and system mission changes had occurred since MGT developed the current formula in 1981-82. These changes triggered the formula review. Specific topics in the formula review included the method for counting enrollments, differentiating instructional needs by discipline and level, assessing requirements for research funding setting competitive faculty salary rates, and calculating tuition requirements. Relevant experience gained from the project included: analyzing funding requirements for a wide range of institutional types; undertaking detailed analyses of university program operations; reviewing funding formulas in a number of peer states; developing funding formula that incorporates incentives for change; projecting significant trends that might affect university operations; and simulating the impact of formula changes.





Funding Equity Analysis and Model

Client: University of North Carolina

MGT assisted the General Administration of the University of North Carolina in a review of the equity of current funding levels among the 15-member postsecondary institutions. Equity was considered from four different perspectives, including benchmark analyses. The assignment required the development of a revised funding model, based on equity and adequacy concepts, that could be integrated into the broader state government budgeting process. Relevant experience gained from the project included: development of peer institution funding comparisons; an analysis of long-term funding trends within the system; and a design of a new funding model.

ADDITIONAL RELATED EXPERIENCE IN NORTH CAROLINA

University Outsourcing/Privatization Study

Client: University of North Carolina

MGT conducted an outsourcing/privatization study for The University of North Carolina and its affiliated organizations. The study estimated the potential savings that could be achieved by outsourcing services in the functional areas of housekeeping, ground maintenance, HVAC system operations and maintenance, trash removal, hazardous waste removal/disposal, central steam plant operations and maintenance, and data processing operations. The study also developed an evaluation model and work plan for determining whether services should be privatized at each campus. Relevant experience gained from the project included: potential for effective outsourcing at a typical university campus; development of potential cost savings and efficiencies; development of a time-phased work plan for assessing potential outsourcing opportunities; and field testing of MGT's privatization/outsourcing analysis model.



Management Audit of Public School System

Client: Wake County Public School System, North Carolina

MGT conducted a management audit of the Wake County Public School System. The audit directed specific attention to the responsibilities of organizations and personnel, and the use of related budget dollars. The specific objectives were: review and analysis of general organizational structure of WCPSS; comprehensive review and analysis of organizational structure of Central Office departments; review of educational effectiveness and financial efficiency of significant WCPSS education programs and initiatives in accomplishing stated objectives; assessment of appropriateness of staffing and outsourcing levels and the efficiency of Central Office departments in accomplishing stated goals and objectives, including the efficient and effective management of the long-range building program; evaluation of the appropriateness and effectiveness of site-



based management; evaluation of the efficiency and effectiveness of the transportation program; and evaluation of the efficiency and effectiveness of technology in the Central Office and in schools.



Staffing Study

Client: North Carolina Office of Juvenile Justice

MGT conducted a Workload and Staffing Study of Training Schools and Detention Centers for the North Carolina Department of Juvenile Justice and Delinquency Prevention. The project involved a review of workload for over 1,100 state detention positions. Detention Centers hold detainees for crimes against persons, property crimes, and probation violations. Work tasks in the project included an analysis of staffing patterns and requirements for all juvenile detention facilities in the state of North Carolina, an analysis of legal issues that had an impact on necessary and appropriate staffing levels, and an evaluation of the effectiveness of current practices and major procedures within the state's 5 Training Schools and 10 Detention Centers .The study also included an evaluation of classification and compensation levels for over 1,100 positions within the agency. The project included a quality of work life survey and a confirmation and analysis of job duties for all detention facilities staff. An additional component of the analysis was the development of entry level competencies for all of the detention positions. The work product resulted in recommended staffing levels for all of the detention facilities based on workload analysis, costs for services, site visits, staff interviews, job evaluation, facility structures, American Correctional Association standards, and state legal requirements relative to service levels. The study concluded with a report and presentation to a large group of state senators and representatives, indicating program efficiencies and a cost savings of nearly \$1 million. Staffing levels for all facilities were identified, and adjustments are being implemented gradually over several fiscal years



Long-Range Master Plan for the Town of Butner, North Carolina

Client: O'Brien Atkins Associates

MGT was hired as a subcontractor by O'Brien Atkins Associates to conduct a study of the governmental operations process for the Town of Butner, North Carolina. MGT identified all services currently being provided including the provider, workload, funding expenditures, and resources utilized. MGT reviewed potential new services, cost and funding principles, and evaluated potential alternative forms of governance. MGT also developed implementation plans for the most efficient form of governance and the most effective municipal service alternatives.





Performance Audit of the Division of Motor Vehicles

Client: Joint Legislative Commission, North Carolina

MGT conducted a comprehensive management and operations performance review of the Division of Motor Vehicles to improve efficiency and service delivery. The Division oversees driver license issuance, vehicle registration, accident reporting, school bus safety, international registration, and motor carrier size and weight laws on the highways. The Division had 1,884 employees and operated field offices throughout the state for driver license testing and vehicle registration and titling. Recommendations were provided to the General Assembly that would help the division become a model organization with significantly enhanced customer service and improved effectiveness, responsiveness and efficiency. Short-term and long-term implementation schedules were also provided.





3.0 PROJECT STAFFING AND ORGANIZATION

3.0 PROJECT STAFFING AND ORGANIZATION

MGT appreciates the importance of assigning a highly experienced and qualified team to study North Carolina's funding policy and structure for community college administrative costs. This study can be completed successfully only by a team that fully understands the nature and mission of community and technical colleges and has the requisite skills and experience in analyzing federal and state appropriations, student tuition and fees, local property taxes, and indirect state appropriations, as they apply to funding policies and models.

Of particular importance to this project is the combination of research, evaluation, management and organizational expertise, and funding model knowledge our team possesses. This chapter outlines our proposed project team organization and composition, member responsibilities, and qualifications.

^c 3.1 Project Team Organizational Structure

To accomplish this project, we are proposing the project team organizational structure as shown in Exhibit 3-1. The paragraphs that follow describe the responsibilities of each component of the organizational structure.

North Carolina General Assembly Project Manager. MGT will look to the North Carolina General Assembly's designated Project Manager to review and approve project work plans, schedules, and deliverables, and act as a liaison with the Committee and State Board officials. We will look to this individual for assistance in obtaining internal information and data regarding current and past state funding efforts.

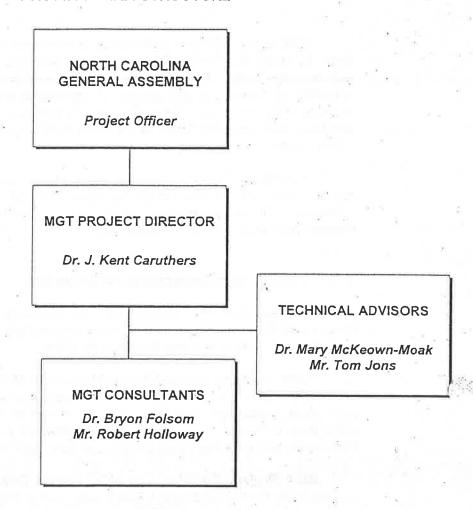
MGT Project Director. The MGT Project Director will have direct supervisory responsibility for the Consultant Team assigned to the study. The Project Director will work hand-in-hand with both the Committee's Project Manager and the Project Team to monitor the progress of the study. He will ensure quality control, ensure that all work is completed in an efficient and timely manner in coordination with the time line of the study, and provide assistance to the Project Team throughout the course of the study.

Technical Advisors. These individuals will provide valuable advice and support to the Project Director by reviewing project design components and schedules. They are all senior staff members at MGT with highly specialized expertise in higher education funding policy.

MGT Consultant Team. These individuals will work in close contact with the Committee's Project Manger, other appropriate officials, and MGT's Project Director to design and execute each research task in our proposed work plan and fulfill the stated expectations of the General Assembly. Collectively, they will review, evaluate, and generate recommendations in accordance with each component of the work plan.



EXHIBIT 3-1 PROJECT TEAM STRUCTURE



3.2 Proposed Project Team

As indicated earlier, we believe that the success of this project depends heavily on the utilization of team members who understand the complexities of higher education funding policies and models. Accordingly, we have carefully assembled a project team that has the full range of background, skills, and understanding needed to conduct the type of evaluation requested by the General Assembly. The following paragraphs briefly describe each team member's relevant qualifications. A more complete listing of each team member's experience is available in the Appendix.



Project Director: Dr. Kent Caruthers. Dr. Caruthers, Deputy Chief Executive Officer for MGT, has been with MGT for over 20 years and heads the firm's higher education practice. Prior to joining MGT, he served as the chief planning officer for a federally sponsored research and development center where he worked with strategic planning and funding issues for colleges and universities across the nation.



Dr. Caruthers has over 30 years of experience in developing strategies that address issues of funding and administrative costs for higher education systems, universities, and colleges. During his career, he has served as a campus-level institutional research officer and as a system-level director of planning and budgeting with the responsibility for developing enrollment projections, master plans, and related budgets. His engagements have taken him to over 300 colleges and universities in 35 states throughout North America. He has published extensively and made numerous presentations on the issues of funding equity and performance indicator funding.

His experience also includes the following engagements:

- Project Director for a multiyear series of funding formula studies for the North Carolina Community College System.
- Project Director for an assessment of the funding formula used by the Wyoming Community College System.
- Senior Consultant for the revision of the facilities planning and budgeting process for the California Postsecondary Education Commission.
- Technical Advisor for the development of higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies.
- Project Director for the development of refinements to the funding formulas used by the Louisiana Board of Regents.
- Project Director for the development of a revised funding requirements model for the University of North Carolina.
- Project Director for the revision of the funding formula and development of a facilities planning model for the Mississippi Institutions of Higher Learning.
- Project Director for the development of a periodic report for the Southern Regional Education Board regarding state level practices for financing higher education.
- Project Director on a study to provide technical assistance on formula revisions for the Pennsylvania State System of Higher Education.
- Partner-in-Charge of a project for the Connecticut State University System to review the fund distribution methodologies and funding formulas used in the Connecticut State System, and make recommendations based on those findings.
- Consultant to the Texas Senate's Commission on 21st Century Colleges and Universities on funding-related issues.



Dr. Caruthers received his degrees in Finance and Higher Education from Oklahoma State University. He continues to publish and study in the areas of planning and management of higher education, and serves as an adjunct faculty member for Florida State University where he teaches courses in higher education finance and state education policy.

Technical Advisor: Dr. Mary McKeown-Moak: Dr. McKeown-Moak, a partner with MGT, has over 30 years of experience in education as an educational administrator working with school districts, state boards of education, universities, and regents. She has worked in the areas of financial and capital planning, budgeting and resource allocation, human resources, systems, and strategic planning and has developed funding formulas for operating and capital allocations to universities and community colleges, special education, pupil transportation, categorical aid, and general school aid.

Prior to joining MGT, Dr. McKeown-Moak served as Associate Executive Director for Financial Affairs for the Arizona Board of Regents, where she was responsible for system financial, capital, and strategic planning; budgeting; resource allocation; accounting; auditing; human resources; space management; and capital construction. As the system's senior financial officer, she developed data systems for financial oversight of the universities, served as a liaison with the Governor's office and legislative budget staff, and was responsible for the system's funding formulas for capital and operating budgets. In addition, she was lead staff for the development of the technology plan and for university and agency performance indicators that were included as components of the state budget process. While at Arizona State University, she developed the institution's strategic plan and performance indicators for academic and nonacademic departments.

As Associate Director of Finance and Facilities for the Maryland State Board for Higher Education, Dr. McKeown-Moak designed and implemented the data system used for analysis and recommendations to faculty workload, productivity, funding, and other elements for the community colleges, the University of Maryland, and for the Maryland State College and University Systems. She developed and revised the Maryland funding formula for higher education and the system of evaluative or performance measures that have been used since 1985. Dr. McKeown-Moak has edited or written four books on educational management, serves on four editorial boards, and has taught classes in strategic planning, educational management, and finance.

Some of her relevant experience includes:

- Developed a revised funding model for Mississippi community colleges.
- Conducted a study for Austin Community College to assess the processes for employee evaluations, and to review and revise the process related to evaluation.
- Conducted benchmarking studies for Austin Community College to assist in strategic planning.
- Conducted a study for Austin Community College of out-of-district tuition, determining the actual cost of instruction for out-of-district students, and creating a model for setting out-of-district tuition.



- Updated a 1999 benchmarking/peer analysis study for strategic planning at Austin Community College.
- Developed a strategic communications and marketing plan for the Houston Community College System.
- Conducted a comprehensive organizational review of the lowa Board of Regents system (Phases I) and in-depth analysis of selected functions of the lowa Board of Regents' office, the three universities, and the two special schools (phase II and phase III).
- Assisted the University System of Georgia (USG) in conducting a management and process review of business practices; in conducting a benchmarking study of the 34 USG institutions on selected strategic performance indicators; and in developing a formalized process for the USG to use for collecting data, performing analysis, and reporting accountability.
- Developed a list of peer institutions and a funding formula for all public community and technical colleges and universities in South Carolina.

Technical Advisor: Mr. Tom Jons. Mr. Jons has over 20 years experience in education operations and analysis. He specializes in information technology, planning and management systems, and educational research and policy analysis for colleges, universities, schools, states, and associations. His areas of expertise include finance, budgeting, policy analysis, enrollment planning, operations analysis, information systems, and database development.

Prior to joining MGT of America, Inc., Ms. Jons served as the project director for the development of major computer systems for the State Need Grant Program and State Work-Study Program, Financial Aid Management Information System, and Higher Education Information System. Mr. Jons was the Associate Director for Information Systems at the Washington Higher Education Coordinating Board where he and his staff developed major computer systems for academic, financial aid, and fiscal applications. Mr. Jons also had the responsibility for collecting and distilling the vast amount of state and national higher education data into workable information for citizen boards, the legislature, and the public.

Mr. Jons has directed several projects that involved obtaining the input from constituent groups, evaluating and validating the information, and publishing reports. Most notable was a project to implement the electronic exchange of student records and transcripts between and among all levels of education in Washington. This project called for working closely with registrars, admissions officers, and school secretaries at both K-12 and higher education institutions to understand their wants, needs, and limitations with respect to student records and transcripts. Some of his experience includes:

 Principal Consultant of a project that conducted a comprehensive review of capital funding for higher education projects for Washington State's Office of Financial Management.



- Information Reporting Specialist on a project that conducted a survey related to mandated programs and debt services for the Kentucky Council on Postsecondary Education.
- Project Director of a study for the Washington State Board for Community and Technical Colleges to compare the student FTE cost of Washington's community and technical colleges to those of other western states, based on expenditures by particular fund sources.

MGT Consultant Team Member: Dr. Byron Folsom. Dr. Folsom has a broad knowledge base in college and university related programming and concerns, including strategic program planning, career development, career placement programs, internships, recruitment, and facilities planning. He has also filled positions as a lead instructor for college courses, a career advisor, an undergraduate studies academic advisor, a career liaison advisor, and a vocational rehabilitation counselor. Dr. Folsom's experience with MGT includes:

- Project Director of an assessment of preventive maintenance practices at Florida's community colleges for the Florida Community College System.
- Consultant for a relocation study contracted to an architect and engineering firm, Moseley, Harris and McClintock, to conduct a needs assessment research for the Tidewater Community College Portsmouth Campus, Virginia. Led the team that conducted a review and analysis of service area demographics, enrollment trends, educational participation, and attainment data.
- Team Leader on a comprehensive program needs assessment for Jamestown Community College, New York. Conducted interviews with key employers and stakeholders to identify needs and concerns with regard to college programming.
- Consultant on a study for the Pennsylvania Commonwealth Commission for Postsecondary Education in the 21st Century. This engagement required identifying and analyzing all major state policies within the Commonwealth impacting the cost and price of higher education within the state.

MGT Consultant Team Member: Mr. Robert Holloway: Mr. Holloway's areas of expertise include statistical analysis, Geographic Information Systems (GIS) analysis, and database management. He has a depth of experience, particularly within the context of higher education, relating to finance, economics, and demographic analysis, and is skilled in survey design and implementation. His other proficiencies include a variety of additional market research methodologies and a broad range of software, including SPSS, SAS, Arcview GIS, and Microsoft Office. Mr. Holloway possesses experience in Web design, including the use of HTML, dynamic HTML, and Java programming languages. In his three years at MGT, Mr. Holloway has supported numerous higher education financial projects including those for the North Carolina Community College System, the Kentucky Council on Postsecondary Education, the Virginia General



Assembly, and the Iowa Board of Regents. He is experienced in working with national databases including IPEDS. Mr. Holloway's MGT experience includes:

- Database Manager on a project that assisted the Mississippi State Board for Community and Junior Colleges with a study of the state's funding structure for community colleges.
- Database Manager on a project that conducted a survey related to mandated programs and debt services for the Kentucky Council on Postsecondary Education.
- Analyst on study that developed specific findings and recommendations in response to a legislative mandate related to the funding level for the North Carolina Community College System. The findings and recommendations were based on a general assessment of all aspects of the current funding model for operations, considering both equity and adequacy issues, and including policies and procedures regarding use of the formulas.



Additional analysis and support staff members will be utilized to meet the requirements of this project on an as-needed basis.



4.0 TASK DESCRIPTION AND SCHEDULE

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4.0 TASK DESCRIPTION AND SCHEDULE

4.1 Project Background and Understanding

The Joint Legislative Education Oversight Committee of the North Carolina General Assembly (Committee), in conjunction with the North Carolina State Board of Community Colleges (State Board), seeks a comprehensive study of the state's funding policies and models related to administration of the community colleges. The North Carolina Community College System (NCCCS) comprises 58 colleges, which range in headcount enrollment from fewer than 500 students to more than 20,000 students.

The current funding model embraces the premise that community colleges experience economy of scale in carrying out their administrative functions. Further, it reflects the belief that the formula should generate adequate resources for each college to be successful in fulfilling its unique mission, regardless of its size. Therefore, the funding model provides a base amount of funding for college administration to each college regardless of enrollment size, and then incremental funding per student is generated for colleges with an FTE enrollment in excess of 750 students. The current base allotment assumes the need for a president and 31 other positions, with an approximate funding requirement of \$1.7 million (this amount varies slightly across colleges due to differences in the presidential salary schedule based, in part, on enrollment size categories).

The continued validity of the current funding formula for administration has come into question for several reasons, including:

- Underlying rationale Some observers believe that the current funding strategy, which in effect provides supplemental funding to smaller colleges on a per-student basis, serves to perpetuate a perceived problem of having too many colleges that are too small to operate efficiently or, at a minimum, does not provide sufficient incentives to find more efficient ways to deliver administrative services.
- Equity Other observers believe that the current funding strategy makes an artificial (and inappropriate) distinction between the funding needs for administration of a small, stand-alone college and a branch campus of the same size.
- Adequacy Still other observers support the broad design of the current model, but question technical details such as how to count enrollments or whether the funding rates and structure accurately mirror the economy of scale phenomenon and provide adequate funding.

To address these and related concerns, the General Assembly enacted a special provision during its 2002 session that called for a study of funding for community college administration. Section 8.7(a) of Senate Bill 1115 states:



The Joint Legislative Education Oversight Committee, in conjunction with the State Board of Community Colleges, shall hire an outside consultant to consider:

- The organization and structure of the Community College System, the number of colleges within the System, the location and size of the colleges, and whether the State could realize any administrative savings from the consolidation of some colleges or programs;
- The formula used to fund administration at the colleges, appropriate funding levels for administration of the various colleges, and the appropriate number of administrative staff members for colleges of different sizes; and
- The funding of multicampus colleges and off-campus centers, including the appropriate number of administrative staff members, and an appropriate funding mechanism for administration and for other purposes.

Since enactment of the special provision, staff members of the Committee and State Board have worked together to further define the requirements for the study and develop a Request for Proposals, which was issued on November 14, 2002. The RFP provided a "Project Description and Scope" that included five interrelated components.

- (1) The organization and structure of the NCCCS including recommendations regarding organization and structure.
- (2) The size (full-time equivalent students and headcount) and number of colleges, (including campuses and off-campus centers) within the NCCCS; their proximity to one another; and whether or not the consolidation of two or more colleges or the administrations of two or more colleges, is feasible.
- (3) The basic elements of administration required to effectively operate a college or a subset of colleges:
 - (a) Direct and indirect costs;
 - (b) Staffing requirements; and
 - (c) Appropriate levels of funding for administration at a college.

The consultant may categorize colleges according to similar relevant characteristics which affect administrative needs, and may sample different types of colleges to determine the basic elements of administration required for each category.

- (4) The current administrative formula:
 - (a) Whether the current formula adequately provides for administration at each college;



- (b) Whether the current formula should be revised to reflect enrollment differences; and
- (c) Whether other factors should be considered in the current administrative formula to reflect administrative requirements at different colleges; and
- (d) Recommendations for other changes needed in the administrative formula.
- (5) MCCs and Off-Campus Centers:
 - (a) Whether MCCs have special administrative funding requirements and if so, recommendations as to appropriate funding mechanisms to address those special requirements; and
 - (b) Whether there are additional costs associated with the operation of off-campus centers and if so, recommendations as to appropriate funding mechanisms to address those additional costs.

The project description also expressed the expectation that the selected consultant meet with various stakeholders, including:

- staff from the Fiscal Research Division of the North Carolina General Assembly;
- the Business and Finance Division of NCCCS;
- representatives from the State Board;
- representatives from individual community colleges in North Carolina; and
- other appropriate individuals.

Finally, it was suggested that "the consultant may obtain and review information from other states' community college systems as part of this project."

The time frame for the project, as specified in the RFP, provides just over five months for the work to be performed. The contract is scheduled for award on December 20, 2002, and a comprehensive final report is required no later than June 1, 2003. Additionally, an interim progress report is expected in mid-March 2003.

4.2 Overview of Methodology

MGT's approach to conducting this project for the Joint Legislative Education Oversight Committee (Committee) and the North Carolina State Board of Community Colleges (State Board) draws both on our experience in performing similar studies for state-level higher education boards in other states as well as on our previous efforts in



North Carolina for the Committee and State Board. Based on the requirements in your RFP and our past experience, key elements of our approach for your study include:

- Use experienced team members. Given the highly technical nature of your requirements, we plan to assign staff who are exceptionally well-versed in matters related to higher education finance.
- Maintain close working relationship with Committee and State Board staff. We believe that the analysis of funding policy issues works best when it is a collaborative activity. We expect to maintain close contact with the Committee's project manager.
- Provide opportunity for stakeholder input. As stated above, we strive for collaboration in the development of funding policies and models for state college systems. Our work plan provides for the opportunity to hear from a sample of college representatives and other stakeholders identified by the Committee's project manager.
- Rely on detailed work plan. The accomplishment of the project objectives will require a highly focused effort. We have developed a detailed work plan below for your initial consideration, and will revise the work plan as part of Task 1.0. Reliance on the work plan will help to keep all project activity on track and on schedule and will provide a means for the Committee's project manager to monitor our work.
- Consider prior work. The effort to revise the funding model for the state's community colleges has been under way for several years, and much valuable research and analysis has already taken place. We plan to update previous analyses with new information as well as undertake additional inquiry into issues not previously addressed in depth.
- <u>Use national benchmarks and comparisons.</u> Your RFP encourages comparisons to funding practices for community college systems in other states. We have worked in developing funding models in many states, and have access to various state and national databases, which can provide benchmark information as well as policy alternatives.
- Establish quiding principles. Our work with other states on funding policy development has demonstrated the value of reaching consensus on conceptual and philosophical issues before more detailed calculations are performed. As part of our approach, we plan to develop a set of project-specific guiding principles in consultation with the Committee's project manager.
- <u>Build on interim reports.</u> Our work plan provides for the development of a series of interim reports throughout the project related to each of the five elements of the RFP's scope of work. We find that this approach allows for effective communication between

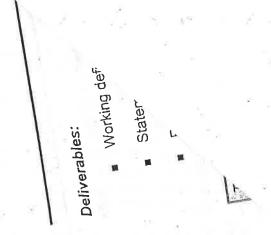


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4.3 Detailed Work Plan

Our detailed work plan is a project scope as well as respond to an executive summary report, and several background research activities.

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TASK 1.0: CONDUCT PROJECT IN

Objective:

To develop common understanding of project scope and approach between the Committee's project manager and the project team.

- 1.1. Schedule project kick-off meeting with the Committee's project manager
- 1.2. Develop preliminary working definition of "administration" to be used in the study
- 1.3. Develop preliminary draft of guiding principles for project
- 1.4. Conduct project kick-off meeting with project manager
- 1.5. Review issues and concerns leading to current study
- 1.6. Review work plan and schedule
- 1.7. Review preliminary working definition of administration
- 1.8. Review draft guiding principles
- 1.9. Discuss alternatives for gaining stakeholder input
- 1.10. Refine work plan, schedule, working definition and guiding principles, as determined from review with project manager
- 1.11. Submit revised materials to project manager



nent of guiding principles

Revised work plan and schedule

ASK 2.0: DEVELOP BACKGROUND INFORMATION

Objective:

■ To create comprehensive data base of NCCCS and peer system information on issues relevant to the study.

Activities:

- 2.1. Compile and analyze data on size and location of colleges, campuses and centers
- 2.2. Identify statutory basis supporting the establishment of each college, campus and center and determine whether any legal issues exist that might affect potential consolidations
- 2.3. Compile recent expenditure information for each college, campus and center for the purposes of determining costs of "administration" as defined during task 1.0
- 2.4. Review policies and practices in other states related to minimum size criteria for designation of colleges, campuses, and centers
- Review funding policies and practices in other states related to special funding recognition for small colleges, multicampus colleges, and off-campus centers
- 2.6. Review policies and practices in other states pertaining to consolidated delivery of administrative services, especially among smaller colleges
- 2.7. Determine changes in enrollments, numbers of locations, and organization and structure of the NCCCS since current administrative formula was adopted
- 2.8. Share drafts of analyses with project manager for review and comment
- 2.9. Refine analyses based on suggestions of project manager

Deliverables:

- Database of NCCCS information related to costs of administration
- Database of peer system information related to costs of administration
- Preliminary analyses of efficiency of administration in the NCCCS



TASK 3.0: SOLICIT STAKEHOLDER INPUT

Objective:

■ To obtain viewpoints of a cross section of stakeholders on issues related to organization and structure, consolidated operations, and funding requirements for administration in various settings.

Activities:

- 3.1. Based on discussions during project kick-off meeting, develop list of key stakeholders to be contacted
- 3.2. Develop listing of information requirements for which stakeholder input is needed and compile in the form of an interview guide
- 3.3. Based on composition of stakeholder group and information requirements, determine most appropriate means of gaining input (for purposes of illustration, the remaining activities in this task assume a series of regional focus groups)
- 3.4. Select 4 to 6 sites in convenient locations across the state to convene focus groups
- 3.5. Determine dates and invite participants (including project manager) to attend focus group sessions
- 3.6. Conduct focus groups sessions, to include sharing of background information developed in task 2.0 and addressing each item in interview guide developed in activity 3.2
- 3.7. Develop summary of discussions across all 4 to 6 focus group sessions
- 3.8. Share focus group summary with representatives of all colleges (and other stakeholders identified by project manager) and solicit additional comment
- 3.9. Update summary of stakeholder views on issues based on additional comments submitted

Deliverables:

- Focus groups in several locations
- Written summaries of focus groups
- Additional comments from stakeholders



TASK 4.0: ASSESS ISSUES RELATED TO ORGANIZATION AND STRUCTURE

Objective:

To determine whether other organizational and/or structural approaches might be more effective efficient.

Activities:

- 4.1. Review the legal authorization of each college/campus/center and determine potential barriers to consolidation
- 4.2. Review the legal authorization of the NCCCS central office, focusing on different roles it might play in providing administrative support to the colleges
- 4.3. Review statutes and regulations pertaining to college service areas
- 4.4. Review funding roles of county governments and assess impact on funding of potential efforts to consolidate
- 4.5. Review literature relating to the economy of scale "break point" (i.e., the enrollment size where greater administrative efficiency is attained) for community colleges
- 4.6. Analyze financial and enrollment data bases for community colleges to assess current levels of administrative efficiency
- 4.7. Identify other factors regarding the need and/or desire for a local administrative support presence at instructional sites
- 4.8. Prepare draft interim report on findings related to organization and structure
- 4.9. Submit draft interim report to project manager for review and comment
- 4.10. Revise interim report on findings related to organization and structure for incorporation in comprehensive final report

Deliverable:

Interim report on organization and structure

TASK 5.0: EVALUATE FEASIBILITY OF VARIOUS FORMS OF CONSOLIDATION

Objective:

To determine whether one or more colleges and/or administrative operations might be consolidated.



Activities:

- 5.1. Compare the number of colleges per capita and per square mile between North Carolina and selected other states
- 5.2. Compare the total number of permanent instructional sites per capita and per square mile between North Carolina and selected other states
- 5.3. Determine travel distances and times between each college/campus/center
- 5.4. Review approaches used in other states for consolidated delivery of administrative support services
- 5.5. Identify alternative consolidation models for delivering community college instruction and/or providing administrative support services
- 5.6. Apply criteria from guiding principles to evaluate potential of various alternative models in North Carolina
- 5.7. Prepare draft interim report on feasibility of various forms of consolidation
- 5.8. Submit draft interim report to project manager for review and comment
- 5.9. Revise interim report on feasibility of various forms of consolidation for incorporation in comprehensive final report

Deliverable:

Interim report on consolidation opportunities

TASK 6.0: DETERMINE BASIC REQUIRED ELEMENTS OF COLLEGE ADMINISTRATION

Objective:

To gain a better understanding of the resources required to deliver administrative services in community colleges of various sizes.

- 6.1. Select representative sample of colleges, campuses, and centers for in-depth review of actual staffing and expenditures for administration
- 6.2. Examine how smaller colleges of various sizes in North Carolina are organized to provide administrative services
- 6.3. Examine how multicampus colleges of various sizes are organized to provide onsite versus centralized administrative services for campuses and centers



- 6.4. Identify number of positions and associated salary dollars by administrative activity at selected colleges, campuses, and centers
- 6.5. Determine amount and purpose of nonsalary expenditures at selected colleges, campuses, and centers
- 6.6. Determine practices in recording certain types of indirect costs (e.g., telephone service) from central accounts versus allocating costs to departments and refine expenditure data as required
- 6.7. Analyze core staffing requirements for administration
- 6.8. Determine appropriate compensation rates for core staff positions
- 6.9. Prepare draft interim report on findings related to basic required elements of college administration
- 6.10. Submit draft interim report to project manager for review and comment
- 6.11. Revise interim report on basic required elements of college administration for incorporation in comprehensive final report

Deliverable:

Interim report of required elements of college administration

TASK 7.0: EVALUATE CONTINUED SUITABILITY OF CURRENT FUNDING MECHANISMS

Objectives:

- To determine continued validity of current approach to funding administration.
- To propose alternative funding strategies if current approach is found to be inadequate.

- 7.1. Assess policy rationale for supplemental state funding for administration at small colleges
- 7.2. Evaluate adequacy of funding by comparing current formula allotments versus actual expenditures at each college
- 7.3. Review appropriateness of 31 position base in current formula
- 7.4. Review appropriateness of break point of 750 FTE enrollment in current formula
- 7.5. Develop revised staffing formula, as necessary, to reflect prior findings regarding policy rationale, adequacy, and economy of scale break points



- 7.6. Develop revised process for funding non-salary needs of administration, as necessary, to reflect prior findings regarding policy rationale, adequacy, and economy of scale break points
- 7.7. Prepare draft interim report on findings related to continued suitability of funding mechanisms and alternative models
- 7.8. Submit draft interim report to project manager for review and comment
- 7.9. Revise interim report on findings related to continued suitability of funding mechanisms for incorporation in comprehensive final report

Deliverable:

Interim report assessing current formula for administration and evaluating alternative strategies

TASK 8.0: ASSESS FUNDING REQUIREMENTS OF MULTICAMPUS COLLEGES AND OFF-CAMPUS CENTERS

Objectives:

- To assess the need for supplemental funding for administration at multicampus colleges and off-campus centers.
- To propose potential funding strategies for administration at multicampus colleges and off-campus centers if supplemental funding is warranted.

- 8.1. Assess policy rationale for supplemental state funding for administration for campuses and for centers
- 8.2. Evaluate adequacy of funding by comparing current formula allotments versus actual expenditures
- 8.3. Determine need for supplemental funding for administration for campuses and for centers
- 8.4. If supplemental funding is justified, determine most appropriate type of formula (e.g., staffing model, operating expense model, combined support model) for administration at campuses and centers
- 8.5. Develop potential formula models
- 8.6. Prepare draft interim report on funding approach for costs of administration at multicampus colleges and off-campus centers
- 8.7. Submit draft interim report to project manager for review and comment



8.8. Revise interim report on funding approach for costs of administration at multicampus colleges and off-campus centers for incorporation in comprehensive final report

Deliverable:

Interim report assessing current formula for administration at multicampus colleges and off-campus centers and evaluating alternative strategies

TASK 9.0: DEVELOP COMPREHENSIVE FINAL REPORT

Objectives:

- To prepare a comprehensive written report of study findings and recommendations.
- To present findings at meetings of State Board and Committee.

Activities:

- 9.1. Review requirements for a final report with project manager
- 9.2. Incorporate materials from each of the interim reports as appropriate
- 9.3. Submit draft of comprehensive final report to project manager for review and comment
- 9.4. Revise draft report, as appropriate, and issue final report
- 9.5. Develop presentation packages, suitable for sharing with the Committee and State Board, summarizing final report
- 9.6. Deliver presentations, as directed by project manager, to Committee and State Board

Deliverables:

- Comprehensive written final report
- Presentations for State Board and Committee

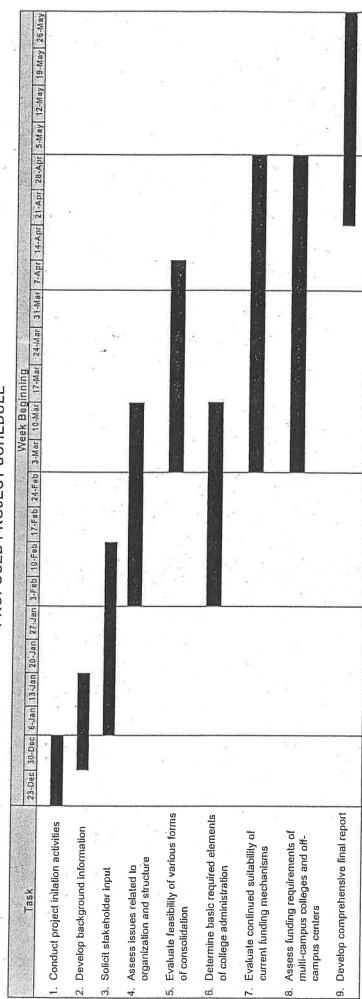
4.4 Project Time Line

Our proposed time line for the project is presented in Exhibit 4-1 below. We list the projected starting and ending dates for each task in the work plan. This exhibit shows the estimated time schedule by major project work task. As specified in the RFP, we will submit the comprehensive written report no later than June 1, 2003.



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EXHIBIT 4-1 PROPOSED PROJECT SCHEDULË





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APPENDIX: DETAILED RESUMES

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J. KENT CARUTHERS PROJECT DIRECTOR MGT OF AMERICA, INC.

EDUCATION

Ed.D., Educational Administration and Higher Education, Oklahoma State University, 1973

M.B.A., Finance, Oklahoma State University, 1970

B.S., Finance, Oklahoma State University, 1968

RANGE OF EXPERIENCE

Dr. Caruthers' experience includes senior professional and leadership roles in universities, state agencies, national research centers, and consulting organizations in the areas of planning, budgeting, and management systems. As Senior Partner of MGT of America, Inc., he serves as corporate secretary and treasurer and is national director of the Higher Education practice area. He also conducts projects for public and private organizations that require quantitative and qualitative analyses.

PROFESSIONAL AND BUSINESS HISTORY

MGT of America, Inc., Deputy Chief Executive Officer, 1992–present; National Director for Higher Education, 1999–present; Senior Partner for Administration and Planning, December 1983–1999; Vice President and Director of the Research and Evaluation Division, 1980–1983.

Adjunct Professor, Department of Educational Leadership, Florida State University, 1996–present.

National Center for Higher Education Management Systems (NCHEMS), Senior Associate and Director of Strategic Planning, 1977–1980.

State University System of Florida, Director of Planning and Analysis, 1975–1977; Coordinator for Financial Planning, 1974–1975; Budget Coordinator, 1973–1974.

Oklahoma State University, Senior Institutional Research Analyst, 1971–1973; Research Associate, 1968–1971; Staff Assistant to the Vice President for Academic Affairs, 1967–1968.

CONSULTING EXPERIENCE

Higher Education Finance

Partner-in-Charge of a project that assisted the Mississippi State Board for Community and Junior Colleges with a study of the state's funding structure for community colleges.

Project Director for a multiyear series of funding formula studies for the North Carolina Community College System.

Project Director for an assessment of funding equity among the institutions of the University of North Carolina.

Research Facilitator of a project that conducted a comprehensive review of capital funding for higher education projects for Washington State's Office of Financial Management.

Partner-in-Charge of a project that conducted a survey related to mandated programs and debt services for the Kentucky Council on Postsecondary Education.

Project Director for an assessment of the funding formula used by the Wyoming Community College System.

Partner-In-Charge for a student Housing Feasibility study for Laramie County Community College (Wyoming).

Consultant on a project for the Idaho State Board of Education to conduct a two-part equity study of the funding of the four senior colleges and universities in Idaho.

Partner-in-Charge of a project to assist the Pennsylvania State System of Higher Education in developing a new funding allocation methodology to distribute its state appropriations to the 14 institutions in the system.

Partner-in-Charge for selection of aspirational peers for engineering schools in the Oregon University System and estimation of costs for these schools to reach their goals and objectives.

Partner-in-Charge for identification and analysis of all major state policies impacting the cost and price of higher education within the state for the legislatively established Pennsylvania Commission for Postsecondary Education in the 21st Century.

Project Director for an assessment of proposed revisions to the funding formula for the Pennsylvania State System of Higher Education.

Partner-in-Charge for a review of the fund distribution methodologies used by the Connecticut State University System.

Partner-in-Charge for a review of the current Mission Resources Requirement Model (or funding formula) used by the South Carolina Commission on Higher Education.

Technical Advisor for the development of higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies.

Project Director for the conceptual design of a new funding formula or the Georgia Department of Technical and Adult Education.

Technical Advisor for an assessment of whether the six institutions in the University and Community College System of Nevada were equitably funded.

Project Director for the development of a periodic report for the Southern Regional Education Board regarding state level practices for financing higher education.

Presentation Leader for a higher education finance and funding issues workshop for the West Virginia Legislature.

Project Director for the development of a performance/funding model for the South Carolina Commission on Higher Education.

Project Director for the development of a revised funding requirements model for the University of North Carolina.

Project Director for the development of refinements to the funding formulas used by the Louisiana Board of Regents.

Project Director for an analysis of funding practices for research and public service in the State University System of Florida.

Project Director for an assessment of funding equity of college programs for the South Carolina Attorney General.

Project Director for the revision of the funding formula and development of a facilities planning model for the Mississippi Institutions of Higher Learning.

Project Director for an assessment of the physical plant operations funding formula used by the Texas Higher Education Coordinating Board.

Project Director for a review of a conceptual plan for performance/funding for the Kentucky Council on Higher Education.

Workshop Leader on formula funding issues for the Administrative Cabinet at Mississippi State University.

Project Director for the analysis of funding equity issues for the University System of West Virginia.

Project Director for the analysis of local fund accounting and budgeting practices in higher education for the Texas Comptroller of Public Accounts.

Project Director for the analysis of funding policies and practices for postsecondary technical education in Texas.

Project Director for the evaluation of selected components of the West Virginia higher education funding formula.

Project Director for the redesign of the funding formula for the Pennsylvania State System of Higher Education.

Workshop Leader on formula funding practices and issues for the Texas Legislature Joint Select Committee on Higher Education.

Technical Consultant for the design of cost study procedures for medical colleges for the Florida Postsecondary Education Planning Commission.

Project Director for an assessment of the equity of funding procedures used by the State University System of Florida for annual operations and for capital expansion.

Project Director for an assessment of the impact of a new state funding formula for Marshall University.

Project Director for the analysis of funding mechanisms for university research for the New Mexico Research and Development Institute.

Lead Consultant and Chairman of a diverse team of consultants in designing a methodology for selecting peers for Arizona's universities to use in funding process.

Project Director for an analysis of cost implications of an academic calendar conversion for the South Carolina State Board for Technical and Comprehensive Education.

Project Director for an internal review of the funding formula used by the University System of Georgia.

Workshop Leader on accountability in higher education for the South Carolina Budget and Control Board.

Workshop Leader for a session on state-level higher education budget practices and trends for the Alabama Legislature.

Project Director for a multistate comparative analysis of financial support for higher education for the South Carolina Commission on Higher Education.

Senior Consultant for the development of a facilities planning and budgeting model for the University System of New Hampshire.

Workshop Leader for the Kentucky Council on Higher Education to review state-level approaches for funding colleges and universities.

Project Director for the revision of budget formulas and processes for the Mississippi Board of Trustees of Institutions of Higher Learning.

Senior Consultant for the revision of the facilities planning and budgeting process for the California Postsecondary Education Commission.

Senior Consultant to analyze funding equity for the Arizona Board of Regents.

Project Director for an analysis of relationships between financing policies and quality improvement initiatives for the Southern Regional Education Board.

Project Director for the analysis of funding requirements for a program for the educationally gifted at Mary Baldwin College.

Project Director for an evaluation of a proposed funding formula for Pennsylvania's thennewly created State System of Higher Education.

Staff Director for the Georgia Governor's Study Committee on Public Higher Education Finance, responsible for developing a new higher education funding formula.

Project Director for determination of research priorities for developing improved methods for state-level program planning and resource allocation for higher education.

Project Director for multiyear research project to analyze cost and revenue behavior of colleges and universities.

PROFESSIONAL AFFILIATIONS AND ACTIVITIES

Alpha lota Delta national honorary society

American Association for Higher Education

American Educational Research Association-Program Committee, 1979

American Institute for Decision Sciences

Association for Institutional Research-Program Committee, 1980–1981; Elections Committee, 1984–1986, 1989; Transition Committee, 1990

Association for the Study of Higher Education-Program Committee, 1977–1979, 1983–1984

National Association of College and University Business Officers

Society for College and University Planning

The Institute of Management Sciences

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MARY P. MCKEOWN-MOAK TECHNICAL ADVISOR MGT OF AMERICA, INC.

EDUCATION

Ph.D., Higher Education, Educational Administration, University of Illinois at Urbana-Champaign, 1974

M.A., Student Personnel, Psychology, Michigan State University, 1966

B. A., Magna Cum Laude, Mathematics, Accounting, Latin, Michigan State University, 1966

RANGE OF EXPERIENCE

Dr. McKeown-Moak has over 30 years of experience in education as an educational administrator working with universities, school districts, Boards of Education, and Regents in Michigan, Illinois, Maryland, and Arizona. She has worked in the areas of financial and capital planning, budgeting and resource allocation, and strategic planning and has developed funding formulas for universities, community colleges, special education, pupil transportation, categorical aid, and general school aid.

PROFESSIONAL AND BUSINESS HISTORY

MGT of America, Inc., Partner, April 2002–Present; Principal, December 1999–April 2002; Senior Associate, August 1998–December 1999.

Arizona Board of Regents, Associate Executive Director for Financial Affairs, 1994–1998.

Arizona State University, Director of Strategic Planning, 1987–1994.

Maryland State Board for Higher Education, Associate Director, Division of Finance and Facilities, 1980–1987.

Illinois State Board of Education, School Finance Specialist; and Sangamon State University, Assistant Professor of Public and Educational Administration, 1977–1980.

University of Illinois Foundation, Business Manager and Coordinator of Administrative Projects, 1974–1977.

University of Illinois at Urbana-Champaign, Graduate Research Assistant, 1972–1973 and 1968–1969.

Eastern Michigan University, Head Advisor at King Hall, 1966–1968.

PROFESSIONAL AND BUSINESS EXPERIENCE

Higher Education

Project Director of a project that assisted the Mississippi State Board for Community and Junior Colleges with a study of the state's funding structure for community colleges.

Director of a project that conducted a survey related to mandated programs and debt services for the Kentucky Council on Postsecondary Education.

Partner-in-Charge of a project for Austin Community College, Texas, in developing responses to the recommendations in the performance review completed by the Texas Comptroller of Public Accounts.

Partner-in-Charge of an update to a 1999 benchmarking/peer analysis study for strategic planning for Austin Community College. Collected information on programs, students, facilities, library holdings, staffing, revenues, expenditures, and operations from a group of peer institutions and compared the data to ACC.

Partner-in-Charge of a project that completed a study of out-of-district tuition, determined the actual cost of instruction for out-of-district students, and created a model for setting out-of-district tuition for Austin Community College, Texas.

Director of a project for the State Higher Education Executive Officers to publish an annual report on the status of higher education funding.

Project Director to assist the State System of Higher Education in Pennsylvania in developing a new funding allocation methodology to distribute its state appropriations to the 14 institutions in the system.

Project Director on a study for the South Carolina Commission on Higher Education to review the current Mission Resources Requirement Model (MRR), or funding formula, for public higher education. Developed a set of guiding principles and criteria to evaluate funding formulas to identify and apply to the MRR.

Team Leader on a project to develop higher education funding guidelines for the Virginia General Assembly's Joint Subcommittee on Higher Education Funding Policies.

Technical Advisor on a project to assist the University and Community College System of Nevada in assessing whether the six institutions in the system were equitably funded, and if not, to recommend strategies for addressing the inequities.

Partner-in-Charge of a project that developed a communications brochure for the Texas School Alliance to present to legislators the position of the Alliance on various issues in Texas school finance.

Partner-in-Charge of a project that provided integrated marketing consulting services for St. Mary's University in Texas.

Senior Consultant for in-depth analyses of selected administrative functions at lowa's public universities for the lowa Board of Regents.

Higher Education (Continued)

Partner-in-Charge of a project that assisted the Civic Council of Greater Kansas in its goal of increasing the level of state funding for Kansas higher education. The Civic Council used these data to increase public support for higher education and to lobby the Kansas legislature for increased funding.

Project Director assisting Capitol College, Penn State Harrisburg, in the selection of its peer institutions to use in benchmarking on a series of performance indicators linked to its strategic plan.

Research Facilitator of a project that conducted a comprehensive review of capital funding for higher education projects for Washington State's Office of Financial Management.

Partner-in-Charge on a strategic marketing plan for the Houston Community College System.

Partner-in-charge on the development of a strategic plan for the Athletic Departments of the University of Texas at Austin. Conducted focus groups, interviews, and meetings to establish principles and determine strategic objectives.

Director of a project for the Idaho State Board of Education to conduct a two-part equity study of the funding of the four senior colleges and universities in Idaho. MGT recommended changes to the resource allocation methodology to improve equity among the four institutions.

As senior financial officer of the Arizona University System, provided leadership and direction for a staff of six responsible for system financial, capital, and strategic planning; budgeting; resource allocation; accounting; auditing; human resources; space management; and capital construction. Developed a methodology for evaluating salary equity for all system staff. Evaluated the effectiveness and efficiency of university operations and provided liaison with the Governor's office and legislative budget staff.

Provided direction and supervision for the Arizona State University Office of Strategic Planning, including economic development planning, development of peer lists, peer studies and related research, enrollment planning modeling, and accreditation review.

Designed and implemented peer studies related to funding, faculty workload, productivity, and other elements for the University of Maryland and to the Maryland State College and University Systems.

Director of a project with the Oklahoma State Regents for Higher Education to complete an analysis of outsourcing activities within Oklahoma higher education.

Consultant-Technical Advisor of a project for the Oregon University System to assist in: developing aspirational peers for the engineering schools at Oregon State U and Portland State U; interviewing officials at OSU, PSU, the University of Oregon, and the Oregon Institute of Technology regarding their future goals and objectives for their engineering programs; and developing cost estimates for the institutions to reach their goals and objectives.

Higher Education (Continued)

Co-Project Director on a study for the legislatively established Commission for Postsecondary Education in the 21st Century in identifying and analyzing all major state policies within the Commonwealth impacting the cost and price of higher education within the state.

Project Director for a project to assist the University System of Georgia (USG) in conducting a benchmarking study of the 34 USG institutions on selected strategic performance indicators; in conducting a management review of business practices; and in developing a formalized process for the USG to use for collecting data, performing analyses, and reporting accountability.

Project Director on a project for the Institute for Higher Education Policy to conduct research on and produce a monograph that described how states collect, analyze, and use higher education expenditure or cost data.

Project Director of a study for the State Higher Education Executive Officers (SHEEO). The project involves annually publishing *Financing Higher Education: An Annual Report from the States*.

Consultant with Lucie Lapovsky, Vice President for Finance at Goucher College, to edit a *Handbook for Chief Financial Officers* of public and private higher education institutions. The *Handbook* was intended to assist both experienced and aspiring chief financial officers perform their jobs more efficiently and effectively.

Project Director on a project to review funding guidelines to assess the adequacy of operating funds and recommend new funding guidelines for the Maryland Higher Education Commission.

Consultant to develop funding models for distance education for the University System of Georgia.

Consultant to revise the state funding formula for the Oregon University System. The project compared funding mechanisms used by eight other states to Oregon's funding formulas and made suggestions for revisions.

Consultant to revise the state funding formulas for the Montana University System. The project resulted in recommendations for changing all of the components of the Montana funding formulas.

Expert witness on higher education funding in Alabama in U.S. District Court for Auburn University and the University of Alabama.

Consultant to analyze higher education funding in Kentucky and develop funding formulas for Western Kentucky University.

Testified on equity of higher education funding formulas before the Alaska State Legislature.

Higher Education (Continued)

Advisor on funding formulas and strategic planning for the Western Interstate Commission for Higher Education (WICHE).

CURRENT AND PAST PROFESSIONAL AFFILIATIONS

American Education Finance Association President, 1995-96; Vice President and President-Elect, 1994-95; Board of Directors, 1982-84, 1992-97; Long-range Planning Committee, 1984-85, 1992-98, Chair, 1995-96; Membership Committee, 1982-84, Chair, 1983-84; Program Committee, 1984-85, 1987, 1994, Chair, 1995; Higher Education Committee, 1983-2002, Chair, 1985-1993, 1999 - 2002; Program Participant, 1980, 1983-1990, 1992, 1993, 1995-2002; Yearbook Editor, 1985, 1986; Publications Committee, 1986, 1987; Dissertation Award Committee, 1992-1994, Chair, 1993-94; Outstanding Service Award Committee, 1996-2001, Chair, 1996-97; Nominating Committee Chair, 1997-98.

State Higher Education Financial Officers (SHEFO): Chair, 1996; Planning Committee, 1985, 1995; Program Participant, 1985, 1986, 1994-97, 1999.

American Education Research Association: President, Fiscal Issues, Policy and Education Finance Special Interest Group, 1988-1990; Future Issues and Strategic Planning Special Interest Group, Chair - 1991-1992, Secretary-Treasurer - 1992-1995; Program Chair - 1991 Annual Meeting; Member, Liaison Committee on the Role and Status of Women in Educational, Research and Development, 1990-1994; Program Participant, 1974, 1978-81, 1983-84, 1986-1998; Program Reviewer: 1981, 1985, 1987-2002.

Phi Delta Kappa: Secretary, Arizona State University Chapter, 1988-1990.

American Association for Higher Education: Women's Caucus member, 1975-1979.

Association for the Study of Higher Education: Program Participant, March 1984 and October 1984, 1987, 1992.

Society for College and University Planning, Program Participant, 1990, 1991, 1992, 1993.

National Association for College and University Business Officers.

THOMAS P. JONS TECHNICAL ADVISOR MGT OF AMERICA. INC.

EDUCATION

M.S., Public Administration, University of Northern Colorado, 1977

B.S., Forest Management, Iowa State University, 1972

Skill Enhancement and Data Processing, Olympia Technical Community College, 1986

RANGE OF EXPERIENCE

Mr. Jons specializes in information technology, planning and management systems, and educational research and policy analysis for schools, universities, colleges, states, and associations. Areas of expertise include enrollment planning, information systems, database development, finance, budgeting, and policy analysis.

PROFESSIONAL AND BUSINESS HISTORY

MGT of America, Inc., Principal, April 2001–present; Senior Associate, May 1999–April 2001; Senior Consultant, 1996–1999.

Associate Director, Information Services-Higher Education Coordinating Board, Olympia, Washington, 1984–1996.

Program Officer, Council for Postsecondary Education, Olympia, Washington, 1983–1984.

Financial/Operations Analyst, Council for Postsecondary Education, Olympia, Washington, 1978–1983.

Data Analyst, Coordinating Board, Texas College and University System, Austin, Texas, 1977–1978.

United States Air Force, 1972–1977.

Oregon Air National Guard, Colonel (retired), October 1978–2001.

PROFESSIONAL AND BUSINESS EXPERIENCE

Higher Education

Principal Consultant of a project that conducted a comprehensive review of capital funding for higher education projects for Washington State's Office of Financial Management.