

CRITERION TWO –

The institution has effectively organized the human, financial, and physical resources necessary to accomplish its purposes.

CHAPTER 8 –

Auxiliary Enterprises

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INTRODUCTION

St. Charles Community College provides auxiliary enterprise services in the areas of food service, a bookstore, and the Child Development Center. These services support the College's mission. Goods and services are available to faculty, staff, students, and the public at costs that are directly related to, but are not necessarily equal to, the cost of providing the goods or services. These services are also made available to the general public. Each auxiliary enterprise is managed as an essentially self-supporting activity.

FUNDING

The revenues, expenditures, and transfers of these auxiliary enterprises are identified in a separate fund group within the College's accounting system. A portion of the student activity fee is allocated to the Child Development Center as this service is available to faculty, staff, and students of the College. Additional transfers are provided by the bookstore to support the food service operation as well as the Child Development Center.

QUALITY OF SERVICE

These auxiliary enterprises reflect and relate to the quality of service that the College provides for its students and the general public. The directors of these operations have adopted internal procedures that support the overall mission of the College. They each recognize that competition with private enterprise is a sensitive challenge. They have developed strategies and objectives consistent with the overall environment of the College.

RESPONSIVENESS OF OPERATIONS

Each auxiliary enterprise operation reviews its services to determine if the needs of a changing population are being met. These services are flexible and responsive to the needs determined by their constituents within the economic and space constraints of the College. The expansion of the Child Development Center is an example of a needed service that was opened in 1996 and expanded to twice the original size four years later. Food Service opened a small supplemental area to provide snacks and light meals in the newly occupied College Center in the fall of 2001. The bookstore will need to be expanded as the student population continues to increase.

AUXILIARY FUNDS

Revenues & Resources

	FY 96-97	FY 97-98	FY 98-99	FY 99-00	FY 00-01
Bookstore	\$1,436,646	\$1,628,995	\$1,831,278	\$2,041,986	\$2,199,610
Mid Rivers Kitchens	*\$32,424	\$237,564	\$294,632	\$315,333	\$355,493
Child Dev. Center	\$275,711	\$285,379	\$387,805	\$340,158	\$731,871
TOTAL					
AUX. FUNDS	\$1,744,781	\$2,151,938	\$2,513,715	\$2,697,477	\$3,286,974

**MRK operated as a College Activity for only a partial year*

Expenditures & Transfers

	FY 96-97	FY 97-98	FY 98-99	FY 99-00	FY 00-01
Bookstore	\$1,415,411	\$1,537,038	\$2,079,843	\$1,971,020	\$2,090,995
Mid Rivers Kitchens	\$30,541	\$232,719	\$290,236	\$313,541	\$344,357
Child Dev. Center	\$273,665	\$275,388	\$384,232	\$339,160	\$704,018
TOTAL					
AUX. FUNDS	\$1,711,617	\$2,045,145	\$2,754,311	\$2,623,721	\$3,139,370

The chart shows that during the fiscal year 1996-97, Mid Rivers Kitchens had significantly lower expenses and revenue when compared to later years. This was because it operated under the control of the College for only part of that year. The chart below reveals that a large percentage of the cost of this operation was covered by the bookstore subsidy that year in order to facilitate the transition from a vendor-run facility to a college-operated one.

The bookstore provides some subsidy to the Child Development Center and the food service operations to help keep the cost of those services affordable. The following chart shows these amounts for the past five years. The bookstore has financially supported intercollegiate athletics during this period.

Transfers Out From Bookstore

	FOOD SERVICE	CHILD DEV. CENTER	ATHLETICS	TOTAL
FY 1996-97	\$24,761	\$58,842	\$73,462	\$157,065
FY 1997-98	\$18,458	\$17,271	\$83,198	\$118,927
FY 1998-99	\$11,604	\$60,295	\$83,381	\$155,280
FY 1999-00	\$5,569	\$83,129	\$65,000	\$153,698
FY 2000-01	\$11,136	\$79,623	\$35,000	\$125,759

The increase in subsidy to the Child Development Center during the 1999-00 fiscal year was due to the building size and staff of the center doubling during that period. The intercollegiate athletic program has received less from bookstore subsidies and more from the general fund each year. The intercollegiate athletic program is now funded fully by the general fund.

FOOD SERVICE

The Food Services Department is a full-service, self-operated food service provider to the College's students, faculty, and staff as well as service community. Through the cafeteria (Mid Rivers Kitchens,) a "Grab-N-Go" outlet (MRKjr), and a full-service catering department, the staff provides a comprehensive, high-quality product at a very attractive price to further support the College's mission.

Upon completion of the Student Center building in 1992, the original food service operation was contracted to the Missouri Department of Social Service's Business Opportunities Division. This contractor struggled to remain viable throughout the length of the contract. The College found it necessary to hire a Hospitality Services specialist whose function was to assist the contractor to provide for the College's expanding needs. In August 1997, the contractor terminated this relationship on somewhat short notice. After researching several options, the decision was made to take over this operation internally.

Since that time, the Food Service department has shown remarkable improvement in every aspect:

- Customer counts have outpaced enrollment increases as have over-the-counter revenues with only minimal price adjustments.
- Catering, non-existent with the contractor, now generates one-fourth of the department's revenue.
- Menu items have increased four-fold with most offerings being cooked-to-order.
- Hours of operation have been extended to 7:30 am – 8:00 pm M-Th, and 7:30 am – 2:00 pm Fridays during the fall and spring semesters, and 7:30 am – 3:00 pm M-Th during the summer semesters.

Food Service remains a self-operated, self-supporting auxiliary enterprise which benefits the department, and ultimately the College in many ways:

- Increased flexibility in over-the-counter and catering price points aimed at covering expenses and labor, and not necessarily returning a profit. The enterprise is quality and service driven rather than financially driven.
- Staff can take advantage of semester breaks to tear down and clean the facilities, when most contractors would furlough employees.
- The enterprise circulates on-campus dollars rather than paying higher prices for a contractor's management team.
- As a non-profit entity, the College can benefit from supplier price breaks.
- As part of the College community, staff have a greater awareness of the business as it relates to the College's mission and are better able to respond to those demands.

EXPANDED SERVICES

As the campus expands, there is a need for greater levels of service. In response, food service expanded the vending operation into the CEAC building, and later into the College Center. In addition, they have opened a "Grab-n-Go" operation, MRKjr, in the concession area of the College Center. Given the fact that many classes formerly held in the ACAD building are now held in the CEAC and Technology buildings, the center of student activity has moved away from the Student Center.

MRKjr is still in its infancy and is undergoing upgrades. The space is to be finished with cabinetry and countertops, and equipment is on order. Once fully operational, it will be supplied and stocked by Mid Rivers Kitchens, and is expected to provide a much needed service to students, faculty, and staff at that end of campus while remaining self-supporting. MRKjr is not intended to replace Mid Rivers Kitchens, nor is there any intention of moving the main kitchen at some further date. As the College continues to grow in years to come, food service needs will continue to be re-evaluated, but most likely expansion will involve additional small operations rather than another large operation.

Food service provides catering for a variety of campus events and meetings. A commonly misunderstood policy is catering prices; clients must be educated to the fact that pricing reflects the service rather than merely the food.

In the past, SCC's monthly payroll procedure proved cumbersome for hourly employees, was difficult to administer, and made hiring more difficult in a tight labor market. SCC's recent change to a bi-weekly payroll will obviate these concerns.

POLICIES AND PROCEDURES

Hours of operation are posted at MRK, at MRKjr, in the *College Catalog*, and the *Student Handbook*. Those hours conform to the class schedule and the academic calendar.

MRK operations include a grill, a deli, and a hot buffet. Menu boards and point-of-sale information are clear, and employees are courteous and helpful. Daily specials are e-mailed to faculty and staff.

Catering policies and procedures are published and distributed to on-campus clients. These policies are flexible in an attempt to provide a quality and vital service to the campus community.

PHYSICAL PLANT

The cafeteria and dining area in the Student Center is practically laid out and functions well. The kitchen is well-equipped with high-quality equipment and more than adequate work areas. The College has a commitment to its maintenance. There is concern that as the campus expands away from the Student Center, there needs to be planning for expansion of services to the northern-most buildings. Attention must be paid to the need for an improved catering delivery system to this part of the campus.

HEALTH AND SAFETY

The St. Charles County Health Department provides quarterly inspections of the facilities. The Food Service Department generally scores very well, including three perfect 100% scores. All employees must attend the Health Department's Safe Food Handlers' course, and all must have received Hepatitis A vaccinations.

SATISFACTION WITH SERVICE

Student surveys conducted from spring 2000 through spring 2001 semesters revealed that 66% of respondents were satisfied with the cafeteria, that 4% were unsatisfied, and that 30% had never used the service. These numbers might suggest a more aggressive advertising campaign to attract those students currently not availing themselves of the cafeteria's product. A survey of SCC staff during the fall 2001 semester suggested that the various campus constituencies were satisfied with the Food Service Department's product and services.

BOOKSTORE

INTRODUCTION

The Bookstore provides all required and non-required course textbooks and related merchandise for resale while striving for the best customer service possible for students.

The Bookstore was opened in 1987 at the St. Mary's college location in O'Fallon, Missouri, servicing approximately 500 students from a Morgan Shed. Since moving to the current campus location in 1991, improved physical and technical resources have made it possible for the Bookstore to offer many customer service enhancements, currently serving an enrollment of more than 6,000 students and the campus community.

With improved physical location and implementation of a bookstore-automated system in July, 1996, it has been possible to manage computerized tasks such as:

- Textbook order processing.
- Point-of-sale accountability.
- Student financial aid accountability.
- Trade book and reference special orders.

- Automated textbook adoption forms.
- Textbook data base information for on-line storefront sales.

The Bookstore strives for continued enhanced services in order to supply the needs of the growing campus community. Currently, the bookstore provides these services:

- Telephone textbook orders and residential shipping for distant-site customers.
- Automated student financial aid transactions.
- Internet accessibility for student textbook purchases. On-line Internet sales began spring 2000 serving 52 students, which increased to 248 students by spring 2001.
- Support for the SCC athletic teams with textbook scholarship funds.
- Point-of-sale functions provide all students with transactional ease of scanning their purchases and supply students with an itemized receipt.
- Automated textbook adoption forms that provided historical database information for faculty textbook selection.
- Counter service for students when picking up and purchasing their textbooks, as well as obtaining textbook information.
- An opportunity for students to resell their used textbooks, via end-of-the-semester student book buyback (during finals week) and second-chance buyback (after finals are over).
- A supply of many used textbooks in order to reduce the cost of textbooks for students.
- The ordering of commencement regalia.
- Sales of U.S. postage stamps, pre-paid phone cards, commencement announcements, commencement nursing pins, and educationally priced software to students.
- Availability of Junior Achievement kits for the Education Department.
- Donations are given to campus and community functions including the annual Women's Fair, Math Contest, Wellness Fair, MCCA, College Fair, departmental seminars, and community high school functions.

POLICIES AND PROCEDURES

The bookstore's policies and procedures are clearly communicated, and for the most part understood by students, faculty, and the community. The return and buyback procedures for students are printed and handed out at the point-of-sale with the sales receipt attached. Detailed procedural information, as well as textbook information, is available on the bookstore's web page. Flyers as well as informational advertisements are posted and distributed; these pertain to on-line textbook sales, student text buyback, and sales promotions.

There is some inaccurate information about the bookstore's policies and procedures that needs to be corrected. Constituents need to understand that the bookstore is a self-supporting auxiliary

enterprise and does not receive any funding from the general funds; the community's tax dollars do not subsidize the price of textbooks purchased. Textbooks have always been expensive and are getting more so every year. College bookstores across the nation share this concern. Textbook adoptions are made by faculty decision and the retail price is determined by the publishers' invoices. The point-of-sale pricing of textbooks, as related to the percentage of discounts and/or markups, has remained consistent year after year and is within the same range as other colleges. Pricing conforms to standard practices as detailed by the National Association of College Stores of which the bookstore is a member. Freight costs or operating expenses are not passed on to students.

Funds that make up what is normally called profit—the Bookstore Auxiliary Fund—have been used for support of the Student Athletic programs, the Child Development Center, the cafeteria, and to purchase the furnishings in the Student Center. Work remains to be done on clarifying and refining the Textbook Desk Copy Procedure.

OPERATIONS

The bookstore is a member of and adheres to the policies and procedures detailed by the National Association of College Stores. An annual bookstore audit is performed in accordance with government audit standards by Botz, Deal and Company, PC, Certified Public Accountants.

PHYSICAL PLANT

The bookstore has adequate space in the Student Center Building and is able to manage it well. As the student population increases, so does the need for more warehouse space and a dedicated shipping/receiving dock.

SATISFACTION WITH SERVICE

By means of student surveys conducted from spring 2000 through spring 2001 semesters, it was determined that 87% of the responding SCC students were satisfied with the service provided by the bookstore.

CHILD DEVELOPMENT CENTER

INTRODUCTION

The Child Development Center (CDC) is a state licensed and accredited child-care facility designed to meet the needs of young children by providing a high quality program in a state-of-the-art environment. The CDC strives to meet the needs of families of staff, faculty, and students of the College as well as the general public. The center provides a full-day environment for 156 children between the ages of 6 weeks and 8 years. The Center offers five, three, and two-day options as well as before and after school care. Flex-care is available to children of students enrolled in six or more credit hours per semester at a rate of \$2.50 per hour. The Center serves as a laboratory for students working in the fields of early childhood education, nursing, psychology, and both occupational and physical therapy.

The College is committed to providing a high quality program and provides staff with adequate compensation and opportunities for professional development. Patrons utilizing the center are

positive and well satisfied with the program. Families rated the center in the 4.0-5.0 range in a scale of 1 to 5 in all areas. (See Exhibit A.) Administration is supportive and encourages collaborations with other community agencies such as Early Head Start, First Steps, Developmental Disabilities Resource Board, National Center for Project Construct, and state and local school systems.

FACILITIES

The physical plant is inviting and well planned. The Center was expanded from approximately 7,000 square feet to 14,000 square feet in 2000. Staff were highly engaged in planning the addition to the Center. The expansion of the CDC has been beneficial in several ways. The expansion has allowed the Center to serve 68 additional children. It has reduced the waiting list of 800 children to 420. It has increased the scope of care to include infancy to eight years of age, which is the recognized range of certification for early childhood educators. The addition of an indoor recreation room has been beneficial to programming during the harsh winter months, and has provided the needed space to hold family events. The multipurpose room is used for parent conferences, staff meetings, community meetings, and as a teacher workplace.

Center administrators are mindful of the balance needed to maintain the partnership with the local child care industry and meet their budgetary needs. Surveys are conducted regularly to compare tuition fees with comparable area centers. (See Exhibit B.) The Center strives to keep costs affordable, while maintaining a high quality program. The Center maintains partnerships with the local child care industry by hosting a Director's Network, providing workshops, grant funding, and serving as a resource for best practice to other professionals.

Administrators monitor data from the college community and the general public and review the need for changes in the programs offered such as flex-care, evening care, off-site programs, and the ratio of college constituents versus general public children.

POLICIES AND PROCEDURES

The Center distributes an information brochure, designed to give interested parties a brief synopsis of its program and fee schedule, at the College Information Desk, and in the Financial Aid and Student Services offices. A *Parent Handbook* and an enrollment packet, which clearly explain the Center's policies and procedures, are distributed to families at the time of enrollment.

The Director or a secretary reviews the materials with parents who are asked to sign an agreement of understanding regarding the policies and fees. Confusion about the policies centers around the fee schedule. Parents often question why they should have to pay for holidays or vacation times, not realizing it is common business practice to charge parents for national holidays as the Center's employees must be paid for those holidays.

The Center does allow parents two tuition-free weeks per year, normally used for family vacations or for a child's extended illness. Faculty and students are not required to pay for semester breaks if their children do not attend at those times. A review of fee schedules and vacation policies from 10 similar campus-based early childhood programs indicate these policies are comparatively fair, even generous, to parents. The Center collaborates with the Financial Assistance office as well as the Division of Family Services and Early Head Start to provide quality programming for low-

income students. Children subsidies and grants are provided to students through grants and TANF funds to pay for childcare. The CDC offers students tuition waivers, which are directly sent to the Financial Assistance Office, to prevent out of pocket expenses for students wishing to use financial aid funds to pay for child care costs.

PERSONNEL

Lead Teachers are required to hold at least an A.A. in Early Childhood Development and must also have at least two years experience. In addition to the Director and the Lead Teachers, there are 23 other staff members. All full and three-quarter-time employees are trained in Project Construct.

The Center holds membership in the National Coalition of Campus Children's Centers and the staff actively participates in chapter meetings. The Director and all lead teachers are members of the National Association for the Education of Young Children. Locally, the Director and staff are professionally active in the St. Louis Association for the Education of Young Children, The Early Childhood Network, The Coalition of Service Providers and Project Construct. The Director of the CDC will serve on the National Board for the Coalition of Campus Children's Centers for the next three years. The Director and Assistant Director are certified facilitators for the National Center for Project Construct.

PHYSICAL PLANT

The Center is a state-of-the-art childcare facility designed to meet the needs of 156 children between the ages of 6 weeks and 8 years. The stand-alone building has approximately 14,000 square feet, and houses nine classrooms, an office suite, a kitchen, a multi-purpose room, a staff lounge and a motor skills room. There are well designed and outfitted outside play areas. The building's design is both functional and attractive.

The building includes a basement that serves as a storm shelter from tornadoes. The Department of Public Safety monitors inclement weather reports and will assist staff in moving children to the basement in the event of a tornado warning.

HEALTH AND SAFETY

The Center is licensed by the State of Missouri Department of Health, Bureau of Child Safety and Licensure, and is accredited as an Early Childhood Education Program by the Missouri Voluntary Accreditation Program. The Center is regularly inspected by the St. Charles County Health Department and Sanitation Department and the Cottleville Fire Department to insure that health and safety standards are being maintained.

COLLEGE POLICIES AND THE CHILD DEVELOPMENT CENTER

As an auxiliary operation, the Center does not receive funding from the general operating budget of the College; rather, it is derived from the Center's tuition fees, externally funded grants, a portion of the College's student activity fees, and support from the Bookstore's revenues. Staff salaries and benefits are competitive, which helps the Center retain a qualified and experienced staff. The college administration has been completely committed to and supportive of the Center by seeking outside funding from local agencies and government funds, and by helping the Center to become an exemplary program.

PAST ACCOMPLISHMENTS AND FUTURE PLANS

The Center began serving 30 children of students, staff, and faculty in a temporary site in January, 1996. In May, 1996, the building was finished and the Center began serving 88 children; enrollment was also opened to the community. In July, 1997, the Center was accredited by the Missouri Voluntary Accreditation for Early Childhood Education. In August, 1998, the building was expanded to serve 156 children in response to a waiting list of over 800 children.

The Center has furnished the new addition and supported teacher salaries with the Missouri Preschool grant for \$390,000. Over the past five years the Center has received \$500,000 in grant funds. In August of 1997 the Flex-Care program was established to allow students taking 6 or more credit hours to bring their children to the Center for \$2.50 per hour during the time the students are in class. Attendance has steadily increased from eight students in 1997 to 27 students utilizing the program in fall 2001.

The Center would like to strengthen its partnerships with the SCC academic division as well as other area universities and colleges to provide more practicum experiences for their students enrolled in Early Childhood courses. The Center would like to increase its community collaborations by offering a guest speaker series for parents, and more customized workshops for area child care providers through the Corporate and Community Development Division.

SATISFACTION WITH SERVICE

As a part of the self-study for accreditation by the Missouri Voluntary Accreditation Program in 2001, the parents were surveyed about their satisfaction with the Center. Only one parent of the 156 children enrolled indicated anything other than total satisfaction. A survey of SCC staff during the Fall 2001 semester indicated staff were more satisfied with the Child Development Center than with any of the other auxiliary services provided. Surveys of SCC students conducted from spring 2000 through spring 2001 semester were inconclusive, indicating that 94% of those surveyed had not used the service.

The auxiliary enterprises enhance campus life and support the mission of the College by providing important services. Studies indicate a high level of satisfaction among constituent groups with the programs and services available. The expansion of these enterprises has kept pace with the growth of the College, and all three entities are poised to meet future demands.

STRENGTHS:

- Food Service is an efficient enterprise offering a needed service to the College community.
- Food service operations are responsive to changing needs.
- Food service maintains a well-trained, dedicated staff and provides a variety of services including catering.
- Food service is affordable.
- The bookstore provides convenient service to its constituents, including students at distance sites.
- Textbooks can be purchased online.
- Proceeds from bookstore sales support other campus services and activities.
- The CDC serves as a resource to the community by offering workshops, providing mentoring experiences, and serving as a model for best practice in early childhood education.
- The CDC has a strong process in place for ongoing assessment of children’s individual progress throughout their tenure at the Center.
- Families are satisfied with the CDC’s program based on surveys of parents and students.
- The CDC offers an affordable program of high quality.

CHALLENGES:

- Food service clients must be educated on catering prices.
- Attempts are being made to improve the understanding of book pricing policies and procedures among students and faculty.
- The CDC should strengthen its collaboration with the instructional divisions.
- It is a challenge for CDC to implement relevant staff development opportunities during normal work hours.
- CDC staff should work to better communicate the reasoning behind its fee structure and related policies.
- CDC continues to look for ways to balance financial obligations, while compensating staff appropriately and maintaining an affordable program.

RECOMMENDATIONS FOR THE FUTURE:

- Food service operations should advertise the availability of service to attract those who are unaware of services.
- Identify space for bookstore expansion, especially in terms of warehouse space and dedicated shipping-receiving facilities.
- As the College expands, food service must continue to re-evaluate campus needs.