

CCATT Webinar: Long Term Financial Planning

August 18, 2022

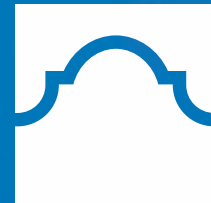
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Strategic Financial Planning

Strategic Plan and Capital Improvement & Maintenance Plan

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ALAMO
COLLEGES
DISTRICT



Malcolm Baldrige
National Quality Award

2018 Award Recipient

Achieving
the Dream | LEADER
COLLEGE

Malcolm Baldrige National Quality Award

In 2018, Alamo Colleges District received the highest presidential honor for performance excellence. One of the pillars of this program is strategic planning and its integration to our work systems and results.

CATEGORY 2: STRATEGY

The Strategy category asks HOW their organization develops STRATEGIC OBJECTIVES AND ACTION PLANS, implements them, changes them if circumstances require, and measures progress.

KEY PROCESSES:

- Strategic Planning Process
- Content of Strategic Plan (SO & KSPs)
- Identification of Strategic Advantages, Challenges, and Opportunities
- Intelligent Risk Assessment in Planning (RIP)
- Work Systems and Core Competencies Development
- Action Planning Process
- Resource Allocation Process
- Process to Develop Workforce Plans
- Ethical Behavior
- Development of Performance Projections
- Progress to Plan Review Process

Strategic Planning Process

Annual Strategic Planning process begins with Visioning:

- Pre-survey of Strengths, Weaknesses, Opportunities, and Threats (SWOT)
- Convene 200+ faculty, staff, administrators, students, and community members to review data and update the Strategic Plan
- Board approves the strategic plan and includes in Policy

In 2019, we expanded the process over 6 months engaging 1,300 employees, students, and community members in conversations for the future with a 3rd party facilitator.



Strategic & Capital Plans

- **2019 Strategic Planning Process**
Enhanced gathering the Voice of internal and external stakeholders
 - Generated “Big Ideas”
 - Prioritized to strategic improvement initiatives for funding over 2-3 yrs.
- **Capital Planning**
 - New 3-year rolling Preventive Maintenance Plan
 - Infusion of 1-time Bond dollars via Maintenance Tax Notes for old facilities needing renovation/renewal while saving capacity for any future Bond Election for new construction



Strategic Planning Process - Your Voice

October 2018 – January 2019



Conversations For The Future

1,300 Voices

12 Conversations with Faculty, Staff and the Community at each of the five Alamo Colleges and the District Support Offices

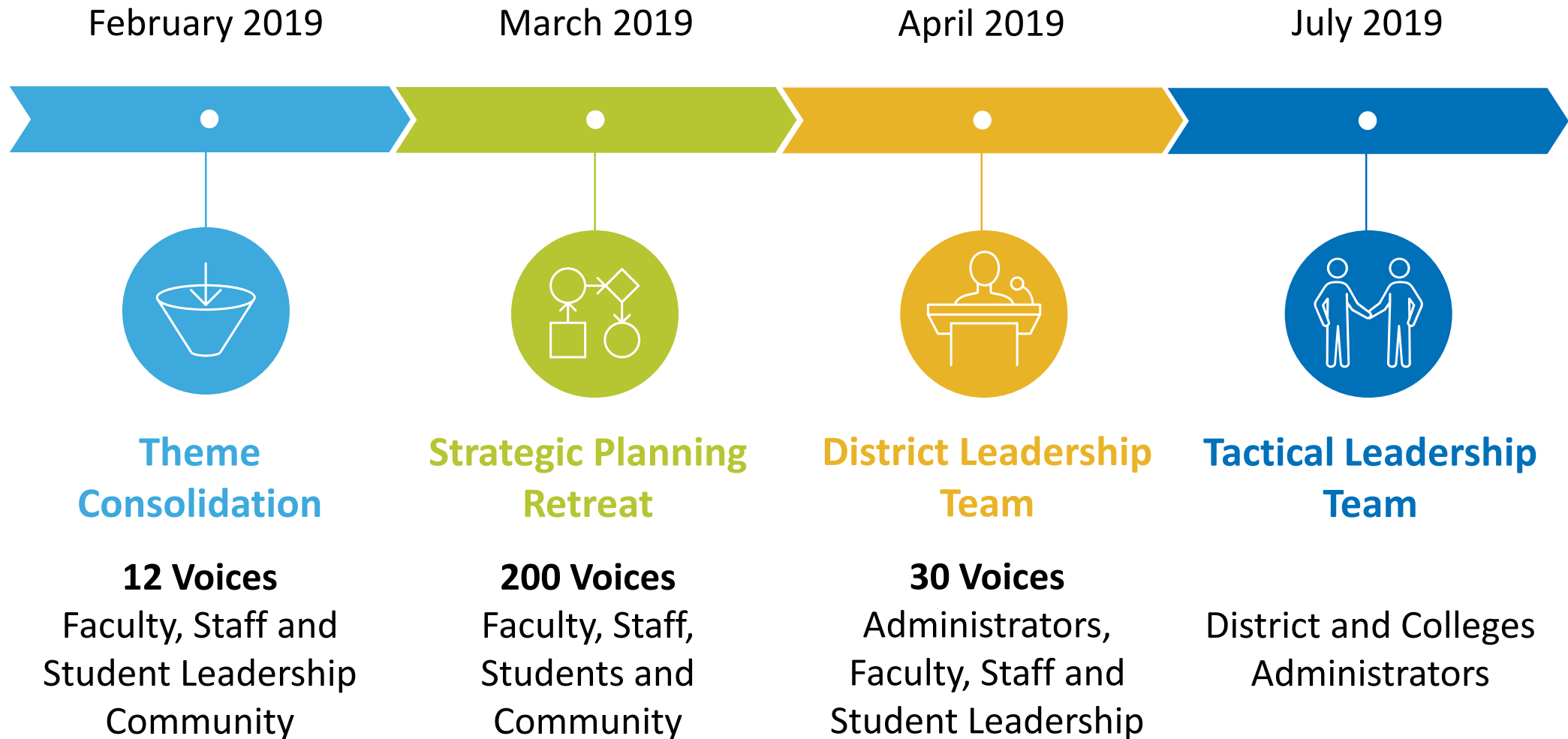


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Achieving the Dream
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Strategic Planning Process – Your Voice



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Strategic Planning Process – Our Vision



THE ALAMO WAY



Student
Success



Principle-Centered
Leadership



Performance
Excellence

Board of Trustees also approve in Policy A.1.3 College District Vision, Mission,
Values and Goals

VII. RECOMMENDATIONS BY THE DISTRICT LEADERSHIP TEAM

The Alamo Colleges District Leadership Team (DLT), composed of the Tactical Leadership Team (TLT), Executive Faculty Council, Unified Faculty Senate, and Executive Staff Senate, analyzed, discussed, and prioritized the Action Focus Themes and the Big Ideas for Breakthrough Innovation identified during the 2019 ACD stakeholders' strategic planning retreat. The DLT recommendations for ACD planning and implementation, in order of priority and by the 3 Alamo Way strategic objectives are the following:

STUDENT SUCCESS	PRINCIPLE-CENTERED LEADERSHIP	PERFORMANCE EXCELLENCE
Action Themes: <ul style="list-style-type: none">• Improve Processes• Remove Barriers to Enrollment• Increase Student Resource and Advocacy	Action Themes: <ul style="list-style-type: none">• Empower All People to Lead• Develop systems for innovation and intelligent risk taking• Strengthen Collaboration, communication, and community	Action Themes: <ul style="list-style-type: none">• Improve overall student experience• Improve the Employee Experience• Enhance Internal & External Communication• Improve Data Informed Processes
Big Ideas: <ul style="list-style-type: none">• One Day Enrollment• Free College Plus• Free Instructional Materials	Big Ideas: <ul style="list-style-type: none">• Creating Higher Education Leaders• Leadership Development Innovation• Program-based Learning	Big Ideas: <ul style="list-style-type: none">• Merit Pay, Recognition & Employee Appreciation Establishing Equity across all employee classifications• Robust Path to career/credential to career• Alamo Anytime (A Different Kind of AA: Degree in 12 Steps or Less



Capital Planning

- Asset Management
- Prioritization Strategy
- 3-Year Preventive Maintenance Planning



Preventive Maintenance National Standards

- National Standards recommend 1% to 5% Asset Replacement Values
- Since 2009, increased from 0% to 1.65% of replacement costs
- **TARGET:** increase PM budget to 2% to 2.5% ASV to prevent further deterioration of facilities



Current Funding Levels

3-year Prev. Mtn. Plan makes significant progress on critical facility repairs/renewals; however additional Bond funding needed to accelerate items delayed beyond 2024

Asset Management

1. Facility Condition Assessment

- a. Begin here to gain a comprehensive understanding of the facility portfolio.

2. Planning

- a. Develop a defensible and data-driven approach for annual Preventive Maintenance and Capital Investment

3. Funding

- a. Annual funding availability
- b. Debt service for capital investments (i.e. Bonds)

THE SEVEN QUESTIONS OF ASSET MANAGEMENT

Phase 1: Assessment

- 01 WHAT DO WE HAVE?
- 02 WHAT IS IT WORTH?
- 03 WHAT IS ITS CONDITION?

Phase 2: Planning

- 04 WHAT DO WE NEED TO TAKE ACTION?
- 05 WHEN DO WE NEED TO TAKE ACTION?
- 06 HOW MUCH WILL IT COST?

Phase 3: Funding

- 07 HOW WILL WE FINANCE IT?



Facility Condition Assessment

→ Importance

- Relative “score” for portfolio comparison
- Focus effort, prioritize attention
- Objective approach

→ Data Points

- Age
- Size
- Systems
- Requirements



Prioritization Considerations

→ Top 5 Criteria (aka “Dimensions”)

1. Building System Categories (Uniformat II Classification)
2. Requirement Priority
3. Building Use
4. Building Age (Year Constructed)
5. Building Condition (FCI and RI %)

Prioritization Criteria

1. **Building System Categories 28% Weight**

2. **Requirement Priority 25% Weight**

- a. **Priority 1** (Address now)
- b. **Priority 2** (Address in 0 to 2 years)
- c. **Priority 3** (Address in 3 to 5 years)

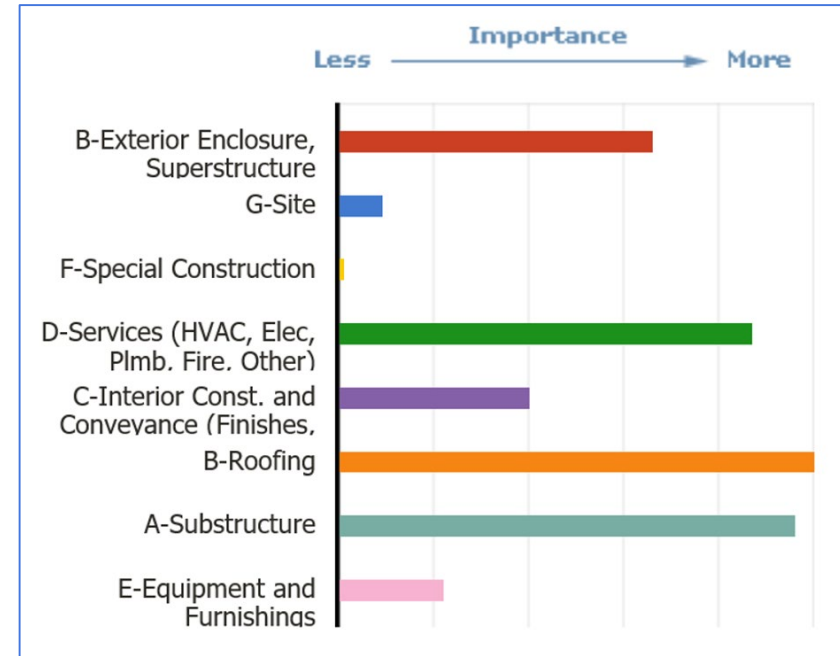
3. **Building Use 21% Weight**

- a. **Top Tier** = Classroom/Training, Child Care Center, Multipurpose Use, Laboratory, Site Utility, Utility Plant
- a. **Second Tier** = Office, Athletic Facility/Gymnasium, Assembly (Auditorium, Theater), Fire/Police Station
- b. **Third Tier** = Site – Campus, Maintenance Shops, Storage, Library, Housing

4. **Building Age (Year Constructed) 14% Weight**

5. **Building Condition (FCI and RI %) 12% Weight**

Building System Categories



Building Age (Year Constructed)



Preventive Maintenance Planning Process

1. Project Goal: Annual 3-Year PM Project Plan

- a. Prioritized by College the repairs/renewal of building elements to be addressed with the Preventive Maintenance (PM) Budget

2. Steps to Success

- a. Starting point: Data and Assessment of Facilities
- b. Pre-work with College Facilities Superintendents
- c. Plan includes funds set-aside for general maintenance and emergency repairs that may come up AND project list of prioritized repairs/renewals
- d. Iterative feedback and consensus from College Leadership
- e. District-wide consolidation of top priorities for 3-year prioritization within the PM Budget allotment
- f. Maintenance Tax Notes may provide funding for future-projected priorities



Where are we now?

- 1. Second year of 3-year Preventive Maintenance (PM) Budget**
- 2. Annual Approval of 3-year PM Budget with Board of Trustees**
- 3. Continue discussion on ability to increase annual PM funding from 1% replacement cost to 2.5% (mid-range) as tax revenues permit**
- 4. Long-range Facilities Planning**
 - a) Consider building utilization, programming, need, building age, funding needs
 - b) Long-range plan for specific facilities; funding requirements outside of Preventive Maintenance will be needed for comprehensive renovations
- 5. Facilities Recapitalization Planning/Funding, Maintenance Tax Note Bonds**



Questions?