



2016 - 2017



AUXILIARY SERVICES AND
ENTERPRISE OPERATIONS
ANNUAL REPORT



A WELCOME FROM THE VICE CHANCELLOR



On behalf of the entire team working in the San Mateo County Community College District Auxiliary Services team, we are proud to present our 2016-2017 Annual Report. Auxiliary Services and Enterprise Operations provides indispensable services to the students, faculty and staff of the three colleges and to the community at large throughout San Mateo County and indeed globally through our Intensive English Program.

Our services include the operations of three college bookstores, three dining facilities, San Mateo Athletic Club and Aquatic Center, the Bayview Dining Room, Community, Continuing and Corporate Education, Silicon Valley Intensive English Program, Bay Area Pathways Academy and districtwide vending services. Our services quite literally touch the lives of tens of thousands of people every year. While each operation has its own mission, vision and goals, the overarching goal of all these operations is to provide exceptional customer services making lasting connections with the people we serve.

In the pages that follow, I invite you to learn more about each operation as you will no doubt be captivated by the pictures throughout the report that tell even more of a story perhaps than the narrative itself.

We appreciate your support of all our services and look forward to another wonderful year!

Many thanks!

A handwritten signature in black ink that reads "Tom Bauer".

*Tom Bauer
Vice Chancellor
Auxiliary Services & Enterprise
Operations*

Auxiliary Services and Enterprise Operations

FY 2017-2018



THE BOOKSTORES

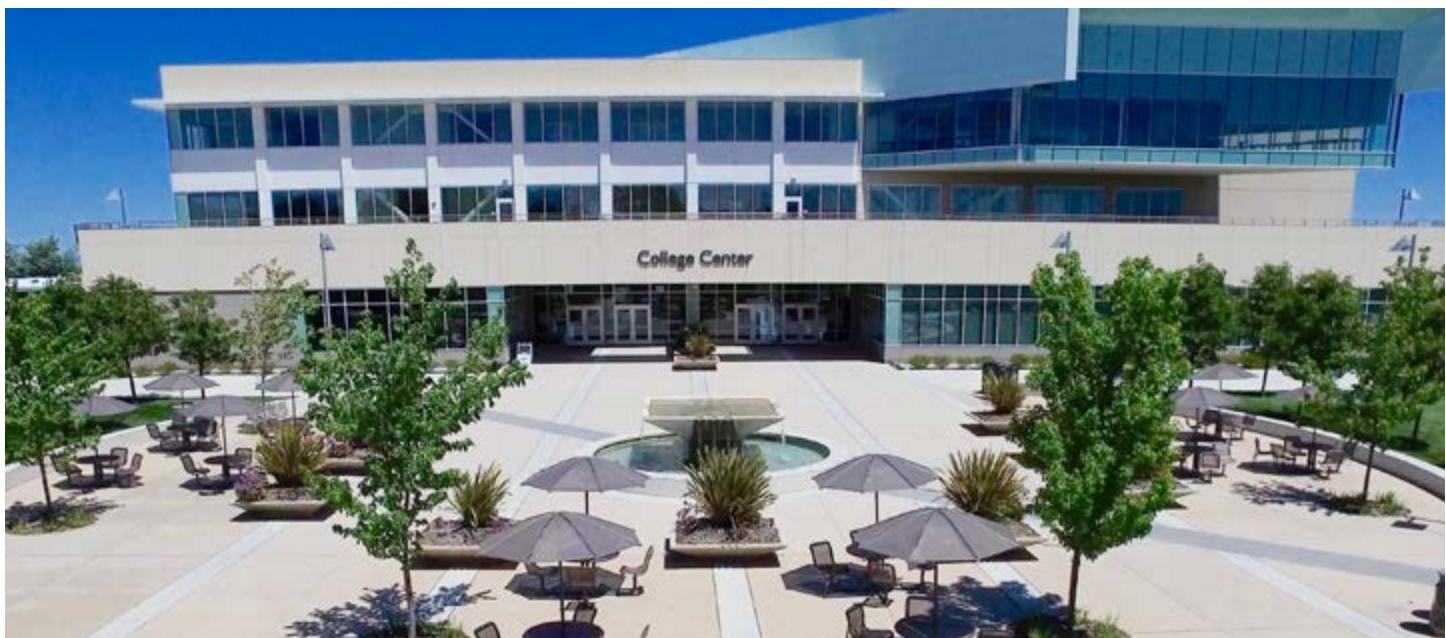


Photo courtesy of Jasmine Robinson

The landscape of collegiate retailing continues to change at a rapid and dramatic pace. At one time, the college Bookstore was the one place students could go to purchase all of the required academic materials to achieve success. Today, nothing could be further from the truth. The reality is that the college bookstores of today have had to change their way of thinking and operating to compete in this electronically content driven economy. This paradigm, while not new, is still in its infancy but is growing at an incredible pace. Some colleges and universities are adopting a total electronic platform and have done away with textbooks altogether. Others have taken the more common hybrid approach, and while they still have textbooks for some of their classes, encourage faculty to seek out less expensive, electronic media for their classes. That is the case here in our District. A growing number of faculty are choosing to put the textbook to the side and are using on-line materials exclusively.

For a number of years now, our innovative and talented Bookstore team have worked hard to address the issue of textbook costs by creating one of the largest textbook rental programs in the country and investing in digital books, partnering with publishers to provide "no frills" textbooks at a lower cost, among a number of other cost saving measures. These efforts have helped our Bookstores maintain a competitive edge and although we have faced declining enrollment for the last several years, our textbook unit sales stayed equal to or slightly ahead of the enrollment decline. We were sustaining the business that so many other stores were losing because they were not addressing increasing textbook costs aggressively enough. Many of those college-run stores have since transferred their operations to management companies to take on these challenges. I am so proud of our store managers and staff for taking the lead and

managing through this changing dynamic as effectively and successfully as they have over these last eleven years.

Despite several years of flat to declining enrollment Districtwide, along with the switch to alternative content delivery methods, the College stores continue to identify new products and services to attract both our student and staff customers. Textbook rentals do still give us an edge despite a nationwide decline in textbook sales. Textbook rentals provide students who would not be able to afford college textbooks a low cost option that provides critical access to the course materials required for academic success. In addition to the textbook rental program, the investment made in transitioning significant portions of the retail space to our coffee and convenience shops has continued to strengthen the Bookstores' financial position as well dramatically increase the customer interactions on each campus with over 10,000 transactions each day. As we continue to add products and services, this category has allowed the Bookstore to return a surplus this year despite falling behind the enrollment decline in unit textbook sales.

Inclusive Access is a content delivery model available for courses which require access to online resources and/or homework managers chosen by faculty teaching the course. It provides access to course required material on the very first day of class at a lower cost than can be obtained direct from the publisher or traditional packages sold in the bookstore. Piloted at Cañada Bookstore in the 2016-17 academic year, 44 sections of different courses were delivered using the Inclusive Access model. This model has been rolled out districtwide and in addition to the materials being significantly less expensive than traditional textbooks, every student has the materials on the first day of class!

STAFFING CHANGES

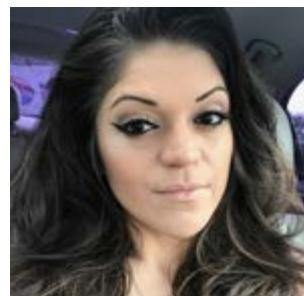


This fiscal year, we welcomed two new additions to our Bookstore classified team. In October 2016, **Claudia Rosales** joined the team at Skyline College Bookstore as a Bookstore Operations Assistant – Shipping & Receiving. Claudia holds a Bachelors of Science and Masters degree in Biology from Los Andes University in Bogota, Colombia. After graduating, she worked as a lab manager in Panama and throughout the U.S. which gave her the opportunity to meet and interact with people from around the world.

Claudia moved to the Bay Area in 2013 to continue her studies at Cañada College where she became part of the Cañada College Bookstore family. Claudia now brings her extensive experience of working in a global community to Skyline College.

In March 2017, we welcomed **Katherine Ramirez** to the team at College of San Mateo Bookstore as a Bookstore Operations Assistant – General Merchandise Buyer. Katherine is a graduate of College of San Mateo with an Associates in Science degree in Business Administration. After graduating, she transferred to San Francisco State University to study Psychology.

Katherine is energized, enthusiastic, and ready to bring her experiences to College of San Mateo Bookstore and share them with the College of San Mateo community.



STUDENT EMPLOYEES



Photos courtesy of Katherine Ramirez

The District Bookstores are fortunate to have the talents of many students working in the bookstores at all three colleges. Not only do they showcase their talents at the bookstore, but also represent the college as athletes, actors and actresses for the theater program and as student leaders in student government. Many have graduated from our three colleges and transferred to 4 year universities such as UC Santa Cruz, UC Davis, San Francisco State University, San Jose State University, Academy of Art University, UCLA and University of Southern Mississippi.

Student employees provide an essential perspective on the needs of students to the Bookstore management team and classified staff, provide essential services to the Bookstores and learn how to work in a fast paced retail environment with a focus on exceptional customer service.

Many of our student employees are so successful that the majority of the classified and professional supervisory staff working in the Bookstores today actually started as student employees.

Outstanding “senior” students in each Bookstore provide exceptional service and serve as mentors and role models for newer student employees. They have taken their experiences at the Bookstores and have successfully applied it to their academic careers and personal lives. From *College of San Mateo*: Sandy Bualop, Lu Zheng, Bianca Chairez, & Aseel Khalil; from *Skyline College*: Alexys Burns, Kassy Deras, Desiree Bautista, & Angel Yaeger; and from *Cañada College*: Ramzy Abd-Aljawad, Angel Lopez, & Manny Rodriguez. Congratulations to each of these students on a job well done!

INTRODUCING INCLUSIVE ACCESS



Photo courtesy of Kevin Chak.

Inclusive Access is a content delivery model available for courses which require access to online resources and/or homework managers chosen by faculty teaching the course. It provides access to required material on the very first day of class at a lower cost than can be obtained direct from the publisher or traditional packages sold in the bookstore. Piloted at Cañada Bookstore in the 2016-17 academic year, 44 sections of different courses were delivered using the Inclusive Access model.

In most cases, faculty must integrate their course through Canvas. Publisher representatives can assist with the integration and the college Canvas coordinators assist with Canvas training. Once integration is complete and the course is set up, students will automatically have access to the content required for their course when they log in to Canvas and access the course. There is no need to enter an access code or take any further steps.

The fee for Inclusive Access is charged to each student's account on the first day of classes and can be paid just like tuition. The fee ranges from as low as \$54.00 and

will not exceed \$89.00 in the upcoming year. The fees are set by the publisher. Students who participate in the Inclusive Access can obtain printed books at a substantial discount ranging from 70% to 80% less than if they had not chosen Inclusive Access. Printed books will be available through the bookstore or direct from the publisher after they access their course and the drop period has passed.

The Inclusive Access program is possible because of the partnership between the District Bookstores and major U.S. publishers. The fees for the program represent the lowest price available to students. However, it is not mandatory that a student participate in Inclusive Access. Students may opt-out by visiting the bookstore website and filling out a short opt out form. Once a student opts-out, there is no way for the student to re-enter the program. The number of students who opted out in the 2016-17 academic year was less than 1% of all students enrolled in courses using Inclusive Access. If a student chooses to drop a class within the deadline established by the colleges, the fees are refunded to the student's account.



FINANCIAL PERFORMANCE AND INFORMATION



Photos courtesy Kevin Chak.

Regular merchandise sales decreased 3.7% this year compared to last year primarily due to the decrease in textbook sales discussed earlier in this report. The decrease in textbook sales is a result of lower enrollment, the impact of textbook rentals, web codes and inclusive access sales on actual sales as well as all of the other competitive factors mentioned earlier. The sale of computers and computer products increased 6.7% over last year due to Skyline Bookstore's providing Chromebooks for students to rent and purchase at the College. In addition to the positive impact of our textbook rental program, another strong merchandise category for the Bookstores is our convenience store and coffee sales. Sales in this category continue to increase over last year despite the continued decrease in both FTES and headcount at all three colleges. Textbook rentals decreased for the first time since we have been renting textbooks primarily due to lower enrollment coupled with the impact of inclusive access digital materials being delivered to students electronically at a significant reduced cost.

Cost of sales decreased by 1.4% this year. Overall inventory shrinkage was less than 1% of sales again this year. The industry standard is 2%. Shrinkage has a direct impact on the net profit of the Bookstores. We have had consistently low shrinkage for the last several years due to increased efforts on the part of our staff on loss prevention as well as improvements in invoice processing. Total Operating Expenses increased 3.4% this year due to the impact of salary, benefit and step increases as well as the cost of renewing both software and hardware support and warranty services with our point of sale system provider. Interest and other income increased minimally due to continued low interest rates on our investments.

Exacerbated by the year over year reductions in textbook sales, increasing salary, benefit and other costs along with the impact of lower enrollment, the Bookstores ran an operational deficit for the first time in 12 years. There

are numerous factors that had an impact on the operation this year but the deficit is not indicative of all of the positive work and effort by the bookstore staff. The programs that have directly benefitted from the efforts of the bookstore team are numerous and will be discussed at length in our 2016-17 Annual Report.

It will continue to be a very challenging time for college bookstores in California in general as enrollments are trending lower and competition in course materials delivery is prevalent from on-line operators to alternative delivery methods. These challenges will put added pressure on the Bookstores' overall financial performance but should also provide us with opportunities to succeed.

All District Auxiliary and Commercial Operations are dependent on a strong, stable enrollment for continued success. The growth of the coffee and convenience shop operations as well as the promising future of the copy centers at both CSM and Skyline College is an example of the proactive measures we have taken to ensure the financial stability of the Bookstores during uncertain economic times. The Bookstores are committed to focusing on efforts to improve service, offer more used textbooks, continue to grow the rental program, further integrate digital textbooks at all three Colleges, increase the amount of custom and institutionally adopted textbooks Districtwide and further maximize the interest and other income potential of each College Bookstore.

WE'D LIKE TO HEAR FROM YOU!

We welcome your comments on this report and
your feedback on your experience
at the SMCCD Bookstores. Stop in, call us,
or e-mail us at bookstore@smccd.edu.



Photo courtesy of Kevin Chak.

Bookstore Sales	2016-17	2015-16	\$ Change	% Change
Regular Merchandise Sales	\$5,671,329	\$5,888,370	(\$217,041)	-3.70%
Computer Products Sales	\$245,547	\$230,050	\$15,497	6.70%
Total Merchandise Sales	\$5,916,877	\$6,118,421	(\$201,544)	-3.30%
Textbook Rental Income	\$546,794	\$568,938	(\$22,143)	-3.90%
Production Service Income	\$442,184	\$444,039	(\$1,855)	-0.40%
Total Sales	\$6,905,855	\$7,131,397	(\$225,542)	-3.20%

Bookstore Recap	2016-17	2015-16	\$ Change	%Change
Operations				
Merchandise Sales	\$5,916,877	\$6,118,421	(\$201,544)	-3.30%
Textbook Rental Income	546,794	568,938	-22,143	-3.90%
Production Service Income	442,184	444,039	-1,855	-0.40%
Cost of Goods Sold	3,857,418	3,912,565	-55,147	-1.40%
Gross Profit from Operations	\$3,048,437	\$3,218,833	(\$170,395)	-5.30%
Total Operating Expenses	3,221,991	3,115,062	106,929	3.40%
Net Income/(Loss) from Operations	(\$173,554)	\$103,771	(\$277,325)	-267.20%
Interest and Other Income	243,775	236,246	7,529	3.20%
Net Income Before Other Expenses	\$70,221	\$340,016	(\$269,795)	-79.30%
District Support				
Contract Income Received	48,385	6,507	41,878	643.60%
Admin Salary & Benefits	142,738	69,311	73,427	105.90%
Other Expenses	148,138	151,032	-2,894	-1.90%
Net Change in Fund Balance	(\$172,269)	\$126,181	(\$298,450)	-236.50%

BOOKSTORE CONTRIBUTION

The District bookstores are required to be self-sustaining and cover all of their operational expenses. There is no Fund 1 operational expense support for the bookstores or any other District enterprise. In addition, the bookstores return money to the District as well as provide student support through scholarships.

In addition to the support mentioned above, with the support and approval of the District Board of Trustees, the Auxiliary and Enterprise Operations team were proud to once again be the Premier Presenting Sponsor with a second year, still record setting lead individual sponsorship of \$100,000.

Skyline College hosted the 17th Annual President's Breakfast on March 16, 2017 at the South San Francisco Convention Center, drawing a crowd of over 400 people for an early morning breakfast fundraiser. Attendees gathered from all across northern San Mateo County, including representatives from national, state and local government; the San Mateo Community College Board of Trustees; Skyline College's sister colleges and fellow educators; and the local business community. The President's Breakfast is

the primary fundraiser for the President's Innovation Fund (PIF) which enables Skyline College to provide programs that expand students' world view, ultimately making them more informed, engaged and responsible members of our community.

The breakfast, however, is much more than just a fundraising event; it is a chance for the College to showcase and celebrate the impact faculty and staff have made on the lives of students and the larger community as a result of the previous year's generous donations to the President's Innovation Fund. The contributions made at the President's Breakfast touch lives on a personal level, helping to transform educational experiences and create pathways to success for individual Skyline College students. The Bookstores have proudly supported the Skyline College Presidents Innovation Fund since 2012 with total support topping out at a total of \$255,000!

The bookstores are proud of the additional support they provide the Colleges. These contributions would not be possible if not for the continued efforts of the bookstore teams.

Below are some of the highlights of this District support:

- \$142,738 in salary and benefit support to District which offsets Fund 1 expenses
- \$67,700 in support to the Peninsula Library System
- \$6,000 per year in student textbook scholarships
- \$33,000 per year in product donations to campus causes
- \$15,000 in product to support the textbook rental program

Photo courtesy of Skyline College Marketing, Communications, & Public Relations Department





FOOD SERVICE

The Cafeteria Fund budget for 2016-17 totals \$275,000. The net beginning balance in the Cafeteria Fund is \$570,295.

Beverage, Snack and Food Service Vendors:

- The District's beverage vending service partner is Pepsi Bottling Group. The contract was awarded effective July 1, 2012, ending on June 30, 2017.
- The District's snack vending partner is Compass-USA (formerly known as Canteen), Inc. The contract was effective July 1, 2012, ending on June 30, 2017.
- The District's food service partner is Pacific Dining Services. The contract was awarded on July 1, 2012, through June 30, 2015 with an option for two one year renewals at the discretion of the District thereafter.



Photo courtesy of Allison McMahon.



Pacific Dining continues to operate the food service at the three District campuses after initially being awarded the contract in June 2007. In addition to Pacific Dining's financial contribution to the District in terms of commissions on in-house and outside sales, the Colleges have come to appreciate and rely on in-kind services from the food service operator to subsidize their budgets and to be able to provide food for special events on campus.

The details of Pacific Dining's in-kind services, which
Cafeteria Fund summary:

total \$23,500 annually in financial support to the Colleges are as follows:

- Sponsor two scholarships in the amount of \$1,000 annually totaling \$6,000 each contract year
- Sponsor annual Scholarship and Awards Banquet with in-kind catering services valued at \$4,500 totaling \$13,500 each contract year
- Co-sponsor with Student Life and Associated Students of each College four events each year of the contract up to \$500 annually totaling \$2,000 each contract year
- Co-sponsor with College president four events annually for faculty, staff, and managers up to \$500 totaling \$2,000 each contract year

Cafeteria Recap	2016-17	2015-16	\$ Change	%Change
Revenues				
Food Service Income	\$212,177	\$187,206	\$24,971	13.30%
Vending Income	69,042	65,963	3,079	4.70%
Interest Income	6,296	4,817	1,480	30.70%
Event Rental	97,553	76,171	21,381	28.10%
Total Revenues	\$385,068	\$334,157	\$50,911	15.20%
Expenditures	\$313,053	\$270,721	\$42,332	15.60%
Net Change in Fund Balance	\$72,015	\$63,436	\$8,578	13.50%

Auxiliary Services and Pacific Dining continue to successfully manage the Bayview Dining Room at College of San Mateo as a location for those outside the College to host their special events. The response from the community continues to be remarkable with hundreds of events being held on the campus since 2011. To date, we have hosted banquets, bar mitzvahs, quinceañeras, weddings, reunions, birthday parties, memorial services, anniversaries and christenings, in addition to renting space for City firefighter testing, job fairs and community health fairs. We also host local school boards for their meetings and special events and have hosted large fund raising dinners for local non-profit organizations including Sustainable San Mateo County, the San Mateo Housing Leadership Conference , each of which has returned to the District for the last three years.

We support our local elected officials by making the dining room as well as our classrooms available for community outreach meetings. These rentals have not only brought in rental revenue to the District but have also increased food sales from which the District receives a commission. Our event rental income has increased slightly this year by 7.8% or \$5,493. These increases are notable for two reasons; first, we waive or have reduced rental fees for many of the events we host and we are limited to weekends for our events, respecting the rights of our students to use this space during the academic week. These event rental funds have become very important to helping us

support the equipment maintenance and are put right back into the facility to keep it in optimal condition.

Food service income has increased slightly, with a 3.9% increase over last year. The increase is notable since decreases in enrollment, both in FTES and more notably in our headcount at all three Colleges do not generally favor auxiliary enterprise operations. The decreases notwithstanding, the increase is evidence that students "vote with their feet" and with where they choose to spend their time and money when they are at each of the Colleges. By providing our students a variety of tasty food options at a fair price in a clean and vibrant environment, all three dining facilities are thriving and packed with students each day as they make these places their "homes away from home."

BAYVIEW DINING ROOM

BOOK AN EVENT WITH US TODAY.

www.DistrictDining.SMCCD.edu



Photo courtesy of CSM Marketing, Communications, & Public Relations Departments.



Photo courtesy of Nancy Lam.



BOOK AN EVENT WITH US TODAY.

www.DistrictDining.SMCCD.edu

Vending income has increased significantly compared to last year by 15.9% or \$9,029 despite the overall decreases in enrollment. We attribute this increase to the increase in use of our facilities by outside groups as well as to the large number of people, children and adults who attend the San Mateo Athletic Club as members and as swim team participants, guests who attend the many events we host at SMAC, and all of the visitors who attend the Colleges' special events held almost every day of the calendar year!

Vending income is an important revenue stream for each of the three College Associated Students where all of the funds are directed each month. Total expenditures increased by 10% or \$24,643 over last year. Expenses related to the

repair and maintenance of equipment at the three College dining locations have increased as our equipment ages. In addition, all of our events with over 100 people are staffed by District facilities and IT staff who receive overtime pay for supporting our events.

Income from food service and vending contracts enables the District to provide food and beverage services to the students. These combined resources, along with interest income, also provide a stable Cafeteria Fund not requiring support from the general fund. As part of the Enterprise Fund, the cafeteria and vending operations are fully self-supporting. The fund is also responsible for the long-term maintenance and upgrading of aging facilities and equipment, as well as all expenses relating to the ongoing operational requirements under the food service and vending contracts.

The table below illustrates an increase in food service income overall. Food service income is up this year over last by \$22,706 or 12.6%. This increase is in spite of enrollment declines discussed earlier. The impressive facilities and the outstanding service provided by the entire Pacific Dining team are keeping students on campus more. Therefore, the food services are performing exceptionally well.

FOOD SERVICE INCOME	2016-17	2015-16	\$ Change	% Change
PACIFIC DINING				
Skyline	70,592	55,795	14,797	26.50%
Cañada	30,371	37,160	-6,789	-18.30%
CSM	85,019	72,950	12,069	16.50%
Le Bulldog	26,196	21,302	4,894	23.00%
Total Food Service Income	212,177	187,206	24,971	13.30%

Districtwide pouring rights provide comprehensive beverage services for all three College campuses and the District Office. These exclusive pouring rights extend to all beverage products sold at the three College Bookstores, Cafeterias, and the San Mateo Athletic Club and in all vending machines located throughout the District. The vendor is responsible for providing all product, labor, supplies, materials, and additional equipment necessary to meet the needs of all auxiliary operations. Pepsi has been our vendor since 2002 when they were awarded their first five year contract. They won the bid again in 2007. That contract expired on June 30, 2012 and once more, they were awarded another five year contract starting on July 1, 2012.

The total value of the Pepsi contract to the District exceeds \$510,000 over five years. Pepsi has provided exceptional service to the District since being awarded their first contract in 2002.

Highlights of the Pepsi partnership include:

- \$30,000 one-time signing bonus which will be used for the textbook rental program as well as other projects that benefit students' at all three Colleges.
- \$35,000 donation each year of the five year contract used to support student related endeavors at the District level and the Colleges.
- \$2,000 annual textbook scholarship dollars.
- \$16,000 in support of the textbook rental program based on a \$1.50 per case rebate on sales through the Bookstores and Cafeterias; we receive this support each year.
- \$15,000 in donated product each year of the 5 year contract; each campus and the District Office receives 100 free cases of Pepsi product each year of the contract.
- \$6,000 in marketing dollars per campus each year of the 5 year contract to support Bookstore, food service and Associated Students' endeavors.
- 35% commission on vending machine sales paid monthly which is turned over to the Vending Commissions at each College to support the many programs and services they offer.

Districtwide snack vending machine rights provide comprehensive snack vending services for all three College campuses and the District Office. These exclusive rights extend to all snack vending machines located throughout

each College. The vendor is responsible for providing all product, labor, supplies, materials, and additional equipment necessary to meet the needs of the District. Compass-USA is the District snack vending machine partner and along with Pepsi, commission from machines goes directly to each College's Associated Students as part their operating budgets.



BOOK AN EVENT WITH US TODAY.

www.DistrictDining.SMCCD.edu



Photo courtesy of Skyline College Marketing, Communications, & Public Relations Department and Allison McMahon



COMMUNITY, CONTINUING, AND CORPORATE EDUCATION



Photo courtesy of Gino DeGrandis Photography.

ADVANCING THE MISSION OF OUR COLLEGES

Pursuant to its goal of creating innovative educational programs, renowned signature programs, and global impact for international students and groups, CCCE is pleased to have made significant contributions towards advancing the mission of the District and its three colleges throughout fiscal year 2016-17. During this period, CCCE's collaborations with Cañada College, College of San Mateo (CSM), Skyline College, and the District's Human Resources Department directly resulted in many new and noteworthy grants, programs, and enrollments for the colleges, as seen in the select accomplishments below:

- **Awarding of \$50,000 State Chancellor's Office Institutional Effectiveness Partnership Initiative Grant** for Leadership Development at each of three colleges (the first IEPI grant awarded directly to the District)
- **Awarding of prestigious \$150,000 State Department grant to Skyline College** for the Young African Leaders Initiative (the first Mandela Washington Fellowship grant awarded to a community college)
- **Collaborative development with CSM and Skyline College of two credit-bearing programs:** a Digital Advertising program at College of San Mateo and a Construction Management program at Skyline College
- **Collaborative design of the Multimedia Arts Summer Academy at Cañada College**, a not-for-credit pipeline designed to increase enrollments in credit-bearing Multimedia Arts programs at Cañada College
- **Collaborative development of the Future Scholars Program**, a college and career readiness program at Skyline College designed to help develop a college-going identity and a vision for success throughout college and beyond for middle school students from Boys & Girls Club of North San Mateo County
- **Matriculation of 24 international students from Silicon Valley Intensive English Program (SVIEP)** to Cañada College (9), College of San Mateo (8), and Skyline College (7); these 24 students would not have been eligible to attend any of our three colleges without SVIEP, which has been in operation for one year.

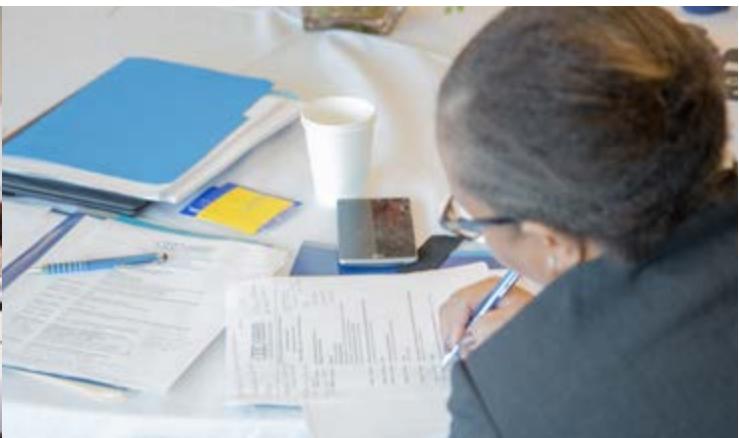


Photo courtesy of Community, Continuing & Corporate Education

\$50,000 State Chancellor's Office Institutional Effectiveness Partnership Initiative (IEPI) Grant

In September 2016, Executive Vice Chancellor of Human Resources & General Counsel Eugene Whitlock challenged leaders from Human Resources (HR Manager Cassandra Jackson) and CCCE (Executive Director Jonathan Bissell) to apply for competitive IEPI funding from the State Chancellor's Office to support leadership development within the District. With a short two-week turnaround, the duo created a Coordinated Leadership Development plan resulting in an award of \$50,000 in funding to implement the plan – the first IEPI grant awarded directly to the District. Designed to support the colleges through the development of a yearlong multifaceted Coordinated Leadership Development Program, the project launched in January 2017 with a District-wide Leadership Summit at Skyline College, followed by mid-spring Campus Leadership Retreats at College of San Mateo and Cañada College. Fall 2017 efforts will include a Campus Leadership Team Retreat at Skyline College and focused training for Senior Administrators, Deans, and Directors, culminating in a District-wide Leadership Summit to close out the implementation cycle.

“...thank you for organizing and facilitating such a productive management retreat...”

Michael Claire, President

College of San Mateo

“...the team and I thoroughly enjoyed the retreat. The training was informative and insightful... I would highly recommend they continue this work throughout the district...”

\$150,000 State Department Mandela Washington Fellowship Grant for Skyline College



Photo courtesy of Community, Continuing & Corporate Education

In October 2016, Executive Vice Chancellor Whitlock again posed a challenge to secure highly competitive funding, this time to leaders from Skyline College (Dean Tammy Robinson, Ed.D.) and CCCE (Executive Director Jonathan Bissell) to apply for competitive Mandela Washington Fellowship funding from the State Department, a grant previously awarded only to select four-year institutions across the United States. With a two-week turnaround, the duo, with the support of Vice Chancellor Whitlock, submitted and were awarded \$150,000 in funding for a comprehensive six-week Business and Entrepreneurship Institute at Skyline College – the first community college to ever receive this prestigious grant.

The Mandela Washington Fellowship, the flagship program of the Young African Leaders Initiative (YALI), empowers young African leaders through academic coursework, leadership training, and networking opportunities. Fellows are from every country in Sub-Saharan Africa, each with established records of accomplishment in promoting innovation and positive change in their organizations and communities. Implementation of the program took place in June and July 2017, led by Dr. Robinson and her team at Skyline College.

The team guided 25 Fellows through a rigorous 6-week program covering Global Trade and Logistics, including topics such as the role of technology and the product lifecycle from idea generation through product distribution. The cohort of 25 Fellows was part of a larger group of 1,000 Mandela Washington Fellows studying at institutions across the United States during summer 2017. Fellows from across the country met at the end of their institutes in Washington, D.C. for the Mandela Washington Fellowship Summit, where they took part in networking and panel discussions with each other and U.S. leaders from the public, private, and non-profit sectors.

Collaborative Development of Credit-Bearing Digital Advertising Program at College of San Mateo

Due to SMCCCD and CCCE's shared regional commitment to creating a diverse workforce, NOVA Workforce Board (a nonprofit, federally funded employment and training agency that provides customer-focused workforce development services in San Mateo and Santa Clara Counties) introduced the Interactive Advertising Bureau's Education Foundation to CCCE in 2015 with a request to create and pilot a first-of-its-kind Digital Advertising Program. CCCE initiated a partnership with the Digital Media program at College of San Mateo and collaborated with CSM and the Interactive Advertising Bureau's iDiverse Initiative to develop and launch **the nation's first-ever entry-level Digital Advertising program leading to industry-recognized certification.**

Designed to run as a pilot not-for-credit program while simultaneously being submitted for credit-bearing approval and taught by certificated faculty at CSM, this rigorous program serves as a model for rapid development of industry-initiated training from not-for-credit to credit-bearing programming. Through CCCE's collaboration and support, this course is now running as an approved, credit-bearing course operated by the Digital Media program at CSM and has now graduated two cohorts of students, many of whom have passed both the course and the industry certification exam. In collaboration with the IAB Education Foundation, the program seeks to increase racial, gender, economic, and cultural diversity in the digital media and marketing workforce through the provision of industry-validated, entry-level technical and soft skills needed for future career advancement, and to prepare participants for entry-level positions in the digital advertising industry. The program also features advertising industry guest speakers and not-for-credit skill-building workshops such as presentation skills, effective teamwork, customer service, and career navigation. Graduates such as Dorothy Davis, featured in the photos above and now in a supervisory position, are turning their success in the program into good jobs in the industry.



Photo courtesy of Community, Continuing & Corporate Education

Foundation, the program seeks to increase racial, gender, economic, and cultural diversity in the digital media and marketing workforce through the provision of industry-validated, entry-level technical and soft skills needed for future career advancement, and to prepare participants for entry-level positions in the digital advertising industry. The program also features advertising industry guest speakers and not-for-credit skill-building workshops such as presentation skills, effective teamwork, customer service, and career navigation. Graduates such as Dorothy Davis, featured in the photos above and now in a supervisory position, are turning their success in the program into good jobs in the industry.

Collaborative Development of Credit-Bearing Construction Management Career Certificate at Skyline College

In response to a request from Skyline College President Dr. Regina Stanback Stroud to help Skyline College develop a for-credit Construction Management program, CCCE worked closely with full time faculty member Bruce Greenstein and Deans Ray Hernandez and Christine Roumbanis to secure feedback from industry advisory partners, develop and run a pre-marketing Construction Management Speakers Series, and recruit qualified faculty. This series of initiatives led to the creation of a **Construction Management Career Certificate** designed to focus on the core technical and management skills required in the field of Construction Management and meet the needs of students seeking to pursue skills and abilities within the profession. The certificate is intended to provide students currently employed in the construction industry the opportunity for entry into and/or advancement in management positions. The program was approved by the Skyline College Curriculum Committee in Spring 2016, and began its first for-credit classes in Fall 2016.



Photo courtesy of Community, Continuing & Corporate Education

Foundation, the program seeks to increase racial, gender, economic, and cultural diversity in the digital media and marketing workforce through the provision of industry-validated, entry-level technical and soft skills needed for future career advancement, and to prepare participants for entry-level positions in the digital advertising industry. The program also features advertising industry guest speakers and not-for-credit skill-building workshops such as presentation skills, effective teamwork, customer service, and career navigation. Graduates such as Dorothy Davis, featured in the photos above and now in a supervisory position, are turning their success in the program into good jobs in the industry.

Multimedia Arts Summer Academy at Cañada College

CCCE began collaborating with full-time faculty in the Multimedia Arts program at Cañada College in Fall 2016 to design the **Multimedia Arts Summer Academy (MASA)**, a not-for-credit pipeline intended to increase future enrollments in credit-bearing Multimedia Arts programs at Cañada College. Initially conceived as a pipeline for high school students, the program is examining expansion of its target audience to middle school students to extend the pipeline and to help develop a college-going identity and a vision for success at Cañada College. The program is planned to run in Summer 2018 as a tuition-based and scholarship-supported opportunity for area students to build technical skills, develop a portfolio, learn about concurrent/dual enrollment and certificate/degree opportunities at Cañada College, develop a peer learning community, and discover if Multimedia Arts is a career pathway they wish to pursue. Students will enjoy classes taught by adjunct faculty from Cañada College as well as external professionals, and will prepare for a final Portfolio Show (open to the public) in which prizes will be awarded by a panel of industry experts. CCCE will work closely with Cañada College and with representatives from the County Office of Education and the Sequoia Union High School District to create awareness about program scholarships and to secure matching funds for student scholarships from area companies wishing to support talented yet under-resourced students. More about the program is available at <http://smccd.edu/masa>.

Collaborative Development of the Future Scholars Program at Skyline College

At the request of Skyline College President Dr. Regina Stanback Stroud, Vice Chancellor of Auxiliary Services Tom Bauer directed CCCE to develop a draft Future Scholars proposal for a summer learning initiative for underserved and under-resourced area students at Skyline College. Subsequent visioning conversations with Dr. Stroud and CEO Aubrey Merriman of Boys & Girls Clubs of North San Mateo led to collaborative development between CCCE and Skyline College's Career and Workforce Programs on design of the Future Scholars Program. These efforts culminated in a College and Career Connection Experience for 20+ middle school students from Boys & Girls Club of North San Mateo County from July 24 – 27, 2017 at Skyline College, implemented by the Career and Workforce Program team. Students visited Skyline College for four days and participated in college and career readiness activities such as Apple Technologies Swift Software Training, hands-on Digital Media simulations, engagement with the MIT-built Fabrication Lab, exposure to Biotechnology and Network Engineering, and engagement with the Skyline College Promise and Campus Tour. The Future Scholars Program successfully contributed to developing a college-going identity and a vision for success throughout college and beyond for these middle school students from Boys & Girls Club of North San Mateo.



Photo courtesy of Community, Continuing & Corporate Education

hands-on Digital Media simulations, engagement with the MIT-built Fabrication Lab, exposure to Biotechnology and Network Engineering, and engagement with the Skyline College Promise and Campus Tour. The Future Scholars Program successfully contributed to developing a college-going identity and a vision for success throughout college and beyond for these middle school students from Boys & Girls Club of North San Mateo.

BUILDING A LEGACY OF INNOVATION

As evidenced by the many significant grants, programs, and matriculations highlighted above, CCCE continues to build a legacy of innovation that fosters positive impact both internally among our colleges and externally within our community of residents, businesses, nonprofits and agencies, and both locally and globally within San Mateo County, the Silicon Valley region, and across the Globe. In addition to these outstanding contributions, CCCE's efforts throughout the 2016-17 fiscal year have resulted in the development of numerous innovative educational programs, the strengthening of renowned signature programs, and an increase in global impact for international students and groups.

Robotics & Innovation Training and Corporate Site Visits for Chinese Delegation



Photo courtesy of Community, Continuing & Corporate Education

CCCE was selected by Global Corporate College and GATE to deliver a robust program for 23 technical leaders from Chinese State Owned Enterprises. Delivery of the program ran from late August through early September 2016, with provision of interactive management training from expert CCCE trainers, as well as CCCE-led company site visits related to robotics and automation. During company visits, delegation members enjoyed facility tours, learned about new technology and industry trends, how the company continually trains its workforce, and other topics such as how it engages in innovation and quality improvement, and how the company focuses on sustainability.

In addition to visiting companies in the Silicon Valley region, delegation members participated in hands-on interactive sessions and expert presentations at the MIT-built Fab Lab at Skyline College, and the Electronics Lab at College of San Mateo. Out of three regions visited by the group for training and company site visits, CCCE was ranked highest in satisfaction and experience, and has been asked by GATE to host a new delegation in Fall 2017.

Second Foreign Language School Affiliated to Shanghai Normal University Delegation

In its second year of collaboration, CCCE hosted 30 Chinese high school students and 4 teachers from Shanghai, China in June 2017. During their visit, students toured Skyline College, Cañada College, and College of San Mateo, and enjoyed the opportunity to learn about the college experience and special programs and services related to each campus. Students also participated in campus-specific trainings in Surgical Technology and 3-D Printing (Skyline College), Entrepreneurship (Cañada College), and Digital Media (College of San Mateo).



Photo courtesy of Community, Continuing & Corporate Education

Innovation Summer Camp for Doshisha International High School (Japan)



Photo courtesy of Community, Continuing & Corporate Education

Continuing its partnership with Doshisha International High School in Japan, CCCE again designed a highly successful 10-day Innovation Summer Camp for 7 Japanese high school students with instruction in the history and spirit of Silicon Valley entrepreneurship, an understanding of innovation and design thinking, college-level academic study and critical thinking skills, and American culture training combined with homestays and visits to local Silicon Valley attractions. The Innovation Summer Camp was offered immediately following the Bay Area Pathways Academy (BAPA) and serves as a model for Innovation Camp requests from students and professionals from various countries.

Expansion of Nonprofit Leadership Program with Center for Excellence in Nonprofits (CEN)

The Nonprofit Leadership Program is designed for new executives, managers and emerging professionals in the nonprofit sector. Developed and offered collaboratively with the **Center for Excellence in Nonprofits (CEN)**, the Nonprofit Leadership program has equipped over 60 nonprofit professionals since the program's inception with the knowledge and tools needed to sustain themselves and their organizations, while also improving their leadership capabilities and people management skill set. Taught by CEN Experienced Instructors **Jennifer Simmons (CEN Executive Director)** and **Donna Wies (CEN Senior Consultant)**, along with expert guest speakers, the Nonprofit Leadership program is now offered twice per semester in an accelerated 3-day boot camp format to increase scheduling convenience for busy professionals and to enhance the cohort experience.



Photo courtesy of Community, Continuing & Corporate Education

Continuation of Training for Human Services Agency Clients

CCCE was pleased to continue its partnership with the San Mateo County Human Services Agency to serve clients in the CalWORKs and Service Connect populations, utilizing its expert trainers to deliver Administrative Professional training to three cohorts of participants, enabling a more successful transition to the world of employment for participants. Through its expanded yearlong contract of \$95,000, CCCE provided training in areas such as Customer Service, Written & Verbal Communication, Microsoft Office Excel, Word, and PowerPoint, Email Communication, Computer System & Data Management, Use of Social Media in the Workplace, Time Management, and more.

"Just a quick note to let you know that I have a job offer for a position I applied for a couple of weeks ago... Thanks so much for your help and support. Your software training really helped me with the skills testing... Am really happy to have found a job with health insurance"

Professional Development Training for District and College Supervisors and Staff

Offered by Human Resources in collaboration with CCCE, supervisors and staff from across the District and Colleges participated in professional development opportunities with professional trainers from CCCE in topics such as Emotional Intelligence, Conflict Resolution, MS Office training in Excel, Word, and PowerPoint, Project Management, and more. Human Resources and CCCE will seek ways to leverage the IEPI grant experience to develop professional development opportunities for the leadership teams at each college, and will continue to design a variety of professional development opportunities for supervisors and staff to enhance their skills.



Photo courtesy of Community, Continuing & Corporate Education

INCREASE IN SIGNATURE PROGRAM ENROLLMENTS AND IMPACT

Bay Area Pathways Academy™ (BAPA)

Beginning in June 2017, BAPA launched another successful 6-week summer program at the College of San Mateo, serving an increased enrollment of over 400 students in grades 6 through 9 from both near and far, including both San Mateo County and a cohort of middle school students from China. Providing a comprehensive academic, enrichment and fitness summer program, the program is tuition supported yet open to all local students through the provision of need-based scholarships. The BAPA 2017 program offered full and half-day options for students and provided Monday to Friday programming for up to three 2-week sessions, with exciting classes in Sign Language, Coding, Acting Improv, Chess, Growth Mindset, Career Exploration, Math, Science, Social Studies, English, Water Polo, and many more. The 2017 version of the program can be found online at <http://smccd.edu/bapa>.



Photo courtesy of Gino De Grandis

Silicon Valley Intensive English Program (SVIEP)



Photo courtesy of Kevin Chak

The Silicon Valley Intensive English Program (SVIEP) was founded in the summer of 2015 thank to the support of innovation funds provided by the District. Our goal was to provide a pathway to college for international students who did not have sufficient TOEFL scores to study in the United States. Over a twelve month period, CCCE staff built the program from the ground up and received our federal approval to operate a language school in the spring of 2016.

The SVIEP team, located at both Skyline College and Cañada College, proudly completed its first full year of operations in summer 2017. Throughout their first year, SVIEP served a total of 71 F-1 students (37 new and 34 continuing), 24 of whom elected to matriculate from SVIEP to Cañada College (9), College of San Mateo (8), and Skyline College (7).

SVIEP is pleased to have increased international student enrollments through these matriculations. If these 24 students complete 60 units as students at one of our three colleges, the requirement for a transfer to University of California, the revenue represents a combined total value of approximately \$387,360 in tuition for the District. Significantly, none of these 24 would have been eligible to attend any of our three colleges without the existence of SVIEP. Consistent with the District Strategic Plan Goal 4 strategy to link the District's community and international education efforts to create synergies that strengthen both programs, our teams are invested in the success of this program at every level.

We are fortunate to be working hand in hand with the administration, faculty and staff at Cañada College and Skyline College serving these students as they work toward matriculation to one of our three college. The SVIEP team is continuing recruitment efforts this year in our key target areas including China, Japan, Vietnam and Korea to increase international student enrollments at Skyline College, Cañada College, and College of San Mateo.



GROWTH AREAS AND CHALLENGES

As an operational entity just 2.5 years into its new identity as Community, Continuing and Corporate Education, CCCE has accomplished much and anticipates much, yet lives in the space between new growth opportunities and the resource investments needed to take advantage of these opportunities – all of which can be found within CCCE's Strategic Goals for 2015-2020 as outlined below.

CCCE Strategic Goals for 2015-2020

1. Increase Community, Continuing and Corporate Education (CCCE) training and services to San Mateo County residents, families and businesses through increased lifelong learning and professional certifications for adults, expanded academic and fitness programming for youth, and customized workforce training for public and private-sector organizations.
2. Increase revenue-generating contract training for public and private-sector organizations.
3. Develop internationally-recognized, revenue-generating Intensive English Programs for students, educators, administrators and executives.
4. Contribute to the economic development of San Mateo County through collaborative partnerships with industry and workforce/economic development agencies.
5. Increase credit-based enrollments through new credit/not-for-credit hybrid programming.
6. Create or expand revenue-generating programs in collaboration with the San Mateo Athletic Club.



Photo courtesy of Gino De Grandis

CCCE's accomplishments and revenue growth have been significant despite its small team of three dedicated staff for the Silicon Valley Intensive English Program, and three dedicated and one part-time staff for all remaining CCCE operations. Staff time is devoted not only to CCCE operations, but also to all requested grant support and collaboratively developed programs with the District and Colleges. This devotion of CCCE's time and resources has proven very beneficial to the District and Colleges, creating the tremendous impact outlined in the first half of this report, and yielding hundreds of thousands of dollars in value to the Colleges.

CCCE's support for District and College grants and new program development, while worthwhile, needed and requested, has not yielded significant financial returns for CCCE and the investment of CCCE staff time for these activities has impacted the department's capacity to fully devote its attention to creating more direct, bottom-line value for its own operations. In addition to this valuable yet significant impact, the impact of retroactive staff pay increases under the new contract, and the deferment of anticipated opportunities for CCCE in fiscal year 2016-17, contributed to a slight shortfall in revenues as seen in the chart below. These deferred opportunities included corporate training opportunities, international training camps, and funding opportunities from external partners that were not realized within the fiscal year.

FINANCIAL SUMMARY

CCCE continued its strong revenue growth yet experienced a temporary shortfall for fiscal year 2016-17 due to the combination of value-added yet resource-intensive activities conducted on behalf of the District and Colleges, one-time retroactive pay increases, and deferred opportunities not realized within the fiscal year period. In regards to the Silicon Valley Intensive English Program (SVIEP), its rising growth trajectory in the face of international recruiting and political headwinds remains positive, and its goal of increasing international student enrollments across the District has now been clearly demonstrated through the matriculation of 24 F-1 international students into the Colleges as described earlier in this report.

CCCCE and SVIEP Combined 2016-17	CCCCE	SVIEP	Total
Revenues 16-17	\$918,138	\$151,860	\$1,069,998
Innovation Fund carried from 15-16	\$ -	\$167,732	\$167,732
Expenditures			
Salaries and Benefits	\$447,635	\$433,855	\$881,490
Other Operating Expenses	492,656	216,073	708,729
Total Expenses	\$940,291	\$649,928	\$1,590,219
Net Change in Fund Balance	((\$22,153))	((\$330,336))	((\$352,489))

The 2016-17 budget for Community, Continuing and Corporate Education totals \$1,100,000. Estimated income is projected at \$1,175,000. The net beginning balance is \$884,013.



Photo courtesy of Community, Continuing & Corporate Education

LOOKING AHEAD FOR CCCE

Developing the infrastructure required to continue fueling and accelerating CCCE's revenues and profitability will require a sustained focus on both maintaining its mission and support for the District and the Colleges, but also on focusing more deeply on both domestic and international growth opportunities. Building on the initial success of existing accomplishments in both corporate and international trainings, CCCE will increase its focus on meeting Strategic Goals 2 and 3 through expansion of corporate training outreach and marketing to Silicon Valley companies, and expansion of short-term trainings and camp outreach and marketing to international student groups and professionals from overseas.

As we look forward to a new year filled with possibility and growth, CCCE remains energized by the future, inspired by our mission, and poised to continue our evolving story of Innovative Education, Signature Programs, and Global Impact!







SAN MATEO ATHLETIC CLUB AND SAN MATEO AQUATIC CENTER



Photo courtesy of San Mateo Athletic Club

The San Mateo Athletic Club is a professionally managed enterprise program sharing the fitness facility with the College of San Mateo. The San Mateo Athletic Club shares the instructional and training space on two levels of the Health and Wellness building that includes a large main floor along with four exercise studios on the second level and an aquatics complex with a 50 meter Olympic size competition pool, along with a 25 meter instructional pool for Adaptive Fitness and other group exercise classes. The San Mateo Athletic Club and its members enjoy this multi-use College of San Mateo facility that provides credit classes, non-credit classes, community education and adaptive fitness.

It's hard to believe that we have celebrated our 7th year and now boast a membership of over 6,000. Our members continue to refer their friends and family members and we achieve a new member referral rate of over 65% per month. This level of satisfaction with our membership base continues to allow us to spend our advertising dollars on member retention events which this year included 'Go for Gold' in homage to the Olympics held in Rio, the Winter Warrior Challenge and Where in the World. Through participation, SMAC members receive logo wear: backpacks, t-shirts, caps, bags, hoodies, car decals, etc. These rewards are then 'worn' in the community and help to increase our presence.

Nothing makes us prouder than seeing our members out and about wearing SMAC gear. Our number one goal is to enhance our members' lives. The experience that leaves SMAC goes into the community, be it at home, school, work, or coffee shops. Without happy members referring new members....and happy employees referring staff....we would

not be where we are today.

It remains humbling and extremely rewarding to realize that our members think of SMAC while packing for their vacations and then remember to wear our gear when arriving at their destinations. We treasure the relationship we have with our members and value their support and love of SMAC.

We also work diligently to bring our team together and 4 times per year host 'all team staff' meetings. These are held on Sunday evenings after the club closes. A great dinner is served....all-you-can-eat sushi, meatballs, Italian fare, chipotle and more. We also always have a guest speaker. This year's line-up included: Public Safety Chief William Woods, Tristan Pierce/EXOS, Vice Chancellor Tom Bauer and SMCCCD Board of Trustees President Tom Mohr.

We have worked pointedly to create 'community'.

We continue to be the 'Front Door' for our campus and our desk remains the 'hub', where staff members greet all who enter and leave. Whether student, member, delivery service, parent....our team knows the campus and directs all accordingly. The membership sales office continues to be 'the place' to drop in and chat...share a joke, refer a member, visit with staff, and serves as a connecting place for many of our members on their way to and from the fitness floors. There is always an open door, friendly conversation and high energy in this area. We continue to be the point of contact for the CSM campus as we are operational 364 days of the year. We typically are the first on campus at 4:45 a.m. and the last to leave at 10:30 p.m., with the exception of Public Safety/Facilities staff members.

Below are just a few fun facts and notable accomplishments of the SMAC team along with some of each department's specific accomplishments:

Fun Facts:

- 318,557 Member check-ins/uses averaging 875 visits per day which is a 5% increase over the previous year
- On average, over 65% of new members are referred by existing members
- Over 4,500 CSM Kinesiology student check-ins per month
- Wash, launder, and fold over 1,800 towels per day
- SMAC gives a 'onsie' with our logo to every newborn (members and staff)
- SMAC logo wear can be seen all over San Mateo County as our members continue to wear/use our: T-shirts, caps, re-usable shopping bags, backpacks, parking permits, car decals, and hoodies

SMAC employs 136 individuals of which:

- 32% are currently enrolled within the SMCCCD
- 25% have graduated from CSM
- 48% overall are active college/university students



Photo courtesy of San Mateo Athletic Club

We continue to:

- Train and supervise San Mateo Union High School District (SMUHSD) Workability participants (individuals with disabilities) in their 5th year at SMAC with basic skills to assist with the club's maintenance and to increase their self-esteem and foster independence. We have hired one individual from this program who has now completed his third year of employment.
- Host SMUHSD Disabled students - On Friday visits, we assist a group of adult-aged special needs students from the San Mateo Union High School District with practicing life skills and navigating public transportation. This includes a membership at SMAC. This is our 5th year hosting this program.
- Advertise for: Bay Area Pathways Academy, San Mateo County Community Colleges Foundation, Campus Copy and Post, Bayview Pavilion and Community, Continuing and Corporate Education on club signage and via club e-newsletters.
- Contribute to CSM scholarships (6th year in a row).
- Participate in CSM events: yoga fair, health fairs, and Connect to College.
- We are a donation location for CSM Associated Students' canned food and toy drives.
- Provide guest speakers for CSM Classes (nursing, Pilates, yoga, dance).
- Provide raffle contributions (1-3 month memberships) to numerous campus departments.

- Assist with all emergency situations for classes held within SMAC and on pool deck and in the majority of instances are the first responders.
- Maintain, repair, and replenish all equipment and supplies within SMAC.
- Provide all preventive maintenance for CSM classes held within SMAC including the adaptive studio.
- Provide all aquatic supplies (backstroke flags, class equipment).
- Provide lifeguards for all programs/classes held within pools.
- Issue all cosmetology parking permits for cosmetology patrons.
- Provide all cleaning chemicals and equipment maintenance for cosmetology laundry.



VISIT US ONLINE

www.SMCCD.edu/SanMateoAthleticClub



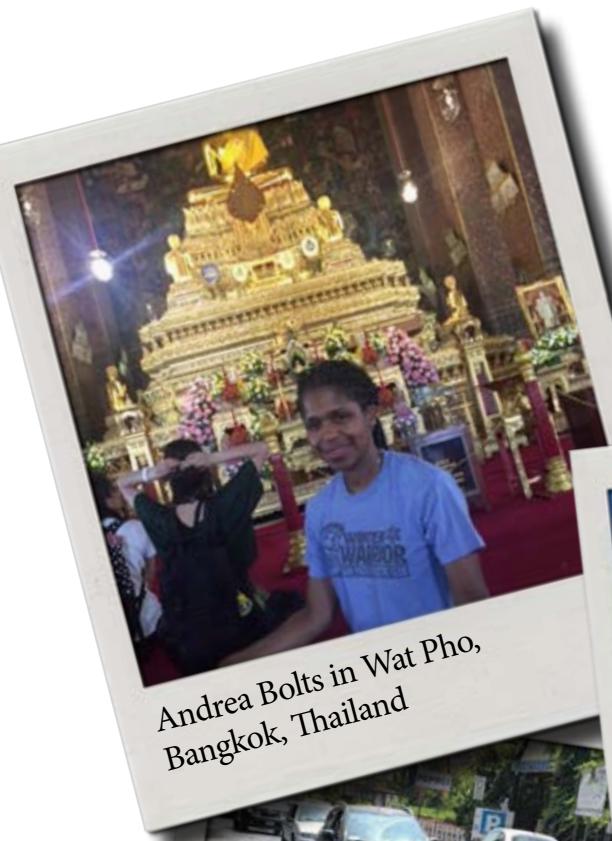
Photo courtesy of Gino De Grandis

Notable Accomplishments:

- Over 70 member success stories or 'Journeys' are posted throughout SMAC. These are stories submitted to us, unsolicited, from members who want us to know what they have accomplished as a result of their membership to SMAC. We also include these stories in every newsletter.
- SMAC members continue to take SMAC logo wear on their vacations and for the 6th year, Where in the World garnered pictures from members wearing the SMAC logo in Europe, Costa Rica, Asia and many more locations. It is truly humbling that members think of SMAC when they pack for a vacation and then again when they arrive at their destinations to take a picture and then send to us to display.
- SMAC member Mohamed Lahna earned a Bronze medal in the Paralympics held in Rio. This was the first year that Paratriathlon was an event and we are so very proud of him. SMAC members signed an Olympic flag with well wishes and this was then hung in Mohamed's hotel room in Rio to surprise and motivate him. This same flag is displayed in Mohamed's home.
- For the 3rd year, SMAC complemented the Bay Area Pathways Academy (BAPA) program by providing physical activity classes including: swimming, water polo, counselor-in-training, yoga, dance and X-fit. SMAC provided instruction and instructors for over 350 classes over the 6 weeks of camp.
- "Go for Gold" was hosted over the summer in tandem with the Olympics. Members earned points for their workouts with the goal of 'achieving' the T-shirt and entering a raffle for Fitbits. Over 500 members participated.
- With the help of 8 Olympians (Craig Beardsley, Mike Bruner, Dana Kirk, Ellen Estes, Mark Henderson, Susan Heon-Preston, Emily Silver, Mohamed Lahna) and "Dancing with the Stars" celebrity Louis van Amstel, SMAC once again raised over \$85,000.00 for cancer research for the UCSF Children's Benioff Hospitals. The CEO of "Swim Across America", Rob Butcher, also was in attendance, along with EXOS National Group Exercise Director Melissa Towey. The donations were delivered to UCSF Benioff Children's Hospital and Children's Hospital, Oakland to fund critically important and successful research to help children suffering from cancer.
- Over 1,600 members participated in the Winter Warrior Challenge, back for its 5th season, where members earn prizes related to their attendance during specified dates.
- SMAC sends an electronic newsletter every month to over 9,200 people with an average open rate of 41% (e-marketing industry average is 25.7%).
- Congratulations, James Buffmire! The Rotary Club of Foster City was very pleased to present its Employee of the Month Award for August 2016 to James.
- James was recognized for his outstanding work in maintaining the San Mateo Athletic Club facilities, for his leadership and support of students in the San Mateo County Office of Education's Workability Program at San Mateo High School who intern at SMAC, and for his genuine care for members of all ages who enjoy working out at SMAC. James was accompanied by former SMAC Courtesy Desk Manager, Rene Sendino, and was nominated for this award by SMAC and Rotary Club Member Cyndy Simms. We are all so very proud of James!

WHERE IN THE WORLD 2017

SAN MATEO ATHLETIC CLUB



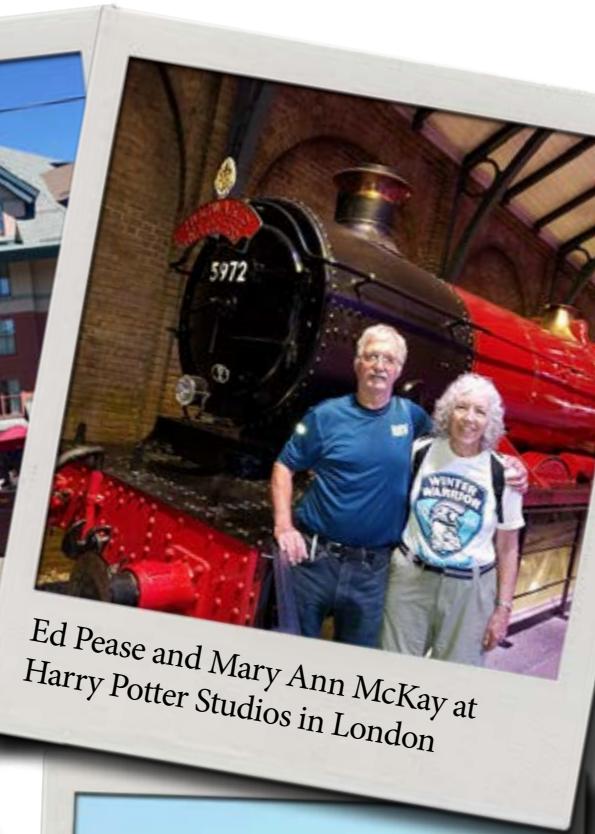
Andrea Bolts in Wat Pho,
Bangkok, Thailand



Vicki King in Pompeii, Italy



Rick Chinn in Heavenly
Village, Lake Tahoe, CA



Ed Pease and Mary Ann McKay at
Harry Potter Studios in London



Deb Atherton on a cruise ship
heading to Hawaii



Tina Marie & Larry Romo in
Puerto Vallarta, Mexico



Daniel Reguera in Kauai, HI

AQUATICS DEPARTMENT

SMAC offers a wide variety of Aquatics programs. Each and every program gives a very high level of personalized attention to all participants. Our programs have steadily gained more and more participants because we are well organized and are available and welcoming to all levels and abilities. We have an amazing team of coaches, swim instructors and lifeguards who are passionate about swimming and who constantly go above and beyond for SMAC members and the swimmers in our programs.

On November 11 – 13, the United States Masters Swimming (USMS) organization hosted their National Coaches Clinic at College of San Mateo where they used the pool at SMAC, classrooms in Building 10, the Gymnasium, and the Theatre with the entire event being catered by Pacific Dining. This was the 2nd year that USMS has run this clinic. Last year they had 23 participants; this year they reached capacity with 120 participants.

USMS brought in 10 experienced and respected presenters to the clinic and coaches from around the country got the chance to learn from the best. One notable speaker was Sheila Taormina, the only female to compete in the Olympics in 3 different sports!

Also on November 13, 150 swimmers and coaches from Pacific Masters Swimming held their Annual Convention at College of San Mateo's Theatre, Bay View Dining Room, and SMAC's Olympic Pool. In previous years, their convention was held in Walnut Creek.

The keynote speaker for the convention was Dana Vollmer, a US Olympic gold medalist in swimming. At the 2004 Summer Olympics in Athens, Greece; Dana was a member of the Gold Medal winning and record breaking US Swim Team in the 4 x 200 meter freestyle relay. During the 2012 Summer Olympics in London, England; Vollmer won 3 Gold Medals in the 4 x 100 meter medley relay, 4 x 200 meter freestyle relay, and set the world record in the 100 meter butterfly. Four years later at the 2016 Summer Olympics in Rio de Janeiro, Brazil; Dana won 3 more medals in the 4 x 100 meter medley relay, 4 x 100 meter freestyle relay, and 100 meter butterfly.



Photos courtesy of San Mateo Athletic Club.

Aquatics Accomplishments

- Virgin America continued to use our Olympic pool to train all of their pilots and flight attendants.
- We are the chosen site to host the Pacific Masters Swimming Long Course Championships in July 2016 and 2018.
- We hosted Zone 1 N. Championships (USA Swimming) for the 7th year in a row in January.
- We were the chosen site for 4 other teams/organizations to host their swim meets (pool rentals).
- We rent the pool to 19 different organizations (swim teams, high schools, scuba shops).
- This year we had 14 swimmers qualify for Pacific Swimming's Junior Olympic Championships.
- Eight of our Bulldog Swim Club athletes qualified for the 2016 Far Western Championships. This is a very high-level meet where athletes from around the country come to compete against the best swimmers in California.
- CONGRATS to all of our swimmers who competed in the Pacific Masters Swimming Long Course Championships.

Key Statistics:

- 300 kids enrolled in our Bulldog Swim Club & Water Polo programs
- 110 kids enrolled in our Fall 2016 group swim lesson session.
- 60 kids enrolled in our Winter 2017 group lesson session.
- 115 kids enrolled in our Spring 2017 group lesson session.
- Averaged 50 kids per week in our Monday – Friday summer 2017 group lesson sessions.
- Averaged 50 kids per session in our summer Sunday only group lesson sessions.
- 305 SMAC members on the San Mateo Masters swim team.

Educational Classes, Workshops, and Workforce Development

- We certified 110 people as American Red Cross Lifeguards.
- We certified 36 people in American Red Cross CPR & AED.
- We certified 12 youth in American Red Cross Babysitting Training.
- We hosted a Lifeguard Instructor course in August 2016 and had 7 of our employees complete the course. This had a huge positive impact on our revenues this year. We were able to certify more people in Lifeguarding because we had a full staff of certified instructors.
- We had SMAC member and Autism Specialist, Dr. David Traver, speak at one of our swim instructor meetings about teaching kids with special needs.
- During one of our Lifeguard In-Service meetings, three San Mateo firefighters attended, watched and gave feedback to our staff's performance of rescue drills. Although the staff were very nervous to execute their skills in front of the professionals, they received great positive feedback from the firefighters.
- We certified 10 San Mateo County physical education teachers and coaches in American Red Cross Water Safety Training.
- We offered 6 Kids Swim Clinics focused on swim team level swimmers. We attracted kids from our swim team and kids on other local teams, too.
- We offered 6 Adult Swim Clinics focused on helping our masters and lap swimmers improve their technique and fitness in the pool.

Community Outreach:

- In April we hosted the San Mateo County Special Olympics Swim Competition for the 7th year in a row. 75 athletes from around Northern California came out and had a great time.
- Our Aquatics team participated in the Summer Camp Fair at the Hillsdale Mall in March 2017.
- We rented pool space to the San Mateo Youth Foundation for their end of the school year celebration in August 2016.
- San Mateo Athletic Club had a team of 10 swimmers participate in the San Francisco Swim Across America Open Water Swim in September 2016.
- We partnered with Design Tech High School and offered American Red Cross Lifeguard certification courses for their students during their school day.
- The San Mateo and Alameda Country Fire Departments chose our pool to run their all day in water rescue training sessions for their staff.
- The San Mateo County Sheriff's department hosted their in-water training session at our pool

Fun Facts:

- Our social events for San Mateo Masters are increasing in popularity. Our Annual Soup Dinner attracted over 100 swimmers.
- The USA Women's Olympic water polo players and coaches graciously posed for a picture when the "Road to Rio" went through San Mateo. In August 2016 we hosted the USA and China Women's water polo teams for a series of practices and a scrimmage.
- We guarded the pools during one of the coldest and wettest winters on record. To celebrate we took the team to dinner at Dave and Busters.

Financial Performance:

- American Red Cross Certifications revenue exceeded budget and last year's numbers by \$11,000.
- The Bulldog Swim Club surpassed budgeted revenues this year by \$12,000.
- Swim lesson participation continues to climb. This year our revenues exceeded budget by \$10,000. We brought in \$24,000 more than last year.
- Pool rentals exceeded budget by \$14,000 and last year's numbers by \$3,500.

SWIM

ACROSS AMERICA

★ MAKING WAVES TO FIGHT CANCER ★

Swim Across America Pool Swim is a legacy event that will return to San Mateo Athletic Club annually. Last year's San Mateo Pool Swim was one of the largest pool swims in the history of Swim Across America.

In our fifth year we also set the bar high. Together, we raised **over \$86,000** to fight cancer at UCSF Benioff Children's Hospital Oakland and San Francisco. It seems like almost everybody's life has been touched by cancer somehow and that is why we are still swimming to raise money for cancer research, prevention and treatment for the fourth year in a row.

Over 150 participants swam lengths of .5, 1 or 2 miles. We also offered a Spin class, Aqua Fitness and a Dance marathon so there were plenty of options for non-swimmers to also participate.



Photos courtesy of San Mateo Athletic Club.

GROUP EXCERCISE DEPARTMENT

Group Exercise (GEX) is about coming together as a community to create a space where each member feels welcome in the room and happy to be there! When you walk out of one of our classes we want you to feel worked out, de-stressed, and accomplished. Our awesome instructors create a classroom space where everyone leaves with only good vibes to carry into the rest of the day! Our intention via everything we provide at SMAC is to **upgrade lives!**

The GEX program at SMAC is steady and strong, and we have had an infusion of new talent, formats, excitement and enthusiasm in 2016-2017. We are always striving to evaluate both trends in the industry measured against our specific membership needs, and statistics on membership attendance. This helps us to fine-tune the GEX schedule with each turning of the semester, allowing us to continue to provide the absolute best in GEX to SMAC members!

Although GEX class attendance does not have an immediate, day-to-day effect on meeting a pre-set budget, it does inform how we arrange the schedule for future budgets.

On average, there were 6,200 participants in GEX classes per month during the 2016/2017 fiscal year. As could be predicted, the higher attendance months were August -- with the matriculation of the school year, and when people return from summer vacations -- and January, which is traditionally the heaviest trafficked month in GEX.

With the exception of a single, well-attended evening yoga class, our evening classes after 7:00 pm are our lowest attended classes. Our mid-day classes also have fewer participants, with the latest of our mid-day classes scheduled at 11:30 am on weekdays.

Compared to the previous year's GEX statistics, the number of GEX participants went up markedly. Averaged over the year, attendance was 400 more members in classes monthly! Even more exciting is that the numbers were on a steady monthly climb from June 2015 to June 2016, and that trend continues from July 2016 onwards to now!

This is attributable to several factors:

- Optimized schedule.
- An increase in new instructors coming on board – fresh talent, energy, faces...
- The addition of new formats that reached out to different demographics (i.e. class selections for our older population such as **Stable and Strong** and **LaBlast** (a more gentle dance format), and hybrid classes like **Yogilates**.
- A concerted effort to reach out to members -- both listening to their needs and educating them on their current GEX options.
- Better and more accurate reporting from our cadre of instructors.



Photos courtesy of San Mateo Athletic Club.

Notable Accomplishments:

- Continued partnership with CSM Programming
 - Classroom visits to the 200 hour RYT CSM yoga training program.
 - Ongoing effort to recruit CSM-certified instructors as potential SMAC instructors.
 - Created education partnership between CSM/SMAC with IDEA Health and Fitness Association – the leading resource for fitness professionals, providing conferences, educational resources, and networking for the fitness industry. We were granted status of Discovery Program educational partners, which provided all college fitness professionals and students with the opportunity to attend the IDEA world conference at a greatly reduced rate, establishing us in the future as educational partners with this worldwide respected organization.
- Adding Stable and Strong designed for seniors
 - Stable and Strong serves our very active senior member population.
 - Previously, the only class designed for a senior population was Aqua Fitness.
 - Instructed by Sterling Sakai, a founding member of SMAC, who has certification in Senior Fitness and is a beautiful role model of being active, strong and fit at any age!
 - Attendance was spectacular.
- Open Auditions for SF Bay Area
 - EXOS wide Bay Area Audition Day held at SMAC - 8 different formats.
 - Great exposure for SMAC to Bay Area instructors – some who had never heard of SMAC.
- New educational partnerships with large, international continuing education providers, working towards making SMAC an educational hub for the Bay Area and beyond.
 - American Council on Exercise (ACE) – Industry leader in Trainer, GEX and Health and Wellness Certifications, providing CEC's recognized by all certifying bodies.
 - Keiser providing indoor cycling instruction and certifications.
 - Fitour – offering nationally recognized certifications in GEX, training, and health and wellness across the United States, particularly working with this organization to bring in-person Primary GEX Certification, which has become elusive in our industry.



EXOS Journey is a multiplatform experience that goes beyond ordinary wellness programs. By following simple steps, users make their way toward feeling better, performing better, and getting more out of life.

Education and Workshops:

The GEX department moved to a model of partnering with certificaton programs to allow them to draw from their own networks to help fill workshops and bring their expertiese.

Certifications and Workshops

- U-Jam
- La Blast
- AEA – Aquatic Certification
- POUND
- Spin
- Aqua Zumba
- Zumba
- STRONG by Zumba
- Zumba ZinJams

Master and Specialty Classes

- Aqua Fitness Boot Camp
- 108 Sun Salutations on the pool deck with live music
- Dance Party Mash-ups
- SMAC Out Cancer Yoga with Olympian
- SMAC Out Cancer La Blast Master Class
- U-Jam Master Class
- Cycle Karaoke
- Cycle Virtual Rides
- Attitude for Altitude ride
- Yogilates
- Dancing Through the Decades
- Aqua Fitness Beach Party



Photos courtesy of San Mateo Athletic Club

FITNESS DEPARTMENT

Our Fitness Team has excelled in taking new programming to the next level, engaging members in Journey Consults, as well as new ESD software. We have a talented group of personal trainers and private Pilates instructors with various backgrounds, from sports conditioning to post-rehab, who constantly make efforts to learn from each other. We have trainers who are also competitive triathletes, Strength & Conditioning coaches, Certified Athletic Trainers and a Certified Massage Therapist. They are all committed to upgrading lives in a genuine and professional atmosphere.



Photo courtesy of San Mateo Athletic Club.

Key Accomplishments:

- Successfully launched SMAC's monthly small group training program, SMAC Fit Pass. SMAC Fit Pass is a monthly small group training program (maximum of 5-7 people) that allows members to have progressive and individualized personal training, and is designed to keep individuals committed, consistent, and accountable each week. Sessions can be chosen based on members' specific goals and needs. Program sessions include Strength/Power Sessions, Core/Balance Sessions, Cardio/Weight-Loss Sessions, and Flexibility/Mind-Body Sessions
- Successfully marketed and launched SMAC's first (and ongoing) 6-week weight loss challenge, ResoLOSEtion.
- Implemented Journey software for all new members.
- Successfully implemented ESD software and program.
- Hired seven (7) new Personal Trainers who all gained new clients within their first 30 days.
- Seven (7) Personal Trainers volunteered for the first Swim Across America 5K event which had 16 participants.
- Member Appreciation Month -Special activities every day celebrating our 6th anniversary including postural assessments, TRX class, body fat and blood pressure.
- Increased our Pilates team to 12 instructors to accommodate an increase in demonstrations which resulted in a revenue increase of 25% over previous year.



Educational Classes/Workshops/Workforce Development:

- Implemented monthly sales trainings and in-house practical workshops for fitness staff and trainers.
- Created social activities/events outside of campus to promote team building and bonding.
- All SMAC trainers completed XFS certification provided by EXOS to enhance their knowledge.
- Parkinson's Regeneration Training Workshop was held on 11/18/16 and was led by Karl Sterling. We learned about the various stages of the disease and how programming specific concepts for exercise can help slow down the degeneration process. Parkinson's Disease (PD) can be debilitating and there is plenty of compelling data to show that exercise is one of the best ways of managing PD symptoms. Studies show that regular exercise can improve gait, grip, balance, stability, strength, and motor control in the client with PD. In addition, this improvement in movement and mobility helps to reduce falls, injuries, and various other complications of the disease.

Photos courtesy of San Mateo Athletic Club.

Community Outreach:

- Participated in CSM health fairs and off-site job fairs. Increased participation by average of 50% from last year.
- Presented at a local High School Career Day on "Personal Training as a Career".
- Select Pilates instructors participated in the Pilates Day Event held by CSM in Building 8, teaching several demo classes for prospective members and students.

SAN MATEO ATHLETIC CLUB AND AQUATIC CENTER FINANCIAL SUMMARY



Photo courtesy of San Mateo Athletic Club.

Operating as an enterprise through Auxiliary Services and Enterprise Operations, the San Mateo Athletic Club (SMAC) is a self-sustaining, community-centered, fee-based operation offering numerous service options to the San Mateo campus community and the community-at-large. The concept of a multi-use space enables the District to maximize the use of facility resources and consequently create a revenue stream that will supplement the facility budgetary needs, including equipment maintenance and replacement, and has gained the attention of other community colleges up and down the State. SMAC provides our community broader access to the College of San Mateo (CSM) and demonstrates in a very real way that the District is a community-based organization serving a wide spectrum of educational and training opportunities.

Approaching the conclusion of a full seven years of service to the District and to San Mateo community, the financial performance of SMAC continues to be remarkable. Net Operating Income, prior to district and college support, was \$1,303,008 compared to \$1,214,473 last year, representing a 7.3% increase. Despite being a mature health club, SMAC continues to exceed budget expectations and has increased gross and net revenue every year. SMAC membership is currently just over 5,800 members and month over month, we add more members than we lose, ending the year with a 225 net member gain.

The revenue from the operations at SMAC pays for all of the direct expenses of the club and all expenses incurred by the CSM academic program including shared supplies, cleaning equipment maintenance and repair, as well as all facilities related costs. In addition to all of these expenses being allocated to

SMAC, with the support and approval of the District Board of Trustees, an additional \$200,000 of this year's operating profit was transferred to College of San Mateo to be used by the college president for programs important to the college. In addition to this transfer of our net surplus, the Board of Trustees approved the transfer of \$100,000 to Cañada College to be used by the college president for programs important to the college. Both presidents have indicated that this funding will be used to support first year initiatives and the Promise programs.

The building of the financial reserve is critical as SMAC not only funds the maintenance and repair of every piece of equipment in the facility, but is also funding the replacement of equipment with an average lifecycle of between 5 and 7 years. We continue to replace equipment used by the colleges and the club as it ages and we touch every piece of equipment at least twice each month to ensure operating efficiency. Addressing these equipment needs benefits both the academic and community program and was funded completely by the SMAC reserve.

As a premier facility, SMAC strives to be a place to teach, learn and develop habits, impart knowledge, skills and abilities that will benefit all who step through its doors. Through its partnership with EXOS, SMAC has proven to be a successful endeavor for the District. EXOS has brought a wealth of industry experience and specialized club management expertise combined with a firm belief in health and fitness as a lifestyle. As a result of this partnership, SMAC is now known to be among the top fitness clubs in San Mateo County and the Bay Area, working to improve people's daily lives.



San Mateo Athletic Club and Aquatic Center	2016-17	2015-16	\$ Change	%Change
Operating Revenues				
Registration & Membership	\$3,453,045	\$3,278,460	\$174,585	5.30%
Personal Training	382,964	365,862	17,102	4.70%
Aquatics	895,415	826,744	68,671	8.30%
Parking	77,823	81,932	-4,108	-5.00%
Group Exercise	219,012	115,560	103,452	89.50%
Retail	16,915	18,508	-1,593	-8.60%
Other Income	24,746	24,096	650	2.70%
Total Operating Revenue	\$5,069,920	\$4,711,162	\$358,758	7.60%
Operating Expenses **	\$3,766,912	\$3,496,689	\$270,223	7.70%
Net Operating Income/(Loss), prior to District and College Support	\$1,303,008	\$1,214,473	\$88,535	7.30%
District Support				
District Support Income				
Interest Income on Investments	53,926	18,044	35,883	198.90%
Operating Expenses charge back to District	84,064	88,891	-4,827	-5.40%
Other Income	380	-	380	0.00%
Total District Support Income	138,371	106,935	31,436	29.40%
District Support Expense				
Admin Salaries & Benefits ***	357,007	272,354	84,652	31.10%
Equipment Use Fee & Depreciation	54,099	31,919	22,180	69.50%
Miscellaneous Expenses	21,447	11,650	9,797	84.10%
Pool Maintenance	52,619	31,507	21,112	67.00%
Total District Support Expense	485,172	347,430	137,742	39.60%
Net Income/(Loss) after District Support, prior to College Support	\$956,207	\$973,977	(\$17,770)	-1.80%
College Support Expense				
Operating Expense charge back waived	\$84,064	\$88,511	(\$4,447)	-5.00%
Donation to College	\$300,000	\$230,000	\$70,000	30.40%
Total College Support Expense	\$384,064	\$318,511	\$65,553	20.60%
Net Income/(Loss) after District & College Support	\$572,143	\$655,466	(\$83,323)	-12.70%

**Operating expenses include salaries and benefits paid by Medifit.

***District Support Expense consists of SMCCCD Administrative salaries and benefits.



SMCCD BOOKSTORE STUDENT EMPLOYEE MODEL BIOGRAPHIES



Gabriella (Gabby) Ceja - Gabby is a graduate of Skyline College (Class of 2016) and is currently a student at San Francisco State University majoring in History. When Gabby is not working or studying, she enjoys reading and watching her favorite soccer team, Manchester United.

Rodrigo Cuellar - Rodrigo is concurrent student at Skyline College. He is a second generation Skyline College student.

Kassandra (Kassy) Deras - Kassy is currently attending Skyline College majoring in criminal justice with a goal of going to the police academy and transferring to a 4 year university. In her spare time, she likes to go dancing.

Teresa Gulli - Teresa graduated from Skyline College in May 2017. She is currently attending Sonoma State University.

Giyha Margate - Giyha is a third generation Skyline College student like her older siblings. She will be graduating from the Cosmetology program in December 2017.

Andrea Mendez - Andrea is a Spanish and Journalism major at Skyline College. She will be graduating from Skyline College in May 2017 and hopes to transfer to USC or NYU.

Hansel Relosimon - Hansel is in his second year at Skyline College. He hopes to follow in his older brothers' footsteps and graduate from Skyline College.

Harold Relosimon - Harold holds a Bachelor's of Science in Kinesiology from SFSU. He is finishing up his prerequisites at Skyline College so he can attend Physical Therapy school

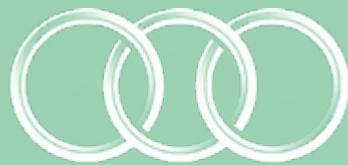
Kyla Young - Kyla is a concurrent student at Skyline College. She is a second generation Skyline College student.

And introducing...

Marcella - Marcella is a member of the Skyline College community. Her favorite thing to do is dance and play games. She loves all types of animals, especially her bunny and two dogs, and hopes to be a vet one day. She can be found on campus visiting her grandma or her aunt.







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