March 20, 2008

08-065 **AUTHORIZE AN EXEMPTION TO INCREASE THE CONTRACT AMOUNT FOR ADVERTISING FOR MEDIA SERVICES TO RENEGADE RADIO AND MAVERICK MEDIA AND RATIFY EXPENDITURES FOR FISCAL YEAR 2006-07**

PREPARED BY: Sandy Wanner, Buyer/Contract Specialist

FINANCIAL RESPONSIBILITY: Kristin Watkins, Director, Institutional Advancement

APPROVED BY: Cherie Chevalier, Associate Vice President
Wing Kit-Chung, Vice President, Administrative Services
Randy McEwen, District Vice President
Dr. Preston Pulliams, District President

REPORT: The Marketing and Communications Department entered into a professional Services contract, July 1, 2006, with Renegade Radio and Maverick Media (the Vendor) to negotiate and buy electronic and print media services for the College. The original contract award in Board Resolution 06-113 was based on a competitive selection through an RFP process. It was a three (3) year contract for $150,000 per year with the option to renew annually for two (2) additional years, not to exceed a total of five (5) years (a total of $750,000 for the five (5) year period).

However, the expenditures to date (1.5 yrs.) are $585,888.00 and $394,000 for just fiscal year 2006-07. As a college wide effort to improve enrollment and retention, funding of marketing efforts for the College were increased through both one-time available dollars and permanent augmentation of the marketing budget in the past fiscal year and the current biennium respectively. In addition, as a result of maintaining a district approach to advertising, the advertising expenditures exceeded the original spending estimate due to the incorporation of college advertising and advertising requests used to be funded by other college departments separately, such as the CAMP campaign on

Univision and radio promotions for the Community Education programs.

The Vendor also acts as a broker for PCC in many other aspects of marketing. As such, more than 90% of the payment to the Vendor is passed through to the other vendors to the target audiences, i.e. radio, TV and newspapers. The Vendor does not individually retain all funds expended and the funds are paid to multiple vendors.

RECOMMENDATION: That the Board of Directors approve the ratification of the expenditures for fiscal year 2006-07 totaled $394,000 and the modification of the existing contract expenditures to the Vendor for the remaining four (4) fiscal years (2007-08 to 2010-2011). The expenditures for the four (4) fiscal years of the contract will be not-to-exceed $450,000 annually (a total of $2,194,000 million for the five (5) year period). The funds will be covered by the General Fund and/or CEU/CED Fund.