

**Joint Legislative Committee on Performance
Evaluation and Expenditure Review (PEER)**

Report to
the Mississippi Legislature



A Limited Management Review of the Greenville Higher Education Center

The Greenville Higher Education Center is a cooperative development of Mississippi Valley State University, Delta State University, Mississippi Delta Community College, and the Greenville area's business, industry, economic development, and government entities. However, no single institution or individual governs the center and its maintenance needs are not being adequately addressed.

The center receives a general fund appropriation through the Board of Trustees of Institutions of Higher Learning and Delta State University and revenues generated from the center, as well as in-kind contributions from the three partner institutions. However, the center and the three partner schools do not have a Memorandum of Understanding or an operating agreement regarding the maintenance and operation of the center.

As a result of this fragmented ownership, funding, and governance and the absence of a formal written agreement between the affected parties, confusion exists over responsibility for the maintenance and upkeep of the physical facility. Although the center is state-owned property, no department or institution has claimed ownership of the building. Further, no entity is responsible for the development of a capital facility budget to plan for the center's long-term physical facility and maintenance needs. The center is faced with numerous short-term and long-term maintenance and repair needs. Significant needs, such as repairs of the center's air conditioning units, have gone unmet.

Other higher education centers in Mississippi (and in surrounding states) meet their maintenance needs by assigning primary responsibility for operation and maintenance of the center to one entity and clearly delineating responsibilities through a formal, written agreement. Such agreements, the major points of which are included in the report, are options to consider for establishing a Memorandum of Understanding between the Greenville Higher Education Center and its three partner schools.

PEER: The Mississippi Legislature's Oversight Agency

The Mississippi Legislature created the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) by statute in 1973. A joint committee, the PEER Committee is composed of seven members of the House of Representatives appointed by the Speaker and seven members of the Senate appointed by the Lieutenant Governor. Appointments are made for four-year terms with one Senator and one Representative appointed from each of the U. S. Congressional Districts. Committee officers are elected by the membership with officers alternating annually between the two houses. All Committee actions by statute require a majority vote of four Representatives and four Senators voting in the affirmative.

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The Committee assigns top priority to written requests from individual legislators and legislative committees. The Committee also considers PEER staff proposals and written requests from state officials and others.

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The Mississippi Legislature

Joint Committee on Performance Evaluation and Expenditure Review

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December 20, 2006

Honorable Haley Barbour, Governor
Honorable Amy Tuck, Lieutenant Governor
Honorable Billy McCoy, Speaker of the House
Members of the Mississippi State Legislature

On December 20, 2006, the PEER Committee authorized release of the report entitled **A Limited Review of the Greenville Higher Education Center.**

A handwritten signature in black ink, appearing to read "R. White".

Senator Richard White, Chair

This report does not recommend increased funding or additional staff.

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A Limited Management Review of the Greenville Higher Education Center

Executive Summary

Introduction

The Greenville Higher Education Center is a cooperative development of Mississippi Valley State University, Delta State University, Mississippi Delta Community College and the Greenville area's business, industry, economic development and government entities. The Greenville Higher Education Center officially opened its doors in January 2001.

The center's mission is to:

- act as a higher education center for lifelong learning by providing undergraduate and graduate academic courses, continuing education, and professional development programs and workshops;
- serve as a resource and assistance center for community and economic development;
- be a research and development, service, and public relations sector of the three partner educational institutions; and,
- provide computer technology resources, satellite learning facilities, and available space for public use.

This review was prompted by a legislator's concern over the maintenance and general upkeep of the Greenville Higher Education Center's facility.

Conclusions

Due to confusion over responsibility and the lack of a formal written memorandum of understanding specifying each partner institution's responsibilities, maintenance needs of the Greenville Higher Education Center are not being adequately addressed.

No single institution or individual governs the Greenville Higher Education Center. The center receives a general fund appropriation through the Board of Trustees of Institutions of Higher Learning and Delta State University and revenues generated from the center, as well as in-kind contributions from the three partner institutions. The center and the three partner schools do not have a Memorandum of Understanding or an operating agreement regarding the maintenance and operation of the center.

The building was constructed on property conveyed to the state for the use and benefit of the Greenville Higher Education Center, which makes the center state-owned property held on the inventory of the Department of Finance and Administration. However, the Department of Finance and Administration's staff does not believe that it is responsible for the building, because it was constructed for educational purposes.

As a result of this fragmented ownership, funding, and governance and the absence of a formal written agreement between the affected parties, there is confusion over responsibility for the maintenance and upkeep of the physical facility. Although the center is state-owned property, no department or institution has claimed ownership of the building.

Further, no entity is responsible for the development of a capital facility budget to plan for the center's long-term physical facility and maintenance needs. The center is faced with numerous short-term and long-term maintenance and repair needs. Significant needs, such as repairs of the center's air conditioning units, have gone unmet.

Other higher education centers in Mississippi (and in surrounding states) meet their maintenance needs by assigning primary responsibility for operation and maintenance of the center to one entity and clearly delineating responsibilities through a formal, written agreement. Such agreements, the major points of which are included in the report, are options to consider for establishing a Memorandum of Understanding between the Greenville Higher Education Center and its three partner schools.

Recommendations

1. To address the problems associated with the Greenville Higher Education Center's property being held on the inventory of the Department of Finance and Administration, thus complicating the issue of care and custody of the center's building and grounds, responsibility for the property should be clearly vested with one of the three collaborating institutions, as should responsibility for fiscal management of any appropriated funds.

At their January 2007 meetings, the three partner institutions should produce a clear proposal, approved by the Board of Trustees of Institutions of Higher Learning and the Board of Trustees of Mississippi Delta Community College, seeking either the conveyance or leasing of the Greenville Higher Education Center's property and grounds from the Department of Finance and Administration to one of the two collaborating state institutions of higher learning or asking the Legislature to consider the conveyance or leasing of all of the center's property to Mississippi Delta Community College. The parties involved should submit the resulting proposal to the Department of Finance and Administration and the Public Property committees of the House and Senate at the beginning of the 2007 legislative session, along with a copy of this report and recommendations for action, if needed.

2. In order to eliminate confusion over responsibility and planning for operation and maintenance of the Greenville Higher Education Center, the three partner institutions (Delta State University, Mississippi Delta Community College, and Mississippi Valley State University) should develop a detailed Memorandum of Understanding specifying each partner institution's responsibilities in the areas of finance, operations, maintenance, and staffing. The partner institutions should make a draft of the Memorandum of Understanding available for public inspection and comment by April 30, 2007, and determine a projected date for final adoption.

For the purpose of allowing the Legislature to monitor progress in resolving this issue, the draft memorandum should be submitted to the Universities and Colleges committees of the House and Senate, along with a copy of this report. Copies should also be provided to the Board of Trustees of

Institutions of Higher Learning and the Board of Trustees of Mississippi Delta Community College for comment or action. The partnering institutions should receive input from the House and Senate University and Colleges committees, the Board of Trustees of Institutions of Higher Learning, and the Board of Trustees of Mississippi Delta Community College prior to finalizing the Memorandum of Understanding.

For More Information or Clarification, Contact:

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A Limited Management Review of the Greenville Higher Education Center

Introduction

Authority

In response to a legislative inquiry, the PEER Committee conducted a limited management review of the Greenville Higher Education Center. PEER conducted the review pursuant to the authority granted by MISS. CODE ANN. Section 5-3-51 et seq. (1972).

Scope and Purpose

This review was prompted by a legislator's concern over the maintenance and general upkeep of the Greenville Higher Education Center facility. The legislator requested a review of the center's maintenance and operating agreement.

Method

In conducting this review, PEER:

- reviewed relevant laws and meeting minutes of the center's Advisory Committee;
- interviewed the center's director and representatives of the three partner educational institutions (Delta State University, Mississippi Delta Community College, and Mississippi Valley State University); staff of other higher education centers in Alabama, Iowa, Louisiana, and Mississippi; staff at the Department of Finance and Administration's Bureau of Building; and Delta State University's financial staff; and,
- reviewed the warranty deed conveying the land on which the center was built to the State of Mississippi, the center's financial records for Fiscal Year 2006, policies and procedures, capital facility

requests, security contract, and land lease agreement.

Background

Creation and Purpose of the Center

During the 1997 Regular Session, the Mississippi Legislature passed House Bill 1843 authorizing the issuance of general obligation bonds not to exceed \$11 million for the purpose of the acquisition, construction, equipping, and furnishing of the Greenville Higher Education Center. Issuance of the bonds was contingent on local business, industry, economic development, and government entities providing \$2.2 million in matching funds. With Greenville being designated as an empowerment zone by the United States government, H. B. 1843 was meant to assist the area in fulfilling its responsibilities and objectives as an empowerment zone.

An *empowerment zone* is a community revitalization strategy program established in 1993 under the Federal Omnibus Budget Reconciliation Act to empower people and communities across the United States. This program encourages people to work together to develop a strategic plan to create jobs and opportunities in the nation's most impoverished urban and rural areas. For an area to receive the designation of empowerment zone, four eligibility criteria must be met. The four criteria focus on the nominated area's population, distress (if one of pervasive poverty, unemployment, and general distress); size (square miles); and poverty rate.

By virtue of H. B. 1843 (1997 Regular Session), the center is a cooperative development of Mississippi Valley State University, Delta State University, Mississippi Delta Community College, and the Greenville area's business, industry, economic development, and government entities. These institutions may offer courses and programs at the center. The center's mission is to:

- act as a higher education center for lifelong learning by providing undergraduate and graduate academic courses, continuing education, and professional development programs and workshops;
- serve as a resource and assistance center for community and economic development;

- be a research and development, service, and public relations sector of the three partner educational institutions; and,
- provide computer technology resources, satellite learning facilities, and available space for public use.

H. B. 1843 (1997 Regular Session) creates a special fund within the State Treasury--the 1997 Greenville Higher Education Center Fund--to be separate and apart from the general funds of the state. Any investment earnings of the fund amount shall be deposited into such fund with expenditure of monies deposited into the fund under the direction of the Department of Finance and Administration. Monies in this fund are to be disbursed for costs dealing specifically with the acquisition, construction, equipping, and furnishing of the Greenville Higher Education Center.

Construction of the Center

Construction on the center began in 1999 on forty acres conveyed and warranted for \$114,418 to the "State of Mississippi, for the use and benefit of the Greenville Higher Education Center." In addition, because the asking price for the property exceeded the average of the two appraisals of the property obtained by the Bureau of Building (i.e., exceeded the maximum amount that the state could pay for the property), a private donor made up the difference between the asking price of the property and the appraised value as determined by the Bureau of Building. The center is owned by the state of Mississippi.

The center was erected at a cost of slightly over \$13.3 million. Its initial funding sources included:

- general obligation bonds - \$10,995,099;
- City of Greenville - \$1,500,000;
- Washington County - \$700,000;
- BellSouth - \$5,000;
- Delta State University - \$153,877; and,
- Department of Finance and Administration discretionary bond funds - \$124.

The Greenville Higher Education Center officially opened its doors in January 2001.

The center has 88,000 square feet with three floors. The facility contains seventeen classrooms, a library, one large classroom, two distance learning rooms, two media seminar rooms, one large multi-purpose room, a student lounge, five computer labs, two art classrooms, a nursing lab, an anatomy and physiology lab, a chemistry lab, a physics lab, two biology labs, and several faculty and staff offices. The center's policies and procedures manual indicates that most classrooms are equipped to accommodate thirty students; however, center officials state that the classrooms are equipped to accommodate thirty-five students, with one classroom equipped to accommodate seventy-five students.

Each institution has staff located in the center, with a designated office suite for each. According to the center's policies and procedures manual, six classrooms and one computer lab for daytime and evening classes are allocated to each institution per semester. However, center officials state that classrooms are now allocated based upon need.

The Center's Revenues and Expenditures

The Center's Budgetary Process and the FY 2007 Budget

Each year, the center's director forwards a proposed budget to the Greenville Higher Education Center Advisory Committee (i.e., the three partner-school chief academic officers¹ or their designees). The chief academic officers review this information with each institution's President and chief financial officer for revisions and approval. If differences of opinion occur, discussions are continued until consensus is reached.

Once the three partner schools approve the budget, they forward it to the fiscal agent (Delta State University) to be entered into its system. If the center's approved budget is greater than the combination of the legislative appropriation and estimated center-generated revenue, the difference is assessed to each institution based on credit hour production.

The FY 2007 budget of the Greenville Higher Education Center is \$780,818. The budget consists of \$548,492 appropriated from the Legislature, an estimated \$221,978 generated by the Greenville Higher Education Center, and

¹ The *Chief Academic Officer* of a university or community college is the senior academic administrative officer of that institution.

\$10,348 for merit raises for employees of Greenville Higher Education Center from Delta State University.

The Center's FY 2006 Expenditures

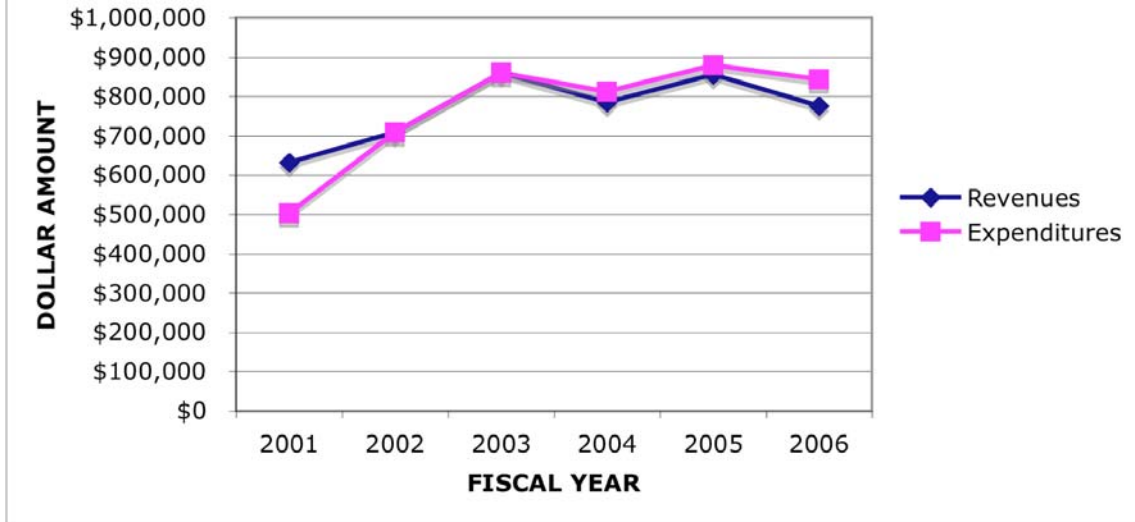
The center's major expenditures include personnel costs, utilities, custodial services, and security services. The center's total expenditures for Fiscal Year 2006 were \$844,189, broken down as follows:

- Personnel cost - \$358,789;
- Utilities - \$204,260;
- Custodial services - \$104,087;
- Security services - \$37,626; and,
- Miscellaneous (telephone services, garbage disposal, rental and maintenance contracts of office equipment, and office supplies) - \$139,427.

Revenues for fiscal years 2002 and 2003 either equaled or slightly exceeded the center's expenditures. The center's expenditures exceeded its revenues for fiscal years 2004 through 2006, with the difference coming from the center's reserve funds. (The reserve funds occurred as a result of Fiscal Year 2001's revenues exceeding expenditures. The center's current reserve balance is \$17,754.) Exhibit 1, page 7, shows the center's revenues and expenditures for fiscal years 2001 through 2006.

Fiscal Year	2001	2002	2003	2004	2005	2006
Revenues	\$632,398	\$709,296	\$860,128	\$785,483	\$855,856	\$776,859
Expenditures	\$502,264	\$709,296	\$860,104	\$811,870	\$880,616	\$844,189

Exhibit 1: Greenville Higher Education Center's Revenues and Expenditures for Fiscal Years 2001 through 2006



SOURCE: Delta State University's financial staff (fiscal agent of the Greenville Higher Education Center).

Conclusions

Due to confusion over responsibility and the lack of a formal written memorandum of understanding specifying each partner institution's responsibilities, maintenance needs of the Greenville Higher Education Center are not being adequately addressed.

As a result of fragmented ownership, funding, and governance of the Greenville Higher Education Center and the absence of a formal written memorandum of understanding between the affected parties, confusion exists over responsibility for the maintenance and upkeep of the physical facility. Further, no entity is responsible for the development of a capital facility budget to plan for the center's physical facility and maintenance needs. As a result, significant maintenance needs, such as repairs of the center's air conditioning units, have gone unmet.

Ownership of the Building

Although the center is state-owned property, no department or institution has claimed ownership of the building.

According to the warranty deed for the Greenville Higher Education Center, the building was constructed on property conveyed to the State of Mississippi for the use and benefit of the Greenville Higher Education Center. This makes the center state-owned property and held on the inventory of the Department of Finance and Administration.

Historically, the individual institutions of higher learning and the board of trustees of each community and junior college have been responsible for managing and controlling capital facilities for higher education.

However, the Department of Finance and Administration's staff does not believe that it is responsible for the building, because it was constructed for educational purposes. Historically, the individual institutions of higher learning and the board of trustees of each community and junior college have been responsible for managing and controlling capital facilities for higher education, thus creating confusion as to who is responsible for the maintenance and upkeep of the Greenville Higher Education Center.

To add to the confusion, in July 2006, the Board of Trustees of Institutions of Higher Learning executed a warranty deed without apparent authority conveying right-of-way to the Mississippi Transportation Commission for land located at the Greenville Higher Education Center.

Funding of the Center

The center receives a general fund appropriation through IHL and Delta State University and revenues generated from the center, as well as in-kind contributions from the three partner institutions.

The revenue sources for the center include the legislative appropriation to the center (through the Board of Trustees of Institutions of Higher Learning and Delta State University), additional monies transferred to the center also by IHL through Delta State, and revenue generated by the center (from facility rentals and catering, institution credit hour production, non-credit course offerings and activities, parking decals, and vending sales). Also, as a means of generating income, the center has leased 18.71 acres to the Highland Plantation.

For the last five fiscal years, the center has received a \$298,492 general fund appropriation and \$250,000 in budget contingency funds.

The center initially received \$336,000 from the general fund appropriation during Fiscal Year 2001. For the last five fiscal years (FY 2003 through FY 2007), the center has received a \$298,492 general fund appropriation transferred to the center by IHL through Delta State and \$250,000 in budget contingency funds (i.e., funds used by the Legislature to supplement general funds appropriated to agencies), also transferred by IHL through Delta State. The Institutions of Higher Learning and the center's fiscal agent were unable to explain to PEER how the amount of money transferred to the center by IHL through Delta State is calculated.

The three partner institutions are assessed a fee that is based on the number of credit hours produced and students attending classes. The Greenville Higher Education Center director sends an invoice to each institution six weeks after the beginning of the semester or following the last course drop/add date. During the period of fiscal years 2001 through 2006, the partner schools' contributions for credit hour production were as follows:

- Delta State University - \$35,445;
- Mississippi Valley State University - \$91,410; and,
- Mississippi Delta Community College - \$240,778.

The center receives services from the three institutions at no cost to the center, which can be viewed as revenue. The institutions have provided these services without a written agreement, as noted on page 12. Those services are listed below, with the applicable years noted.

Delta State University:

- laundry services (2001 - 2004 only);
- labor and equipment to replace parking lot lights (2006);
- consulting on maintenance repair issues (2005 - 2006 only);
- fiscal agent services;
- human resources services;
- contracts office services;
- library services;
- technology services;
- grant processing and facilitation services (grants from local groups and associations interested in funding higher education); and,
- audio-visual equipment.

Mississippi Delta Community College:

- technology services;
- maintenance services (occasional lawn maintenance);
- library services;
- work-study assistance (2003 - 2006);
- consulting on minor carpentry project planning;
- campus police at all school-sponsored activities at the Greenville Higher Education Center campus;
- I-Can-Learn Lab and learning center equipment; and,
- computers and tables for library.

Mississippi Valley State University:

- audio-visual equipment;
- library services; and,
- extra security officer on MVSU registration nights.

Governance of the Center

No single institution or individual governs the Greenville Higher Education Center.

The director of the center reports to the presidents of Delta State University, Mississippi Delta Community College, and Mississippi Valley State University.

As noted on page 5, the center has an Advisory Committee that serves as part of its collaborative decisionmaking body. The Advisory Committee is comprised of the chief academic officers (or their designees from each institution) and the Director of the Greenville Higher Education Center. The chief academic officers are responsible for discussing issues with the presidents of their respective institutions. The Advisory Committee, along with presidents of partner institutions, makes decisions regarding the Greenville Higher Education Center's vision and policies. The Advisory Committee may also approve center issues small in scope, such as replacement of a flag. The center's director makes operating decisions based on directives from the Advisory Committee. This committee meets bi-monthly with an agenda prepared by the center's director.

The staff of the Greenville Higher Education Center consists of nine positions, including the center's director. The eight staff positions report directly to the center's director and are as follows:

- Assistant to the Director/Events Planner;
- Financial and Marketing Supervisor;
- Non-credit and Community Relations Coordinator;
- Systems Engineer;
- Maintenance Supervisor (position filled October 16, 2006);
- Facilities Technician;
- Librarian (part-time); and,
- Administrative Assistant.

The director of the center reports to the presidents of Delta State University, Mississippi Delta Community College, and Mississippi Valley State University. A selection committee comprised of a representative from each partner school and the Local Advisory Panel representative select the director of the Greenville Higher Education Center. (The Local Advisory Panel is a

community liaison for the center comprised of community leaders from the Greenville area.) The Delta State University Human Resources Department advertises the position and ensures that all equal opportunity employment requirements are met during the interview and selection process.

Each institution hires and supervises its own faculty and institutional representatives housed on the center's campus.

Normally, the maintenance needs of a building such as the Greenville Higher Education Center would be addressed in a capital facility budget. However, because no specific entity claims responsibility for this facility, no capital facility budget has been developed.

The Greenville Higher Education Center and three partner schools do not have a memorandum of understanding or an operating agreement regarding the maintenance and operation of the center. They have been operating on a verbal agreement with financial obligations detailed in the center's policies and procedures manual. When maintenance and grounds needs occur, the center's director makes the partner schools aware and seeks guidance and assistance regarding ways to pay for repairs or renovations. On numerous occasions, the maintenance staff at one of the partner schools has assessed the problem and made the repair, with that partner school purchasing the repair part.

Normally, the maintenance needs of such a building would be addressed in a capital facility budget. However, because no specific entity claims responsibility for this facility, no capital facility budget has been developed.

Problems with Maintenance at the Center

The center is faced with numerous short-term and long-term maintenance and repair needs.

In May 2005, the Greenville Higher Education Center maintenance supervisor notified the director that one of the air conditioning units was not working (i.e., it had a faulty compressor) and the second unit had a leak in the Freon line. The center did not have funds in its budget at that time to have this repaired. So the maintenance supervisor spoke with the director of the Department of Finance and Administration's Bureau of Building regarding the air conditioning problems and was told that the bureau does not fund such repairs. The maintenance supervisor worked with personnel from Delta State's physical plant and a representative from the Institutions of Higher Learning to seek resolution of the problem. This is not an adequate means of addressing repair and maintenance problems as they occur.

The Greenville Higher Education Center's repair and renovation request to the Bureau of Building (submitted June 2006) reflected the following immediate needs for Fiscal Year 2008:

- compressor repair and replacement;
- boiler pump repair; and,
- a door operator for handicap door.

These repair items have an estimated total cost of \$30,460. The compressor is necessary because the chill water unit has been down since May 2005, forcing the center to operate with one unit to cool the 88,000 square foot building. The second unit has now developed problems due to excessive use in cooling the entire facility. The boiler pump needs seals replaced due to normal wear and the automatic opener on the handicap door has a broken spring assembly. This causes the door to stay open unless it is locked (the building has only one set of automatic doors that allow handicapped access).

The center's FY 2008 repair and renovation needs will cost approximately \$30,460. The center's needs for fiscal years 2009-2012 will cost approximately \$1,047,191.

The center's needs for fiscal years 2009-2012 are listed as follows:

- vent-a-hood and fire suppression for catering kitchen range;
- safety ladder and gate from third floor to roof;
- termite treatment;
- furniture and equipment replacement;
- exterior caulking;
- convert hallway space to additional office space (academic wing second and third floors);
- painting (interior and exterior);
- parking lot repairs; and,
- convert 1,344 square feet of library area to two-room bookstore.

These physical facility needs have an estimated total cost of \$1,047,191.

On August 8, 2006, the center's director requested funding assistance from Washington County Board of Supervisors for air conditioning repair and was denied. On September

12, 2006, the center's director appeared before the Greenville City Council and requested funding for replacement of the air conditioner. The Greenville City Council awarded the Greenville Higher Education Center \$22,000 for replacement of the air conditioning unit.

Examples of Other Mississippi Higher Education Centers' Operating Agreements

Other higher education centers in Mississippi and surrounding states meet their maintenance needs by assigning primary responsibility for operation and maintenance of the center to one entity and clearly delineating responsibilities through a formal, written memorandum of understanding.

PEER reviewed the memorandum of understanding and the resolution and agreement of mutual support of three other higher education centers located in Mississippi. (See Exhibit 2, beginning on page 15.) To PEER's knowledge, these are the only three similar centers located in the state.

In each case, as executed in the Resolution and Agreement of Mutual Support and per staff of the University of Mississippi and Delta State University, the centers are owned by one of the partner institutions, which usually provide for the physical plant maintenance of the facility. One agreement detailed what each institution would be responsible for, such as campus security, custodial maintenance, ground maintenance, management of financial obligations, and contributions for financial obligations.

These agreements are options to consider when establishing a Memorandum of Understanding (MOU) between Greenville Higher Education Center and its three partner schools. (See PEER's specific recommendations regarding a Memorandum of Understanding on page 18.)

Exhibit 2: Comparative Information on Three Other Mississippi Higher Education Centers

Entity:	Coahoma County Higher Education Center
Location:	Clarksdale, Mississippi
Collaborating institutions:	Coahoma Community College and Delta State University
Purpose:	To provide educational opportunities for the community at large.
Type of operating agreement:	Memorandum of Understanding
Funding:	Coahoma Community College and Delta State University each provide half of the financial obligations for the center's operation.
How responsibilities are divided:	Coahoma Community College provides campus security, custodial service, and grounds maintenance. Delta State University provides all physical plant maintenance and manages all financial obligations related to the center's operation.
Comments:	The director of the center answers to the presidents of both institutions, oversees the daily operation of facility, and provides marketing and public relations for the center.

SOURCE: PEER analysis of Coahoma County Higher Education Center Memorandum of Understanding and interviews with staff of Coahoma Community College and Delta State University.

Exhibit 2 (continued): Comparative Information on Three Other Mississippi Higher Education Centers

Entity:	The University of Mississippi – DeSoto Center
Location:	Southaven, Mississippi
Collaborating institutions:	Northwest Mississippi Community College and the University of Mississippi
Purpose:	To meet the higher education needs of the adult and non-traditional students of north Mississippi and DeSoto County.
Type of operating agreement:	Resolution and Agreement of Mutual Support
Funding:	Mostly tuition driven, with a small appropriation from the Legislature.
How responsibilities are divided:	Northwest Mississippi Community College will be responsible for making adequate administrative office space and classrooms available to the University of Mississippi. The University of Mississippi will equip and maintain a compressed video distance learning classroom and 25-station computer classroom.
Comments:	The agreement does not make any reference to the financial and physical obligations of each institution. However, the DeSoto Center staff indicates that Northwest provides security and housekeeping services and utilizes staff to maintain the building.

SOURCE: PEER analysis of Resolution and Agreement of Mutual Support, DeSoto Center, Southaven, Mississippi, and interviews with staff of Northwest Mississippi Community College and the University of Mississippi.

Exhibit 2 (continued): Comparative Information on Three Other Mississippi Higher Education Centers

Entity:	The University of Mississippi Advanced Education Center
Location:	Tupelo, Mississippi
Collaborating institutions:	The University of Mississippi, Itawamba Community College, and Mississippi University for Women
Purpose:	To serve as a lifelong learning, professional development and resource center for community educational and economic development.
Type of operating agreement:	Resolution of Mutual Support and Agreement to Provide Local Matching Funds (for acquisition, construction and equipping of the center)
Funding:	Legislative appropriation
How responsibilities are divided:	The agreement states the three partner schools agree to develop and offer courses and programs at the center. Also, the partner schools, along with the business and educational members of the Community Development Foundation, Inc., agree to jointly develop and support the center.
Comments:	The agreement does not include information regarding the operation of the center after construction. However, staff of the University of Mississippi indicate that the university provides repair, upkeep, and maintenance needs of the center. Security is provided by Itawamba Community College.

SOURCE: PEER analysis of Resolution of Mutual Support and Agreement to Provide Local Matching Funds and interviews with staff of Itawamba Community College and the University of Mississippi.

Recommendations

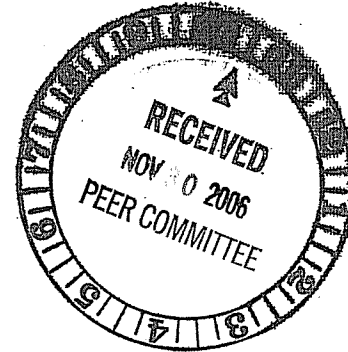
1. To address the problems associated with the Greenville Higher Education Center's property being held on the inventory of the Department of Finance and Administration, thus complicating the issue of care and custody of the center's building and grounds, responsibility for the property should be clearly vested with one of the three collaborating institutions, as should responsibility for fiscal management of any appropriated funds.

At their January 2007 meetings, the three partner institutions should produce a clear proposal, approved by the Board of Trustees of Institutions of Higher Learning and the Board of Trustees of Mississippi Delta Community College, seeking the conveyance or leasing of the Greenville Higher Education Center's property and grounds from the Department of Finance and Administration to one of the two collaborating state institutions of higher learning or asking the Legislature to consider the conveyance or leasing of all of the center's property to Mississippi Delta Community College. The parties involved should submit the resulting proposal to the Department of Finance and Administration and the Public Property committees of the House and Senate at the beginning of the 2007 legislative session, along with a copy of this report and recommendations for action, if needed.

2. In order to eliminate confusion over responsibility and planning for operation and maintenance of the Greenville Higher Education Center, the three partner institutions (Delta State University, Mississippi Delta Community College, and Mississippi Valley State University) should develop a detailed Memorandum of Understanding specifying each partner institution's responsibilities in the areas of finance, operations, maintenance, and staffing. The partner institutions should make a draft of the Memorandum of Understanding available for public inspection and comment by April 30, 2007, and determine a projected date for final adoption.

For the purpose of allowing the Legislature to monitor progress in resolving this issue, the draft memorandum should be submitted to the Universities and Colleges committees of the House and Senate, along with a copy of this report. Copies should also be provided to the Board of Trustees of Institutions of Higher Learning and the Board of Trustees of Mississippi Delta Community College for comment or action. The partnering institutions should receive input from the House and Senate University and Colleges committees, the Board of Trustees of Institutions of Higher Learning, and the Board of Trustees of Mississippi Delta Community College prior to finalizing the Memorandum of Understanding.

November 29, 2006



Dr. Max K. Arinder
Executive Director
PEER Committee
P. O. Box 1204
Jackson, MS 39215-1204

RE: PEER REPORT ON THE GREENVILLE HIGHER EDUCATION CENTER

Dear Dr. Arinder:

I concur with the recommendations contained in the draft submitted November 28, 2006.

Sincerely,

A handwritten signature in cursive script that reads "Mary Jean Lush".

Mary Jean Lush, Ed.D.
Director

mjl

- c Dr. Larry Bailey, President, Mississippi Delta Community College
- Dr. John Hilpert, President, Delta State University
- Dr. Lester Newman, President, Mississippi Valley State University

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