

INDIVIDUAL PROJECT
Part One: Initiating a Project Plan
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SCOPE

This project is designed to provide publicly-funded educational assistance programs with a viable, less expensive option for providing student aid recipients with textbooks during their vocational education or rehabilitation.

- This project will document the financial advantages of using internet-based companies that rent textbooks to college level and continuing education students rather than paying for their retail purchase.
- This project will negotiate a contractual agreement on the behalf of the sponsors with internet-based textbook providers to deliver group rates, discounts, and guarantees for the rental of college-level textbooks on a quarterly basis.
- This project will expand the sponsor voucher-based reimbursement systems to include existing internet-based companies that specialize in renting textbooks to students per college semester.
- This project will contract a preferred minimum of three internet based textbook rental companies for the voucher reimbursement programs of publicly funded educational assistance organizations (such as the Department of Vocational Rehabilitation and the Workforce Investment Act) to provide textbooks for their program participants.

CONSTRAINTS

Deadline

This project will be approximately three months in length from initial funding approval to closing.

- This deadline is based upon potential budget constraints arising from sponsor funding availability.
- This deadline may run short of or exceed the initial three month estimate dependant upon how available funds are used or how quickly contractual agreements can be signed.

Budget

The budget for this project will allow for research and negotiations between the sponsors that will be providing the funds for textbook rentals and the internet based companies that will supply the products. Other sponsor related conditions or requirements may affect the proposed project budget.

- The budget will be limited in that it will only allow for research and negotiations with the intent of contracting a preferred minimum of three internet based providers within an approximate three month time frame.

- This project may involve travel and lodging for face-to-face negotiations or for signing contracts. These costs may be paid for up front or reimbursed upon presentation of receipts.
- The budget is the least flexible constraint, as the sponsors (i.e. the publicly funded organizations) have obligations to their program participants and their educational needs, thus they may not have additional funds to extend to the project plan or for further negotiations.

Quality Specifications

The internet based providers will be chosen based upon the competitiveness of their prices, their product diversity and availability, prior distribution performance, shipping options, and customer satisfaction ratings. Preference will be given to those companies who have the lowest prices and best performance that are willing to accept the existing voucher reimbursement system of the sponsors.

- Participants in this project must be willing to submit to an annual auditing of their accounting ledgers as they apply to this project's rental agreements.
- Individual companies may be evaluated on a yearly basis for price and performance and may be dropped from the program at the auditing authority's discretion. Auditors may implement performance improvement plans as a probationary measure to those companies that fail these evaluations.
- Internet based companies that contract with this project must meet established customer privacy and internet security demands.
- Internet based companies must be willing to guarantee the availability and delivery of required textbooks within a negotiable time frame from the order date.

STAKEHOLDERS

Funding Agencies (DVR, WIA, etc.)

The funding agencies serve as the sponsors of this project. They may be initially motivated by the cost saving benefits provided by its implementation. The funding agency will be providing personnel or funds for the negotiations with internet based textbook providers.

The funding agency provides tuition aid and financial assistance for the purchase of textbooks and other student supplies. Their goal is to enhance the employability and skills of workers who have been laid off or are unemployed in order to make them more competitive in the job market. They care about providing the most assistance they can to as many students as possible with their limited funding. As agents who disburse taxpayer derived funds, the sponsors are also motivated by the need to manage those funds in a responsible and ethical manner.

Rather than creating a reimbursement agreement with numerous colleges, universities and trade schools across the country, the funding agencies will be able to streamline their reimbursement system by focusing their voucher payment programs on a limited number of specialized textbook rental companies. By purchasing "bulk" rental blocks, this project creates the possibility of negotiating lower rental prices than those that might be available to individuals.

Students

The students are customers of this project. They receive funding for tuition, school supplies, and books from various public agencies. Each of these agencies has limited funding, thus, in saving money by renting rather than purchasing books, the funding agencies will be able to provide more resources to a greater number of students. The students' goal is to enhance their employability by retraining to become more competitive in the job market. They are motivated by their need for employment or a better life style for themselves and their families.

If a student wishes to purchase the book after the semester has ended, the leasing amount that has been paid by the funding agency will be removed from the retail price. Further discounts or reductions in saleable book prices after their use may be possible for program participants depending upon negotiated terms with the individual internet based companies.

Taxpayers

The taxpayers are the silent sponsors of this project. While the funding agencies are responsible for the disbursement of funds, these funds are derived from taxes paid by individuals and businesses. By paying a lower amount to rent books, rather than purchasing them, less taxpayer funds will be required per individual. The available taxpayer funds can therefore benefit more program participants and any excess funds can be directed into other programs. By renting books in bulk quantities funding agencies can negotiate lower prices, thus saving more taxpayer dollars.

While the taxpayers do not have any direct authority or input into this project, it is every taxpayer's goal to see that the money they provide through taxes to the federal and local governments is wisely spent and accounted for. The taxpayer's motivation is to keep more of their hard earned money for themselves.

Negotiators

The negotiators serve as the project managers of the program. Assigned by the sponsors, they will be the focal point of the project and will communicate between the interested parties and stakeholders. They will be empowered to negotiate with individual internet based providers and their goal is to contract the best possible rental prices and delivery fees. They will represent the sponsors' interests and act within the authority that was invested within them to negotiate on the sponsors' behalf. As a taxpayer, the negotiator may be motivated by ensuring that public funds are wisely invested, or they may be motivated by their financial gain and recognition. Working with the sponsors, the negotiators will lead the planning, execution, and closing of the project and will monitor and maintain the schedule deadline, budget, and quality specifications.

Internet based textbook rental companies

These companies are the suppliers and vendors of the project who will be responsible for supplying the actual products when it is implemented. They are beneficiaries of the sponsors' business and will use the textbook vouchers for monetary reimbursement. Their goals and motivations may include growing their business market share and increasing their profitability.

PROGRAM RISK ANALYSIS

The most significant risk to the inception of this project is funding availability from the sponsor(s). Due to other obligations, these publicly funded organizations may not be able to commit sufficient funds for negotiations as those funds are meant to be allocated for the educational needs of their participants.

- This risk can be mitigated by negotiating with the internet based groups on behalf of multiple sponsors at a single time.
- Collective bargaining would effectively reduce the monetary investment each individual group would have to commit to the project.
- Collective bargaining can also serve to establish a uniform rental policy within a number of different programs and organizations, thus minimizing the need for different forms and policies.
- The power of collective bargaining could also allow for the possibility of negotiating better rental prices and shipping fees based upon a larger groups' purchasing power.

One of the goals of this project is to have a minimum of three internet based providers who will accept the voucher based reimbursement system most publicly funded organizations employ in the purchasing of textbooks. A major risk to this project would be that negotiations could not contract three companies who are willing to accept voucher reimbursement.

- To mitigate this problem, the funding agencies could offer to create an independent "escrow" account for disbursement of funds set at negotiated release intervals. Accepting sponsor reimbursement vouchers will allow the vendor to use this account to receive their funds. This independent account would help to alleviate any apprehension or doubts that the provider might have about the voucher system.
- In lieu of the "escrow" account, sponsors may offer the option to purchase "blocks" of textbooks in advance from the internet based companies for the next semester as predicted by their current student participation levels and needs. Students or the sponsor would use the vouchers to access the pre-paid textbook rentals. Any textbook rentals from the block purchase that are not used by the sponsors' program participants may be rolled over into the following semester. This revolving account will ensure timely payment to the providers and facilitate an expedited delivery of the textbooks to the students.
- This problem could be further mitigated by examining the payment options of the existing internet based companies and identifying in advance which of them would be most likely to accept this type of reimbursement system.

Internet based companies have a higher susceptibility to fraudulent practices than traditional businesses, both on the part of the buyer and the seller.

- This risk can be mitigated by a thorough background check of any company that will participate in this plan. Participation in this program may be conditional upon satisfactorily passing that background check.

- Participation in this program may be conditional upon initial or annual on-site evaluations of the individual companies' facilities.
- As per the quality specifications, internet based companies that contract with this program must meet established customer privacy and security demands and must be willing to submit to an annual auditing of their accounting books as they apply to this program. This will help to minimize attempts of fraud.
- Each vendor will be provided with a unique identification number and access information to the voucher reimbursement system. This will make attempts to fraudulently bill the sponsor organizations easier to identify and prosecute.