



CITY COLLEGES of CHICAGO

**Olive-Harvey**

Office of the President

Education that Works

May 11, 2015

Donna B. Varner  
Executive Administrator  
Material Handling Institute  
8720 Red Oak Boulevard, Suite 201  
Charlotte, NC 28217

Dear Ms. Varner:

On behalf of the City Colleges of Chicago (CCC), I am pleased to submit the attached proposal for in-kind equipment donations to support a working logistics training laboratory at Olive-Harvey College, one of the seven City Colleges of Chicago.

To ensure Illinoisans are prepared for careers in growing fields and are able to seize the thousands of new job openings over the next decade, Mayor Rahm Emanuel and the Chancellor of City Colleges of Chicago, Cheryl Hyman, launched the College to Careers (C2C) program. The C2C program forges partnerships between City Colleges and industry leaders to better align City Colleges' curricula with the demand in growing fields. These partnerships provide City Colleges' students access to real-world experience via teacher-practitioners, internships and state-of-the-art facilities. Olive-Harvey College has been designated as the exclusive location to deliver classroom and lab instruction for the Transportation, Distribution, and Logistics (TDL) programs. We are currently constructing a \$45 million TDL Center at Olive-Harvey College, which will provide our students with hands-on training in warehousing and logistics management. This new TDL center will allow our students to enter the workforce, enhance their skills, and earn a credential valued and validated through employment within the local, regional, and national job markets.

Olive-Harvey College requests a series of equipment to support practical and hands-on TDL program that will educate and provide training for students in areas such as warehousing, logistics, and supply chain management. With a joint commitment from the State of Illinois and City Colleges of Chicago of over \$45 million, MHI's in-kind equipment donations will allow us to offer 90 students per semester the hands-on experience to complete the Central Distribution Center Course and the Working in Warehousing course.

I would be happy provide more detail and answer any questions about our unique TDL training program and facilities. I thank you in advance for your support.

Sincerely,



Angelia Millender  
President, Olive-Harvey College

## **INTRODUCTION**

Olive-Harvey College (OHC), one of the seven City Colleges of Chicago, has been serving residents of the Southside of Chicago for more than 60 years. Olive-Harvey College provides affordable education and training to its students and offers Basic Certificates, Advanced Certificates and several Associate Degrees options to prepare students to transfer to bachelor's degree programs in TDL or transition directly into the workforce with a high-level of skill acquisition. Admission to Olive-Harvey College is noncompetitive and application is by rolling admission. Olive-Harvey College is committed to achieving its performance metrics aligned to its five-year strategic plan and Reinvention by upholding high institutional and academic standards while focused on continually improving student learning and achievement.

Located in the historic Pullman District, the College is the largest campus in the district. Additionally, Olive-Harvey has been designated as the Transportation, Distribution and Logistics hub due to its unique location near one of the 24 industrial corridors in the city of Chicago. The City Colleges of Chicago is building a state of the art 103,000 square foot facility to house all of its College to Careers (C2C) programs in Transportation, Distribution and Logistics (TDL). The facility is on track to open in November 2015 with academic programs scheduled to begin January 2016. The TDL program options include: automotive and diesel technology, Commercial Truck Driving License (CDL A, B and C), taxi and limousine, and logistics, distribution and supply chain management. The new TDL facility will include lecture classrooms, computer labs, automotive and diesel engine laboratories, simulated driving facilities, a testing center and vehicle bays, among other notable features, including LEED silver certification.

The College engaged an advisory committee, inclusive of industry-specific partners to ensure that the TDL curriculum is relevant and meets the current and future training demands for jobs in the 21st century. This process ensures that students' credentials will be marketable and meet industry standards.

## **NEED**

Olive-Harvey College serves a large African-American and Hispanic student population from several communities on the Southside of Chicago; including, but not limited to: South Chicago, East Side, Hegewisch, Roseland and Pullman. These communities struggle with high unemployment rates, minimal post-secondary achievement and high crime. The demographic makeup of these communities is 45% African-American, 33% Hispanic, 2% other, 0.1% Asian, and 19% Caucasian (2010 Census) with a median household income of \$36,000.

According to the Bureau of Labor Statistics Current Popular Survey, **the unemployment rate for Illinois (6.6%)** was 0.5 percentage points higher than the national rate (6.1%). The unemployment rate in Illinois peaked in December 2009 at 11.2%. Illinois state law sets precedent in accounting for people who have dropped out of the workforce when calculating unemployment. However, according to the Illinois Policy Institute (2014) special report, the alternative unemployment rate for Illinois, which includes long term unemployed workers and partially employed workers, is as high as 18.1 percent. Workers dropping out of the workforce drives down the state's unemployment rate.

This report further supports the vision and value of Olive-Harvey's new Transportation, Distribution and Logistics Training Center. This center would allow Illinoisans to reenter the workforce, enhance their skill and be employable within the local, regional, and national job

market. Illinois' working-age adult population, from which the workforce is drawn, has grown by nearly 300,000 since the start of the recession. Despite this growth in the working-age population, the Illinois workforce has shrunk by 226,000 over the same period. This leaves a gap of more than 500,000 working-age Illinoisans who either dropped out of the workforce or never entered it.

Olive-Harvey's new TDL Center is positioned to train new and continuing education students for what is projected to be more than 110,000 job regional openings in the TDL industry over the next ten years.

### **GOALS AND OBJECTIVES**

The *goals and objectives* outlined in this section directly correlate to the goals of the Material Handling Institute (MHI), which are to *1) educate and train students in TDL academic concentration 2) to make students employable by providing practical real-world training with concentration in Olive's Harvey Transportation, Distribution and Logistic (TDL) program. Olive-Harvey College's objective is to enroll and train a minimum of 90 students per semester through its Transportation, Distribution and Logistics program.* The current target population will be enrolled in the Central Distribution Center Course (Practicum) and Working in Warehousing Course (Practicum).

### **PROGRAM DESIGN**

In an effort to meet today's workforce demand of practically trained professionals, Olive-Harvey in 2012 added to certificate and degree program offerings an academically concentrated curriculum focused on transportation, distribution, and logistics (TDL) as part of City Colleges of Chicago's College to Careers (C2C) program. Part of this enhancement included planning for and constructing a new Transportation, Distribution and Logistics center. The 103,000 square foot

facility will be a first of its kind in the state of Illinois. In order to give students hands-on training in the distribution and logistics industry, the facility will also feature a high-tech Distribution Center warehouse environment that will act as a supply chain hub to efficiently provide office supplies to City Colleges' seven campuses, six satellite facilities and the District Office.

A new TDL training facility is imperative to student learning and career advancement. Therefore, one of Olive-Harvey College's TDL programs is designed to focus on hands-on training in warehousing and logistics management. Program implementation will take place in a 7,000 square feet distribution space warehouse which is designed specifically to support student hands-on training. The training space will also include two loading docks that will house two training trailers.

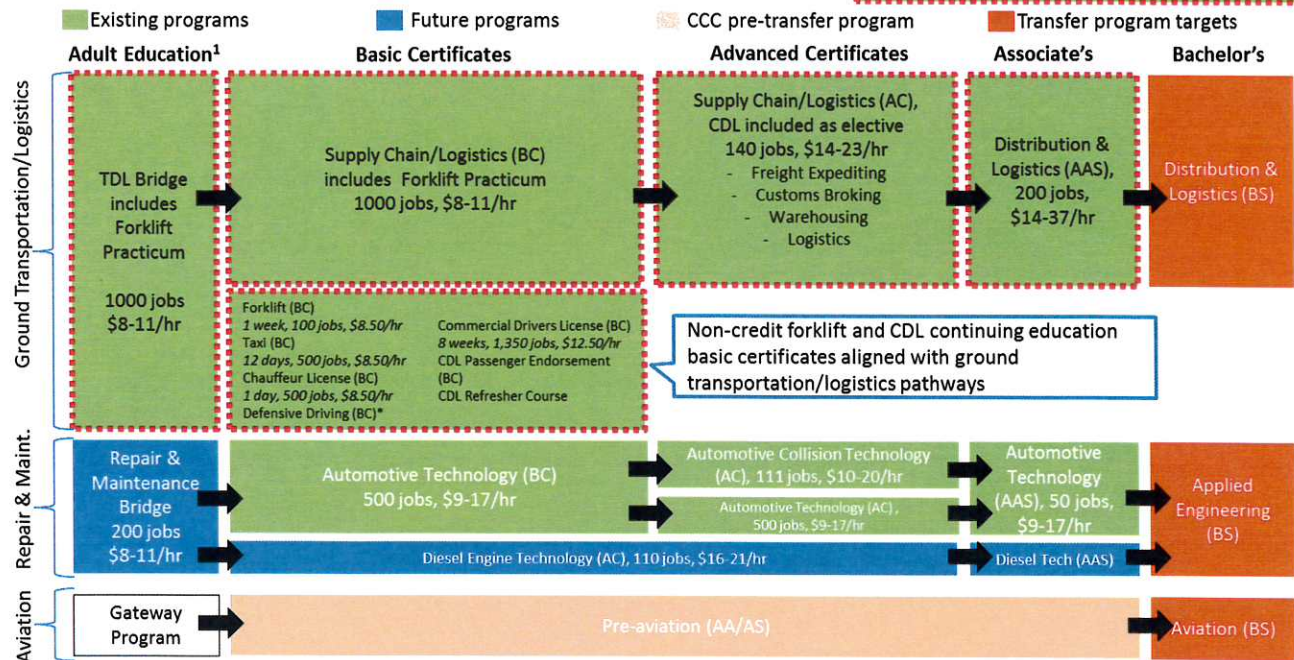
The following graph represents the pathways, designed with input from College to Careers industry partners, which allow students to return to the classroom to acquire new skills to enter the workforce or advance their education and career without credit loss, and articulate to bachelor degree programs.



## Olive-Harvey College: TDL focus on hands-on training warehousing, logistics, auto and diesel repair and transfer opportunities in aviation

110,000 job openings in Cook County projected over the next decade  
Annual job openings and starting wages shown for each program

CCC Distribution Center to offer hands-on experience across Logistics pathway



Source: CCC Academic Catalog, 2011-2012; Team analysis, EMSI Q2 2012 Jobs: approx. annual Cook County projected openings 2012-2022, wages: 10<sup>th</sup> percentile through median  
(1) Bridge programs prepare adult education and foundational students for college transition by providing intensive contextualized instruction and supportive services, while in many cases preparing students for entry level employment.

✓ *Reviewed by industry partners*

Students have an option to select based upon their educational goals, one or both of the following practicums:

**1. Central Distribution Center Course (Practicum)** - Students enrolled in the Advanced Certificate (AC) and the AAS in Logistics Management will take the Central Distribution Center Course (330 TRNS 151) three times. Each course will build upon the others from basic, intermediate, and advanced functions of the central distribution center. This course allows students to perform entry-level job functions in “The Central Store,” which is a live logistics operation that consists of delivering office supplies to all 15 City Colleges locations on a daily

basis. In this course, students work in the Central Distribution Center under supervision, allowing them an opportunity to gain the skills needed to demonstrate preparedness for full time employment in a logistics environment. Students will be exposed to not only the live operation of the center, but also to the warehouse management system, Oracle PeopleSoft Inventory. This top-tier system will also be inclusive of the mobile inventory module to be used with handheld devices. The purpose of this course is to reinforce students' theoretical knowledge of logistics by providing tangible experience in entry level logistics operations. Specifically, students will gain practical experience by rotating through four team-based modules: Operations, Receiving, Shipping, and Case Study Analysis.

Upon successful completion of this course, students will demonstrate the ability to perform entry level job duties. Specifically, students will be have been exposed (but not limited to) all of the following learning outcomes:

#### Operations/Business Development

- Verify inventory levels by performing cycle counting
- Schedule inbound/outbound deliveries, resolving transportation and expedition issues
- Interact with clients, providing information (via various communication methods) on status of deliveries as well as other issues. Knowledge and ability to accurately convey company information, policies and products
- Develop third party logistics client base, utilizing telecommunications to reach customers

#### Receiving

- Unload incoming freight from vendors, demonstrating proper materials handling techniques
- Examine incoming shipments, documenting missing items and discrepancies

#### Shipping

- De-palletize outbound materials, place cartons on conveyor and/or sorter system, sort nonconveyable freight, and load delivery vehicles, organizing materials for delivery
- Schedule third party transportation of domestic inbound deliveries

#### Case Study Analysis

- Analyze case studies from actual logistics operations, formulating solutions to work problems

Additionally, students will apply critical thinking and business communications skills.

**2. Working in Warehousing (Practicum)** - Students enrolled in the Basic Certificate (BC) in logistics management will take the Working in Warehousing course (BUS 155). Within this course, students will earn their forklift certification. Students learn the basics of a warehouse and distribution center. They will also receive an overview of the functional and structural composition of warehousing and distribution centers. Topics include product flow, warehousing processes, working safely in a warehousing environment, principles in running a business, workplace ethics and how employees affect the bottom line.

#### **EQUIPMENT NEED**

Under this new construction, Olive-Harvey College needs the following training items to implement successful course practicums:



Equipment	Quantity Needed	Description of Use
Delivery trucks with lift gate	2	These trucks will allow students to unload, load, arrange and ride along with the driver through the different routes throughout all the district locations. These routes will run every day of the workweek and will give students a real work experience in the transportation and delivery of goods.
48 FT Trailer (fixed)	1	Trailers will be used for training purposes only. The training will allow students to load and unload simulated trailer loads. By doing this exercise, students will be able to simulate the real world work environment, including safety, ergonomics and technical ability.
24 FT Trailer (fixed)	1	
Electric Forklifts	3	Forklifts will allow students to receive forklift training on several equipment types (standard, cherry picker, walker/rider pallet truck). This equipment will also provide a variety of training options that will make the students more marketable in the industry. The forklift certification program consists of 30 hours, inclusive of classroom and hand-on training using the equipment listed.
Cherry Picker Forklift	1	
Walkie/Rider Pallet Truck	2	
Charging Station/Battery	2	
Table-top Scale	1	All of these items will support training in the simulated warehouse-training environment. Students will receive practical work experience using equipment that is used in the industry to create a load for shipping and repacking.
Pallet Scale	1	
Steel Top Workbench	1	
Manual Pallet Jacks	2	
Stretch Wrapper	4	
Colored Totes	60	
Pallet Carousel Turntable	1	
Hand Trucks with rubber tires	4	

Safety Forklift Harness	4	
Office Computers; Touchscreen Monitors	12	
Wooden Pallets	20	
Handheld Scanners for Oracle Mobile Inventory	45	These devices will be used to train student on the use of handheld scanners for inventory control using the Oracle PeopleSoft Inventory module. These devices will allow students to conduct physical and cycle counts, express issues, warehouse maintenance functions, such as: stock inquiry, put-away, bin-to-bin transfers, adjustments, receiving, delivering and capturing delivery signature.

**PROJECT TIMEFRAME**

Construction of the new TDL building is scheduled to be completed by November 2015 and training will commence January 2016.

**SUSTAINABILITY**

This new construction project is part of CCC’s multimillion dollar capital plan, which includes focused investments across the 7 City Colleges. The OHC TDL construction project is funded jointly by City Colleges of Chicago and the state of Illinois. It is being administered by Illinois Capital Development Board (CDB). In addition, OHC has more than 50 partnerships, some of these include Navistar, Coca-Cola, Coyote Logistics, among others. The support received included thus far includes Coyote Logistics which has contributed to Olive Harvey by serving on the TDL advisory council, as well as by providing feedback on building design, curriculum, and career exposure to students through company tours.

Navistar, Inc. also serves on the TDL advisory council, providing input on the TDL curriculum, and has donated several engines and vehicles to the diesel technology program.

Another member of the TDL advisory council is Coca-Cola. They have conducted onsite interviews/hiring opportunities for our students and supported curriculum design.

Additionally, the Career Services Department provides students a variety of services including resume writing, mock interviewing, and self-improvement/soft-skills workshops. They also allow industry partners to conduct onsite interviews. So far this fiscal year, the Olive-Harvey College Career Services Department has served over 808 students and placed over 221 students in jobs and paid internships.

#### **STAFFING PATTERN**

The proposed program management includes:

Dr. Ruben Howard, Dean of Colleges to Careers, will manage and implement academic programming that aligns with C2C including the Central Distribution Center, forklift certification, and the logistics management program. Dr. Howard is a supply chain management expert. He joined City Colleges of Chicago in 2013 after working as a full time college professor of logistics management. Dr. Howard's work experience prior to higher education included supply chain industry experience in warehousing and distribution, 3PL, motor and air transportation, logistics routing, and military logistics. He currently serves on the National Experts Panel for the Manufacturing Skill Standards Council (MSSC) and the board of the Calumet Area Industrial Council (CAIC). Dr. Howard is current member of the Council of Supply Chain Management Professionals (CSCMP) Chicago Roundtable. Dr. Howard received his B.S. in Airway Science from Jackson State University, M.S. in Transportation Management from Texas Southern



University, M.S.B.A in Business Administration from Texas A& M University, and a Ph.D. in Organization and Management/Business from Capella University.

Edgar Casillas, Director of Central Warehouse & Distribution, will manage and implement the operational components of the program. Edgar graduated from Olive-Harvey College and understands first-hand the importance of a community college education. While completing his degree, he worked at the college’s shipping and receiving dock and central store. Upon completion, he pursued and obtained a bachelor and master’s degree in business administration and management information systems, respectively. His passion for education has kept him at Olive-Harvey College since 2004, moving from his first position on the loading dock to Director of the District’s Distribution Center.

**BUDGET**

CCC has committed the following resources for this project:

Institutional Commitment				
<b>Facilities</b>				
Transportation, Distribution, Logistic Building				\$45MIL
<b>Full-Time Positions</b>		<b># of Months</b>	<b>Salary</b>	<b>Total</b>
1 Academics administrator		12	\$90,000	\$90,000
1 Professor		12	\$75,000	\$75,000
4.5 for Operations		12	\$255,000	\$255,000
Total Personnel				\$385,000
<b>TOTAL CCC COMMITMENT</b>				<b><u>\$45,805,000</u></b>

## **PROGRAM EVALUATION**

City Colleges, Olive-Harvey commits to providing MHI with annual program reports listing the number of students who successfully complete TDL training courses; benefitting from equipment and other donations.