

CAL POLY



Cal Poly Continuing Education

Fueling Academic Innovation Through Continuing Education

Brian Tietje, Dean



Overview

- CE's vision, mission, and goals
- CE's strategic plan
- Boundary conditions that define CE's scope and processes
- CE's business model
- How CE can help you



Vision Statement

- *To become Cal Poly's catalyst for self-support academic innovations.*
 - Special sessions and alternative modes of course delivery for new markets
 - Certificate programs for specialized skills and fields of study
 - Continuing education units (CEU's) for licensed professionals



Mission Statement

- Develop and deliver *turnkey academic solutions* that leverage Cal Poly's distinctive capabilities to reach new markets who will invest in *financially self-supporting* academic experiences.



Goals

- Infuse a customer service orientation in every element of our operations.
- Develop efficient and effective business processes and fiscal operations.
- Achieve sufficient financial strength to withstand fluctuations in the external operating environment.
- Become a one-stop-shop on campus for developing innovative and high quality self-support programs.



Strategic Plan

- Focus on three primary product categories
 1. *Self-supporting academic programs*: courses, certificates, degree programs, and off-campus experiences for academic credit.
 2. *Professional development programs*: continuing education units (CEU's), conferences, workshops, and non-credit certificates.
 3. *Personal enrichment courses*, e.g., fly fishing and glass blowing. (secondary focus)



Strategic Plan (continued)

- Pursue self-supporting academic programs that meet these criteria:
 1. *Established faculty expertise and support*
 2. *Strong industry partnerships*
 3. *Well-defined, sizable market of participants who want to invest in a self-support program*



Strategic Plan (continued)

- Pursue professional development programs that achieve the following:
 1. *Leverage Cal Poly's faculty expertise and the University's distinctive brand attributes*
 2. *Generate additional revenue opportunities for faculty, departments, and colleges*
 3. *Harness the campus' capacity to provide the instruction, experiences, and venue*
 4. *Strengthen industry partnerships and Cal Poly's reputation among professional audiences*



Strategic Plan (continued)

- Short-term operational changes
 - *Re-established name as “Cal Poly Continuing Education”*
 - *Redesigned organizational structure*
 - *Invested in technology and facility enhancements*
 - *Established cash reserves for operating expenses*
 - *Redesigned MOU’s with academic units*
 - *Launched visiting international student initiative*
 - *Divested non-strategic activities and programs*



Strategic Plan (continued)

- Long-term operational plans
 - *Business process automation and Peoplesoft integration*
 - *Customer relationship management (CRM) implementation*
 - *Capital reserves for future non-state facility investments*
 - *Capability to support alternative course delivery*



Boundary Conditions: Applicable Laws and Policies

- Title V of the California Code of Regulations
- Executive Orders
 - Examples: 1047 (special sessions), 805 (Open University), 794 (financial management of Extended Ed), 341 (use of CERF surpluses)
- CFA / CSU Collective Bargaining Agreement, Article 40
- Campus Policies



Boundary Conditions: Terminology

- “CERF”
 - Continuing Education Revenue Fund
- “Special Sessions”
 - Self support instructional programs at times and in locations not supported by State General Fund appropriations
- “Open University”
 - Provides excess capacity in Cal Poly courses for non-matriculated students



Boundary Conditions: Critical Items

- “Self-supporting special sessions shall not supplant regular course offerings available on a state-supported basis during the college year” (EO 1047)
- [CERF] funds “shall be used only for the support and development of self-supporting instructional programs of the CSU” (EO 794)



CE's Business Model

- Fees generated from self-support programs are deposited in the CERF account (MK001)
- Sub-accounts for each College are used to track individual College self-support activity. Peoplesoft chartfields also available to track individual programs.
- All self-support revenues are owned by the CERF trust account, and the CE Dean is accountable for CERF revenues, expenses, and residuals.



CE's Business Model (continued)

- Whenever possible, expenditures for self-support programs should be drawn directly from CERF.
- Transfers from CERF to the State General Fund are permissible for documented direct and indirect cost recovery (e.g., faculty salaries and benefits, indirect administrative costs)
- CERF reserves can be used to support program development.



CE's Indirect Cost Recovery Model for Fiscal Year 2010 - 2011

- Flat fee per SCU
 - \$150/scu for academic degree and certificate programs (\$12k minimum)
 - \$100/scu for off-campus travel programs and continuous enrollment (\$10k minimum)
 - Contract CEU's: \$70/1st unit, \$10 for each additional unit
- Bundles all overhead: CE, Cal Poly indirects, State pro-rata, and Chancellor's Office indirects



Indirect Cost Recovery Model

- \$-per-SCU most closely matches CE cost drivers
- Alleviates incentive for “pass-throughs” and other inappropriate fiscal tactics
- Cost-per-SCU will decrease as revenue-to-expense ratio increases with CE’s growth
- Includes basic marketing services
 - Web site setup and periodic updates, email campaign support (if email addresses provided)
 - Additional marketing services available on a bid / contract basis

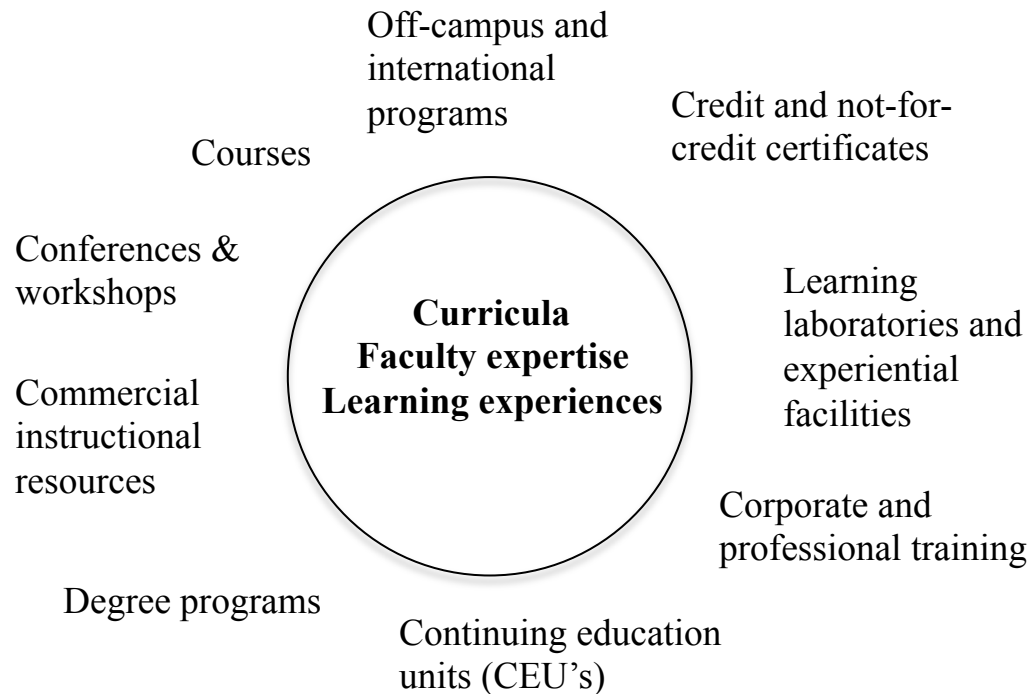


Indirect Cost Recovery Model

- Any exceptions to the standard cost agreement will be vetted with AFD, the Provost, and Dean's Council
- Compares favorably to the subsidy rate applied to FTES covered through the general fund



Tremendous Opportunities to Leverage Cal Poly's Expertise in the Marketplace





How to Build a Self-Support Program

1. Form collaborative team
2. Develop course, program, or conference concept
3. Identify potential markets
4. Build financial model
5. Establish MOU with CE (task list, timetables, fees)
6. Write comprehensive proposal
7. Secure approvals (academic program, self support fees)
8. Formally establish course/program with Admissions and other units on campus
9. Launch marketing campaign
10. Schedule courses and enroll students
11. Launch program



We're ready to help

- Brian Tietje: Dean, new program development
- Pat Stoneman: University-level programs (summer term, continuous enrollment, international programs) and MOU's
- John Lyons: Business operations and fiscal processes
- Lorie Harrington: program support for OCOB, CENG, and COSAM
- Rose Duran: program support for CAFES, CLA, and CAED
- Elaine Sullivan: marketing support