OCET (Office of Continuing Education and Training) Business Plan
As OCET is an integral part of the College, the meeting was convened to discuss the current situation and vet the business plan.

OCET has experienced difficulties due to systems at the College such as business office functions, hiring procedures, problems marketing and a lack of presence on KCC’s website.

OCET had a microsite that listed course offerings and registration details. However, the College made a decision to pull all microsites into the KCC website. At this time, the OCET site is buried under the Academics tab. OCET would like access to their webpage to make changes quicker.

OCET was in receivership in June 2012 after years of high volume and a lucrative revenue stream. From 1997 to 2004, continuing education was very profitable. They switched from a centralized model to a decentralized model, which created problems. There are long procedures for hiring, there is little attention to marketing, teachers of the courses were being paid late, and invoices to the clients were not being issued. Therefore, payments for classes were not being collected, which led to an audit. Accounts receivable is showing that $600,000 was not collected and half of that amount is being reconciled to close the books. Account receivable reports were not issued as requested.

When a contract is made with a client, a memorandum of agreement is created and signed, rosters are made and the information goes to the business office. The business office generates and sends the invoice to the client. To improve the process, an email is sent to OCET when the invoice is generated and another email is sent when payment is received. Then Destiny (the program to track continuing education courses across the system) reconciles the payment with Kuali.

Most of the staff positions in OCET are special funded, which means that the office is not supported by the state. Another issue is that all the continuing education offices across the system are competing for business and there is some duplication of services. These issues make it difficult to project future revenues, which in turn, make it difficult to hire.

The directors of the OCET programs are meeting regularly to discuss program demarcation. The question remains, are the OCET offices going to be collaborative
or competitive going forward? In addition, in the future, administrative fees must be included in the pricing, which will increase the price to the consumers. OCET is also in competition with the private sector so having competitive pricing is important. It was suggested that the matter of competition between the OCETs across the system should be brought to the attention of the Vice President for Community Colleges. Other expenses include needing to have liability insurance to cover the leasing of some of the curriculum.

After the audit, many SOPs (Standard Operating Procedures) were put in place. A fiscal management system is to be integrated to collect data. Destiny was implemented in 2015 and will be able to provide baseline data. A report by Destiny will be generated on July 15.

On pg. 21 of the OCET business plan summary, for FY 2015, it lists $895,000 for personnel. This is to include a marketing coordinator and outreach person. One suggestion was to include OCET in the College’s overall marketing plan.

There was a question on whether there was an analysis of the different revenue streams. There are no revenue projections and the business plan has not yet been approved. Are there ways to use resources already at the college such as asking CTE faculty to teach continuing education courses? An observation was made that it would be difficult justifying new positions with unpredictable revenue streams. There needs to be a way to bridge the credit and non-credit sides to encourage students to move easily from one to the other.

It is important for OCET to identify their assets and use them to move forward. Are there synergies at the College? How do we bring it all together to make this work? How can the College help the program to succeed? There is a need to identify the problems before finding the solutions. On pg. 14, it states in FY 2014, 4,729 students enrolled in OCET programs. That number is significant and it is important to get OCET back to being successful.

An observation was that the business plan was missing profit and loss statement, balance sheets, sales, receipts and payments. It was noted that FY 2015 was the first year with clean data. OCET can now determine which programs are profitable. The cost of ingredients makes the culinary programs expensive to run. Health programs have accreditation certification requirements. Therefore, culinary and health continuing education courses are now being offered through the departments.

OCET needs a vision and to start moving in that direction. It is similar to starting a new business. Is the College willing to fund OCET as if they are funding a new business? OCET needs to communicate with the campus. The four areas that OCET is focusing on are hospitality, public service, global learning and cyber security.

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