



# **SCHOOL OF EXTENDED EDUCATION**

## **SONOMA STATE UNIVERSITY**

# **BUSINESS PLAN**

**2009-2011**

**SCHOOL OF EXTENDED EDUCATION  
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## Executive Summary

The budget situation in the School of Extended Education requires the immediate implementation of a strategic and systematic plan to insure financial sustainability. Analysis of the existing programs offered through Extended Education, the organizational structure that supports these programs, and the financial responsibilities assigned to the unit for the greater university good shows that the pathway to success is in creating greater partnerships with the academic schools and providing greater access to Sonoma State University academic programs. That is, expanding the academic offerings of the university through the self-support systems offered by partnerships with Extended Education.

It has become apparent over the last 10 years that the state of California is not able to fund the CSU schools at a level commensurate with the operational costs of educating the citizenry. This dramatic decrease of state funding means that the historical model of state support is not keeping pace with the actual costs of higher education. The major focus of the School of Extended Education is to create new partnerships with the academic schools and implement a mutually beneficial revenue sharing model for funding new programs and replacing revenue lost to the university because of the continual decrease in state funding.

It is projected that through the development and delivery of new programs the School of Extended Education will increase its revenue generation by 20% in two years. This increase in revenue generation will result in financial sustainability for the School of Extended Education with the additional benefit of increased revenue to the academic schools working in partnership with the School of Extended Education to deliver a portion of their programs to students who cannot participate in the traditional campus-based programming.

The School of Extended Education has already begun the process of organizational change to support this new model, building new partnerships with the academic schools, and expanding self-support course/program offerings to better serve the Sonoma region and result in positive revenue generation.

The School has also begun to address three major issues that are impacting the financial status of both the School and the University. These are: the School's bond service requirement for the Green Music Center; the loss of summer session programming; and the loss of a significant portion of the Osher Lifelong Learning endowment due to the current economic crisis. In order to achieve fiscal sustainability, the School is implementing strategic plans, as well as this business model, to mitigate each of these financial strains.

It is the goal of the School to grow both academic credit and non-credit (i.e., professional development and training) programs. The growth targets to attain financial sustainability in two years include: 1) 10% growth in academic degree programs; 2) 10% growth in special session (i.e., intersession, summer offerings, online) classes; 3) 10% growth in extension credit certificates; 4) 10% growth in non-credit professional development and training programs; and 5) 10% growth American Language Programs.

The future of Extended Education, and to an extent Sonoma State University, lies in the partnership development and delivery of multi-modal classes and programs to better serve the resident and extended students. The School of Extended Education is establishing a growth target for online classes and programs delivered through its self-support model at 10% per year.

It is the intention of this business plan to lay out the principles and practices that will facilitate the achievement of fiscal sustainability. These are difficult economic times, but we have faced similar fiscal crises in education before and we are sure to again. It is our responsibility to address these financial crises and our School's budget with our best plan. That plan is presented in this document.

## **School of Extended Education: Strengths and Challenges**

### **Vision**

The School of Extended Education is a 21st century organization dedicated to serving diverse learners by providing access to Sonoma State University's intellectual, cultural, and educational resources.

### **Mission**

The mission of the School of Extended Education is to support and complement the overarching institutional goals of Sonoma State University. The rapidly changing educational needs of lifelong learners has focused the mission of Extended Education on three critical elements: 1) develop sustainable infrastructure and relevant inventory of programs that will serve and support the needs of the diverse SSU student population; 2) enhance collaborative relationships with the local communities, the region, and internationally to foster educational, social, cultural, and economic development; and 3) provide essential services to extended education students and our academic partners.

### **Core Values**

- Educational Excellence
- Student-Centered
- Service
- Lifelong Learning
- Respect
- Diversity
- Access
- Entrepreneurship
- Partnership
- Sustainability

## **School of Extended Education Goals: 2008-2011**

The goals of the School of Extended Education have been developed to support and complement the overarching institutional goals of Sonoma State University and the California State University System. The rapidly changing educational needs of a growing “non-traditional” population of primary grades through Lifelong learners and economic trends that forecast a continuing and permanent decline in state funding for higher education have focused the mission of the School of Extended Education on two critical elements of Sonoma State University’s changing future: the development of an infrastructure and relevant inventory of academic programs that will serve and support the needs of the growing non-traditional university student body; and the generation of revenue sources that will support the academic partners of Extended Education and help mitigate the impacts of the loss of state funding.

Change, innovation, and competitiveness in the global marketplace continue to redefine and reshape economies at the local, national, and international level. As a result, employers and the current workforce are continuously challenged to learn and keep up with new knowledge and skills that will determine their success or failure in the knowledge economy. The future of economic development in California is directly connected to the extent that businesses, current or future employees are able to access and integrate knowledge and information that will keep them viable and competitive in the global economy. Sonoma State University’s School of Extended Education provides a direct link to businesses and the current workforce through a variety of outreach and educational initiatives. This direct connection between Education, Workforce Development, and Economic Development is a strategic role of the School of Extended Education.

The Sonoma State University’s School of Extended Education has identified strategic objectives and metrics (i.e., measures to determine whether the unit is achieving its strategic goals). The degree to which the School’s goals are being successfully met will be determined through annual systematic review and analysis of the achievement of the seven goals presented below.

### **I. Programs**

#### ***Goal:***

Develop and sustain a wide range of challenging, innovative, creative programs that engage diverse populations of students and faculty in lifelong learning, professional development, and personal exploration.

#### ***Objectives:***

- 1) Conduct annual program reviews to evaluate performance and identify areas for improvement and growth. Use data from program evaluations and budget reports to adjust program offerings.
- 2) Develop and implement a needs assessment for program and course planning for

non-credit courses and programs. Advocate for expansion of Title V and other legislative mandates.

- 3) Plan program and operations for maximizing the use of the Schroeder Recital Hall and two Activity Rooms managed by SEE in the Green Music Center (GMC) to ensure fiscal responsibility for the annual debt service.
- 4) Expand SEE related international programs and cultural exchange by 10% in 2010.
- 5) Deliver a high quality summer EXCEL for Youth Program serving +-700 students in 2009.
- 6) Deliver a high quality Osher Lifelong Learning Institute (OLLI) Program with planned growth of 10% per year to a maximum enrollment of 2,000 students both on the SSU campus and outreach programs such as Oakmont Village.
- 7) Expand the SSALI program with planned growth of 10% in 2010-2011. Work in partnership with the School of Education to determine the feasibility of delivering a hybrid Masters in Education program to Korea beginning in 2010-2011.
- 8) Increase Extension Credit programs by 10% in 2009-2010.
- 9) Collaborate with academic partners to increase undergraduate programs running through SEE by 10% by 2010.
- 10) Collaborate with academic partners to increase graduate programs running through SEE by 10% by 2010.
- 11) Collaborate with academic partners including Santa Rosa Junior College and/or the business community to develop and deliver one new fully online program by 2010 and examine viability of various degree completion programs.
- 12) Create and sustain, at a minimum, one innovative online program by 2010 to address the needs of the contemporary student and the professional working community.
- 13) Develop an international Teachers of English to Speakers of Other Languages (TESOL) program in association with Global Teaching English as a Foreign Language (TEFL). Explore viability of a Pre-MBA track for foreign students to start fall 2009.

***Metrics:***

- 1) Financial Reports, Marketing Reports, Term/Session Enrollment Reports, Program Reports, and Intake Team Reports.

- 2) Establish MOUs with all schools to encourage self-support programs to be delivered by SEE.
- 3) Create a business plan for the Recital Hall and the two activity rooms in the Green Music Center (GMC) by April 2009. Meet with Arts and Humanities departments, Sonoma County Office of Education, the Sonoma Arts Council, the Santa Rosa symphony and other area arts organizations to explore partnerships, funding and grants for the Recital Hall and two activity rooms. Plan how existing SEE programs will use space at the GMC.

## **II. Finances**

### ***Goal:***

Develop and sustain a transparent financial structure that will provide stable support for SEE, its programs, staff and the campus community.

### ***Objectives:***

- 1) Provide quarterly SEE financial reporting for all programs. Evaluate current business and administrative practices to achieve greater efficiencies of 10%-20%.
- 2) Increase gross revenue by 20% by fall 2010. Expand outside funding sources such as grants, donations, and endowments by 20% in 2010.
- 3) Develop successful communication and collaboration between SEE and campus schools and service units. Develop community partnerships to expand programming and scholarships by 10% in 2010.
- 4) Secure additional Osher endowment (\$1,000,000) by 2011.
- 5) Secure a \$1 million endowment from Osher for degree program re-entry students by fall 2010.
- 6) Maintain appropriate reserves in SEE in accordance with Executive Order 994 (See page 14 for more information on EO 994 and Extended Education reserves).

### ***Metrics:***

- 1) Semiannual financial reports for each program beginning spring 2009.

### **III. Customer Service**

***Goal:***

Provide a network of essential and high quality services to support and enhance the experience of students and our academic and community partners.

***Objectives:***

- 1) Provide a professional level of customer service as defined by best practices of peer Extended Education units within the CSU system. Dispense timely, dependable & accurate information to potential and current students, staff and faculty. Meet the needs of the SEE faculty and students with a 90% approval rating.
- 2) Maintain and refine SEE online registration. Insure excellent service support for online registration.
- 3) Develop a professional training manual with input from all divisions of SEE, including feedback systems (e.g., quizzes), by summer 2009.
- 4) Develop a training plan for incoming student assistants including orientation and ongoing training by summer 2009.

***Metrics:***

- 1) Quantitative Survey of customer satisfaction of programs and services to be performed and reported every term and session.

### **IV. Staffing**

***Goal:***

Create and sustain a working environment that will attract and retain talented & diverse staff.

***Objectives:***

- 1) Maintain an appropriate level of staffing and infrastructure to support existing programs and encourage program growth.
- 2) Support appropriate professional development and training opportunities for staff.

- 3) Support cultural competence development in staff and administrators.
- 4) Continuously make appropriate working environment adjustments to insure staff satisfaction.
- 5) Promote appropriate outside professional development activities related to staff roles and responsibilities.

***Metrics:***

- 1) Survey staff in the fall and summer to assess the working environment.
- 2) Conduct an annual needs assessment of staff development which aligns with evaluation cycle. Promote at least one training activity per year per staff person.

## **V. Student Experience**

***Goal:***

Provide compelling and quality learning experiences that meet diverse student needs and program standards.

***Objectives:***

- 1) Recruit and retain diverse, qualified instructional faculty and content experts.
- 2) Provide a safe, comfortable, and compelling learning environment and curriculum.
- 3) Offer sufficient and appropriate programs and courses to promote student goals.
- 4) Ensure that program fees are competitive in the region and with peer CSU Extended Education institutions (Cal Poly San Luis Obispo, CSU Chico, CSU San Marcos, CSU Humbolt, CSU Monterey Bay, and CSU Stanislaus).

***Metrics:***

- 1) Review existing student experience evaluation process and adjust to insure appropriate survey questions are asked and appropriate quantitative student experience data are collected.

- 2) Develop and implement a contemporary quantitative survey tool to measure student experience for each program and for each session (e.g., individual courses are offered during intersession, etc).
- 3) Streamline the instructional review process. Review/analyze student evaluation of instruction.
- 4) Insure customer service training of SEE staff is aligned with student experience data.

## **VI. Marketing**

### ***Goal:***

Enhance campus and community awareness of SEE's mission via email, web, and other media, and by supporting existing programs and identifying markets for new programs.

### ***Objectives:***

- 1) Maintain an excellent media, print, and electronic presence as measured against CSU Extended Education peer units.
- 2) Design and maintain a dynamic, accessible, interactive, navigable, and client-centric (i.e., including students, faculty, departments, schools, businesses, government, etc) website.
- 3) Develop appropriate materials and media to facilitate dissemination of program information.
- 4) Provide needs assessment and market research to support new program planning and current program improvement.
- 5) Provide email, web, and other marketing and technical support for SEE programs.
- 6) Analyze SSU SEE branding for competitiveness.

### ***Metrics:***

- 1) Create a system for program comparative and competitive analysis, and explore methods of internal marketing and partnership building between academic Schools and Extended Education.
- 2) Inform programs about needs assessment forms through email and web. Follow up to insure a form return rate of +80%.

- 3) Survey clients regarding the SEE website to measure client satisfaction, accessibility, navigability, dynamic character, etc. with a minimum of 60% return rate.

## **VII. Infrastructure**

### ***Goals:***

Establish quality, functional space for staff, faculty, programs, and services to promote program growth and provide a positive work environment.

Insure a 21<sup>st</sup> century technological infrastructure.

### ***Objectives:***

- 1) Ensure adequate classroom space for programming needs.
- 2) Advocate for continued upgrading of campus spaces to create and maintain clean, "smart," well-furnished classrooms. Provide technical resources to support program delivery and development.
- 3) Develop and enforce safety practices and procedures to protect staff, faculty, students, and property.
- 4) Work with the university IT unit to insure that an appropriate technological infrastructure for a 21<sup>st</sup> century Extended Education unit are in place and maintained.
- 5) Develop a SEE emergency plan by January 2009.
- 6) Conduct SEE internal training and/or have staff participate in in-service training aligned with each staff member's yearly professional development plan.

### ***Metrics:***

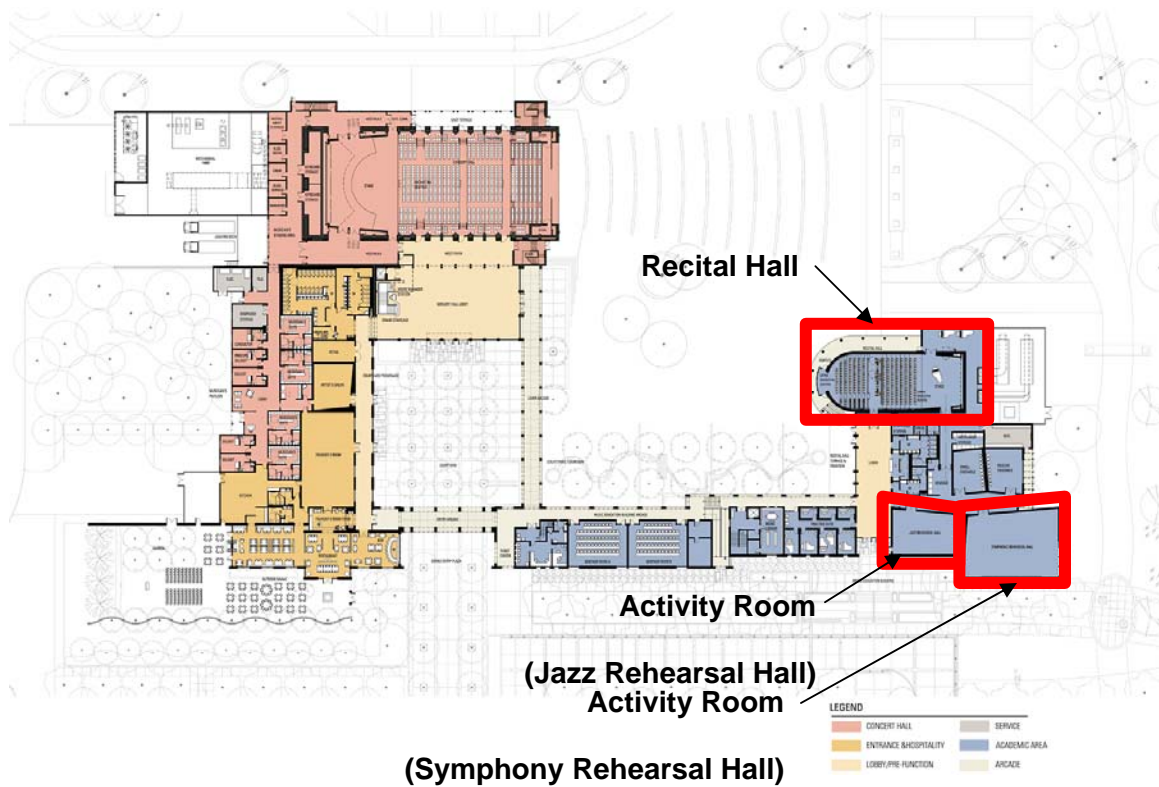
- 1) Staff participation on university committees (i.e. space and renovation, Diversity, International Housing, emergency planning, etc.)
- 2) Create and distribute training schedules for student assistants.
- 3) Dissemination minutes from campus meetings to the Leadership Team and/or All-Staff.
- 4) Evaluate on a yearly basis the effectiveness and efficiency of IT tools used for SEE programs and business services. Report survey results to IT and Academic Affairs.

**Most important strengths and core competencies of Extended Education:**

- A. Collaboration across SSU schools and library
- B. Extending the programs and services of SSU to the region and the international community
- C. Extending SSU's intellectual, cultural, and educational resources
- D. Access to SSU
- E. SSU outreach
- F. Revenue generation
- G. Community Service
- H. EXCEL for Youth Programs
- I. American Language Programs for international students
- J. Osher Lifelong Learning Institute
- K. University credit and degree programs
- L. Professional development and workforce training non-credit/certificate programs
- M. Efficiency in bringing academic programs to consumers while maintaining academic standards
- N. Entrepreneurial arm of the university
- O. Extended SSU to diverse populations

**Significant challenges the School faces now and in the near future:** Three significant challenges exist for the School of Extended Education:

1. In order to insure that the goals set out for the SSU Green Music Center would be achieved, it was determined in 2007 that the university would establish three new state bonds dedicated to the completion of specific elements for the educational wing of the GMC. One of the bonds was created to insure SSU would be able to provide needed recital hall facilities and educational activity rooms. 70% of one of these bonds and its service were assigned to the School of Extended Education. This decision was made, in part, based on the fact that the School of Extended Education is a self-support unit and therefore would have the best opportunity to generate the funds needed to service a portion of the bond debt. It was proposed that this bond debt would be generated through the management of selected spaces within the GMC educational wing through the creation and delivery of new university educational and community programs.



The GMC bond service assigned to the School of Extended Education is in the amount of \$+-536,925 per year for 30 years...or a total of \$16,289,795.09. In exchange for this service, and to insure that the revenue is generated by the School to meet this service, specific GMC Educational Wing space was allocated to the School of Extended Education for its use and management.

The challenge is, the facilities designated above, and assigned to the School of Extended Education, are not completed and have an estimated completion date of 2011. This means that the assigned spaces are not available for Extended Education to “rent” to cover the cost of the bond service (debt). Until which time that Extended Education has the ability to rent these spaces, the bond service is an additional overhead cost of “doing business” for this self-support unit.

**Executive Order 994:** Added to these challenges is the additional requirement of bond debt service holders to carry reserves in accordance with Executive Order 994. EO 994 requires that bond debt holders maintain specified reserves in the following categories. These categories and the goal amounts that the School will need to carry in each are provided below:

- A. **Net Revenue Debt Service Ratios (DSCR):** The DSCR for a campus debt Program must be equal to minimum of 1.10. The DSCR for a Stand-alone Project must be equal to a minimum of 1.10. For these requirements, the DSCR is computed from pledged revenue, operating expense and debt service that is

related to a specific auxiliary organization Debt Program or the Stand-alone Project. *The goal for this reserve category is \$588,500.*

- B. ***Operating Expenses:*** All costs related to providing a good or service, including regular maintenance charges, expenses of reasonable upkeep, a properly allocated share of charges for insurance, direct or special administrative expenses directly chargeable to the Project or Program, and all other expenses incident to the operation of the Project or Program, but excluding depreciation expense and other non-cash charges, general administrative expenses of the Board of the State. *The goal for this reserve category is \$1,000,000.*
  - C. ***Extraordinary Expenses and Major Maintenance and Repairs:*** For a Project or Program, Extraordinary Expenses and Major Maintenance and Repairs will not be included in the DSCR, and the expenses are to be paid from the Building Maintenance and Equipment Reserves or from Prior Year Fund Balances.
  - D. ***Project Capital:*** This category sets outside of the requirements of EO 994. The goal of Extended Education is to hold in reserves between \$100,000 - \$200,000
2. The second challenge for Extended Education has been the loss of Summer Session. Summer session had generated +-\$1,000,000 yearly of net capital. This loss of summer session to the Chancellor's Office creation of year round operation (YRO) required a significant adjustment of Extended Education operations and the addition of new programs to cover this revenue loss. Extended Education has reacted slowly to these changes and making these adjustments. It is necessary that Extended Education continue to add new programs (credit and non-credit) that both support the mission of the university and are planned to generate positive revenue for both the schools and Extended Education.
  3. The Osher Lifelong Learning Institute has fallen victim to the U.S. economic crisis. As a result of this crisis over the last 9 months, the Osher endowment has seen a "severe decline" in both "reserve" funds (i.e., unrealized gains) and with the decline in the core value (i.e., corpus) of the endowment. Over the last 9 months the holdings of \$240,000 in unrealized gains has been completely lost. In addition, approximately \$400,000 of the \$2,000,000 endowment has been lost in the significant decline in the financial markets.

The total result of these losses to date is \$640,000. These financial losses have caused a severe review of the OLLI budget and subsequent reduction of expenses and dedication toward generating greater positive revenue.

## Strategic Plan

The School of Extended Education has specified strategic initiatives to focus the unit's personnel, technological resources, services, and programs to assist SSU in achieving its goals. These strategic initiatives are derived from the priorities and directions established by Sonoma State University and the complementary goals of Extended Education. While the core philosophies embodied in the Vision, Mission, and Goals statements included in the School's strategic plan will remain constant over the next five years, the context within which they reside

is dynamic and fluid. The strategic initiatives, therefore, are considered tactical and are to be revisited and evaluated on a continuing basis to ensure that they reflect the realities of our operating environment and region we serve, and remain responsive and competitive in focus.

### **Planned Growth 2008-2010**

The School of Extended Education is putting in place a systematic process for planned growth. These plans are dedicated to growing new programs of both credit and non-credit products. It is estimated that 80% of this new growth will be in credit programs in partnership with the SSU Schools and Departments, and 20% will be non-credit programs serving community workforce development and community professional development.

### ***Proposed and New Programs***

- August Intersession
- Online Course Development and Delivery (RFP)
- MA Spanish
- New College “Teach-Out” (2 semesters)
- Ed2Go (online non-credit programs)
- Credit & non-credit programs for Oakmont (Santa Rosa)
- Grow SSALI program 100% with committed space
- Executive MBA
- General Business (degree completion)
- International Wine Business
- Hospitality (Dry Creek Rancheria – Non-credit)
- Social Service Employment Training (non-credit)
- Tasting Room Management Certificate Program – *in collaboration with the School of Business and Economics*
- Leadership Certificate - Rancheria – *in collaboration with the School of Business and Economics*
- MBA and Wine Business MBA – *in collaboration with the School of Business and Economics*

### ***Proposed Concentrations, Directions, and Programs***

- Business
- Healthcare
- International Programs (Recommend SSU International Programs Committee)
- SSALI
- Liberal Studies – Napa Valley College – *in collaboration with the School of Social Sciences*

### ***Additional Revenue Generation***

- Federal Funding (OLLI)

- Fundraising and Gifts
- EXCEL
- Online Courses and Programs

### ***Reducing Expenses***

- Created Program Analysis and “Intake” processes for all new proposed programs
- Developed costing model for non-credit programs
- Will reduce the number of EXCEL (grades 4-9) programs to insure efficiency and cost recovery
- Phasing out three programs operating at significant deficit (Paralegal, Court Interpreter Programs, and MA Psychology - Art Therapy)
- Reduced the OLLI offerings to maintain sustainability
- Reduced staff by 2 FTE (retirement and change of unit)

### ***Other Plans***

- Internal Marketing (E~News and more)
- International Student Matriculation
- World Wine Congress (2009 or 2010)
- Korean English Teacher Educational Program
- Korean Science Teacher Educational Program

## Programs and Services

It is the general responsibility of Extended Education to provide overall service and support for the design, development, and delivery of the program development and online delivery. Extended Education's "base" services provided to insure the successful design, development, delivery and maintenance of this program include:

- Course Development Support - framework for instructional design for distance education and extended programs and course development guidelines, standards and best practices for distance education course alignment, learning outcomes base course/program design, project development/management, WebCT course development, WebCT/Portal support, faculty tutorials, accessibility design support, copyright support and coordination, and multimedia planning and development.
- Faculty Training - WebCT training, multimedia and hypermedia training, training in pedagogy for online and hybrid courses, training for television, DVD, and video production.
- Customer Services - schedule classes and workshops in PeopleSoft; adjust parameters in PeopleSoft - instructors, TAs, enrollment size; maintain instructor pool; verify intended course offering with department each term; facilitate logistics for ordering textbooks, course packets and DVDs; assist instructors to access course information, grading, class rosters; implement online course evaluation; assist with grade changes.
- Prospective Student Services - provide program information to prospective students; assist students through the admission and transfer process; help in transition from community colleges; work with SSU Enrollment Management to extend available online services; transition students to their department advisors; provide 800#, email, and online student support; facilitate proctored tests; act as liaison between student and instructor; facilitate access to campus-based services, online technical support, tutorials, and online services.
- Marketing/Needs Analysis - research and analysis for potential new programs.
- Marketing Planning/Advertising - targeted marketing plans for degrees and programs which may include: development of print and online advertising, publications, and catalogs, and inclusion in Extended Education broad media campaign.
- Business Services - SEE registers students into Extended Education courses (this would include determining the student's appropriate career in PeopleSoft, providing a confirmation of the registration, processing any refunds, answering all questions and resolving all matters pertaining to registrations and credit card processing, program budgeting, financial projections and reports, assist with instructor hiring and payroll processing, assist with personal service contracts and other contracting processes. Post syllabi for viewing by prospective students; arrange logistics for on-site and off-site offerings; explore opportunities to provide additional instructor support and online services. SEE will also be providing required enrollment reports to the CSU.
- Professional Development Services - tailor-made non-credit programs, workshops and short courses, customized certificate programs, program administration and logistics, certificates and CEUs.
- Hybrid and Site-Based Course Logistics - planning, development, scheduling, and logistics for hybrid or site-based courses.

- Instructional Resource Management Option - The School manages instructor contracts, salaries, teaching School/Department courses offered through Extended Education. The standard arrangement for this service and salary schedules are provided through the Extended Education Business Services unit.

### Pricing Structures

In order to comply with Executive Order 740, the School of Extended Education hereby requests approval for its fall 2008 fees. Most base rates remain the same as those authorized for summer 2008. Details of each type of fee and respective amounts follow:

Contract Courses	\$ 55/unit
Special Session Courses Base Fee	\$198/unit
Project Continuation	\$250/unit
Open University Lecture/Discussion Courses	\$198/unit
Open University Nat. Sci. Lab/Nursing Courses	\$211/unit
Special Session Degree/Certificate Programs:	
BA Liberal Studies – Napa Valley Program	\$270/unit
Liberal Studies Degree Completion Program	
Prior Admits	\$300/unit
Fall 2008 Admits	\$325/unit
Liberal Studies Master’s Program (ITDS-AVF)	\$325/unit
MS Computer & Engineering Science	\$500/unit
MA Spanish	\$355/unit
MA Psychology/Art Therapy Concentration	\$315/unit
MA Humanistic Concentration	\$265/unit
MA Psychology/Organization Development:	
Prior Admits	\$450/unit
Fall 2008 Admits	\$475/unit

Depth Psychology	
Fall 2007 Admits	\$490/unit
Fall 2008 Admits	\$525/unit
Post Masters Art Therapy Certificate	\$315/unit
Family Nurse Practitioner Certificate	\$400/unit
Extension Credit Courses	\$165/unit
Attorney Asst. Extension Credit Courses	\$175/unit

### **Business Practices and Policies**

**Financial Aid:** Financial assistance may be available to extension students who are concurrently enrolled in at least six units of regular University coursework, MA in Psychology candidates, MS-CES candidates, Liberal Studies Degree Completion candidates, MA in Interdisciplinary Studies candidates, Post Masters Art Therapy Certificate candidates, Post Masters FNP Certificate candidates, Paralegal Program, and Accounting Certificate Program candidates. Further information may be obtained by calling the Financial Aid Office at 707/664-2389 between 8am-4pm, Monday-Friday.

California's Eligible Training Provider List (ETPL) was established in compliance with the Workforce Investment Act (WIA) of 1998. The purpose of the ETPL is to provide customer-focused employment training for adults and dislocated workers. Qualified students wishing to enroll in the certificate programs offered through the School of Extended Education may be eligible under the provisions of the Act. For more information, contact the Local Workforce Investment Act Office nearest you. A list of offices may be found at <http://www.edd.ca.gov/wialoc.htm>.

**Fees:** All courses offered through Extended Education are entirely self-supporting. Fees for noncredit and CEU courses vary. SSU Extended Education fees are approved by the President under authority from the Board of Trustees of the California State University, and are subject to change. As appropriate, base unit fees are adjusted to accommodate additional course expenses.

**Tax Credit:** If students are enrolled in an eligible degree or certificate program or are taking courses to acquire or improve job skills, they may qualify for a Hope Scholarship or Lifetime Learning Tax Credit. The Hope Scholarship tax credit is available only to students in their first two years of postsecondary education who are enrolled at least half-time in an eligible program. The Lifetime Learning tax credit is available to students at all educational and enrollment levels who are enrolled at an eligible educational institution. The tax credits are based on the amount of qualified tuition and fees, less grants and other tax-free educational assistance, and the taxpayer's modified adjusted gross income. Hope credits apply to fees paid after December 31, 1997, and the Lifetime Learning credit applies to fees paid after June 30, 1998. Consult IRS Publication 970 or a tax preparer for additional information.

***Payment:*** Fees can be paid with check or money order made payable to Sonoma State University, or with VISA, MasterCard, American Express or Discover cards by providing the appropriate information on the registration form. Students wishing to pay cash must come to Extended Education in Stevenson Hall, room 1012 between 8:30am and 4pm so that payment can be processed through the University Customer Service Center.

A standard SSU late fee of \$25 is charged for registration after the day of the first class meeting with the exception of Open University courses. See the General Information section for information and policies. Registration and payment (with a late fee) will be accepted until 25% of class time has elapsed.

## Marketing Plan

Facts about Sonoma State University and the School of Extended Education

### *Sonoma State University*

Founded in 1960 as a teacher education center for the North Bay, Sonoma State University is now a liberal arts and sciences university dedicated to providing high-quality undergraduate education and selected professional graduate programs. Dedicated to the liberal arts and sciences and known for its active use of technology, the SSU educational experience fosters intellectual, cognitive, social and personal growth. The faculty and staff of Sonoma State provide close mentoring relationships and an education that fosters ethical exploration, civic engagement, social responsibility, and global awareness combined with a solid foundation in an academic discipline. Sonoma State University is one of 23 California State University (CSU) campuses throughout the state. About the SSU campus (i.e., stateside):












- Mid-size campus (8,900 students)
- 60/40 female to male ratio
- 2,400 residential students (27% of student population lives on campus)
- Top 10 majors (by number of applicants):
  - Pre/Business
  - Biology
  - Kinesiology
  - Communications
  - Psychology
  - Hutchins
  - Pre-Nursing
  - English
  - Criminal Justice
  - History
- Graduate 2,200 students per year
- 41 bachelor's degree programs; 14 master's degree programs
- 9 credential programs; 8 certificate programs
- 269 richly-landscaped acres, 50 miles north of San Francisco

### *School of Extended Education*

- In 2007-08 the School of Extended University provided more than 400 academic courses; 12 professional certificates including Wine Business, Paralegal Training, TESOL (Teaching English to Speakers of Other Languages), Green Building, and Sustainable Landscaping; awarded over 2,500 Continuing Education Units; and 2 Bachelors and 6 Masters Degree programs via online, hybrid, and face-to-face formats.

- Extended Education maintains the preeminent national Osher Lifelong Learning Institute, which offers courses, international travel programs, and special cultural events to more than 1,000 individuals per year who are 50 or older. SSU Extended Education maintains Osher program endowments totaling more than \$1,600,000 (as of December 1, 2008).
- The Sonoma State American Language Institute provides American/English Language Programs for more than 200 foreign students from 23 different countries around the world per year.
- For more than a quarter century Extended Education has provided the highest quality academic classes for more than 18,000 regional youth (grades 4-9) on the SSU campus.
- Extended Education provides flexible course delivery and schedules through Special Sessions, Intersession, Open University, Extension, and online course delivery which accelerates students' time to degree completion.
- Extended Education provides Sonoma County and the region with entrepreneurial program development, outreach and engagement in the form of economic development contracts and specialized degree opportunities.
- Extended Education provides specialized credit and non-credit education, training, and other instructional services for business, government, international, and community education.

### Total size of the SSU and Extended Education Region/Market

People QuickFacts	Sonoma County	California
 Population, 2006 estimate	466,891	36,457,549
 Population, percent change, April 1, 2000 to July 1, 2006	1.8%	7.6%
 Persons under 5 years old, percent, 2006	6.2%	7.3%
 Persons under 18 years old, percent, 2006	22.9%	26.1%
 Persons 65 years old and over, percent, 2006	12.7%	10.8%
 Female persons, percent, 2006	50.4%	50.0%
 White persons, percent, 2006 (a)	89.9%	76.9%
 Black persons, percent, 2006 (a)	1.7%	6.7%
 American Indian and Alaska Native persons, percent, 2006 (a)	1.4%	1.2%
 Asian persons, percent, 2006 (a)	4.0%	12.4%
 Native Hawaiian and Other Pacific Islander, percent, 2006 (a)	0.3%	0.4%

Persons reporting two or more races, percent, 2006	2.8%	2.4%
Persons of Hispanic or Latino origin, percent, 2006 (b)	22.0%	35.9%
White persons not Hispanic, percent, 2006	69.4%	43.1%
Living in same house in 1995 and 2000, pct 5 yrs old & over	52.0%	50.2%
Foreign born persons, percent, 2000	14.3%	26.2%
Language other than English spoken at home, pct age 5+, 2000	19.8%	39.5%
High school graduates, percent of persons age 25+, 2000	84.9%	76.8%
Bachelor's degree or higher, pct of persons age 25+, 2000	28.5%	26.6%
Persons with a disability, age 5+, 2000	75,769	5,923,361
Mean travel time to work (minutes), workers age 16+, 2000	26.8	27.7
Housing units, 2006	195,870	13,174,378
Homeownership rate, 2000	64.1%	56.9%
Housing units in multi-unit structures, percent, 2000	17.7%	31.4%
Median value of owner-occupied housing units, 2000	\$273,200	\$211,500
Households, 2000	172,403	11,502,870
Persons per household, 2000	2.60	2.87
Median household income, 2004	\$53,645	\$49,894
Per capita money income, 1999	\$25,724	\$22,711
Persons below poverty, percent, 2004	8.4%	13.2%

<b>Business QuickFacts</b>	<b>Sonoma County</b>	<b>California</b>
Private nonfarm establishments, 2005	13,847	860,866 <sup>1</sup>
Private nonfarm employment, 2005	164,575	13,382,470 <sup>1</sup>
Private nonfarm employment, percent change 2000-2005	1.0%	3.9% <sup>1</sup>
Non-employer establishments, 2005	39,946	2,609,258

<a href="#">i</a> Total number of firms, 2002	48,290	2,908,758
<a href="#">i</a> Black-owned firms, percent, 2002	0.9%	3.9%
<a href="#">i</a> American Indian and Alaska Native owned firms, percent, 2002	1.2%	1.3%
<a href="#">i</a> Asian-owned firms, percent, 2002	3.1%	12.8%
<a href="#">i</a> Native Hawaiian and Other Pacific Islander owned firms, percent, 2002	F	0.2%
<a href="#">i</a> Hispanic-owned firms, percent, 2002	5.7%	14.7%
<a href="#">i</a> Women-owned firms, percent, 2002	31.4%	29.9%
<a href="#">i</a> Manufacturers shipments, 2002 (\$1000)	5,973,013	378,661,414
<a href="#">i</a> Wholesale trade sales, 2002 (\$1000)	3,474,829	655,954,708
<a href="#">i</a> Retail sales, 2002 (\$1000)	5,731,948	359,120,365
<a href="#">i</a> Retail sales per capita, 2002	\$12,303	\$10,264
<a href="#">i</a> Accommodation and foodservices sales, 2002 (\$1000)	723,958	55,559,669
<a href="#">i</a> Building permits, 2006	1,912	160,502
<a href="#">i</a> Federal spending, 2004 (\$1000)	2,197,529	232,387,168 <sup>1</sup>
<b>Geography QuickFacts</b>	<b>Sonoma County</b>	<b>California</b>
<a href="#">i</a> Land area, 2000 (square miles)	1,575.88	155,959.34
<a href="#">i</a> Persons per square mile, 2000	291.0	217.2
<a href="#">i</a> FIPS Code	097	06
<a href="#">i</a> Metropolitan or Micropolitan Statistical Area	Santa Rosa-Petaluma, CA Metro Area	

## **Niche**

Sonoma State University is in the heart of Sonoma County. The region is recognized for various products and services including:

### **Wine Business**

- The weakening of the U.S. dollar against more major currencies gave some support to the wine industry. In particular, the dollar has weakened relative to most of the domestic wine industry's competitors, except Chile.
- The U.S. dollar is expected to continue to depreciate against most foreign currencies, which will give further support to wine exports going forward.
- Sonoma County's tight labor market is making it difficult for growers to recruit the migrant workers they rely on. Federal immigration policies will have a significant impact on growers, as they will set the trend for the long-run availability of labor in the area.
- The long-term outlook for Sonoma County's wine industry remains favorable. Improving name recognition and rising wine consumption globally are the positive fundamentals driving the industry's outlook.

### **Tourism**

- Sonoma County had the second highest destination spending growth rate in the state for 2006, substantially outpacing regional competitors- Napa and Marin.
- There are many new opportunities for Sonoma County's Tourism industry. Strong survey support was shown for culinary programs, such as a Restaurant Week, a countywide customer service awards program, and heritage or historical programs.
- The majority of reporting tourism businesses have a positive outlook for the coming year though there is concern about the effect of the falling dollar.
- Sonoma County's tourism industry has performed very well over the past year. Occupancy rates at area hotels averaged more than 64% for the year.

### **International Trade**

- Manufacturing and food/wine/agriculture businesses are strongly involved in trade, and exports are the predominant form of international trade for Sonoma County businesses.
- Europe, China, and Canada are broadly perceived as current and future top trade regions/nations, and the internet plays an important role for marketing and communications.
- Most businesses have experienced growing international trade sales within the past two years and also expect them to grow for the next two years, but few businesses are going to hire new staff for international sales.
- Financial and monetary stability, potential market share, and potential business partners play for most businesses a crucial role for establishing new trade relations.

- Logistics, cultural and language barriers, and international competition are the most cited obstacles for establishing new trade relations.

## **Construction**

- Residential construction permit issuance has sharply declined, although more stable nonresidential construction has provided some support for construction employment.
- While many material costs for residential construction are steady or decreasing, material costs for office and industrial construction have risen. However, the increase in materials costs has not yet been passed through to construction firms, and the slowdown in new construction will slow the rate of growth of materials costs.
- Urban development projects are likely to feature greater density and more mixed-use purposes in light of higher gasoline and materials costs.
- In addition to a residential and commercial construction slowdown, infrastructure projects may also decrease following reduced public spending once lower-priced homes are reappraised, thus reducing the property tax base.
- Home prices, the key construction industry indicator, are projected to reach their bottom by mid-2009 at the latest. Sales are expected to increase as homebuyer confidence returns.

## **Technology**

- The Sonoma County tech sector enjoyed improved performance. Most of the area's technology-producing firms report improved growth of demand and production, and there has been a moderate gain in the industry's employment.
- The number of patents issued in Sonoma County has risen steadily since 2000. From 2004-2006, Sonoma County surpassed the California average in the number of patents issued per 100,000 people.
- Output per worker in the high-tech industry has increased steadily over the past six years. Projections indicate that employment in this industry will increase slightly from 2007-2012.
- Sonoma County continues to shine in the area of math education. During the 2005-2006 school year, 69% of Sonoma County students proved proficient in math compared to 59% statewide. Further, the Sonoma County average SAT math score of 542 surpassed the California average of 516.

## **Health Industry**

- The continued rapid development of medical technologies, including recent advances in biotechnology, offers significant potential for providing more efficient care to a larger population.
- The medical services industry in Sonoma County continues to expand. Sonoma County boasts an above-average share of residents aged 65 and older. This elevated share of elderly favors increased demand for medical services, particularly in outpatient centers, nursing homes, and home health settings.

- Local hospitals are expected to continue to benefit from serving residents in neighboring counties, where the public caseload is significantly higher and healthcare facilities are less equipped.

### **Extended Education's Promotion Techniques and Advertising:**

- Catalogs (hardcopy and online)
- Topic pamphlets
- Direct mailing announcements
- Constant Contact (email newsletters and announcements)
- E~News (online newsletter)
- Graymatters (OLLI newsletter)
- SCOOP (SSALI newsletter)
- Regional newspaper advertisement
- DVD and video marketing
- Presentations (internal to SSU and external)
- Informational meetings
- Website ( [www.sonoma.edu/exed](http://www.sonoma.edu/exed) )
- Contact lead personnel

### **Location**

Extended Education classes and programs are delivered both on the Sonoma State University campus and through the Sonoma County Region. The SSU campus is located 50 miles north of San Francisco.

### ***Demographics***

Home to nearly 480,000 people, Sonoma County (map provided below) is a prime location for tourism as well as residence. Just 35 miles from the San Francisco Bay Area, there are nine incorporated cities in the county, in addition to seventeen unincorporated areas.

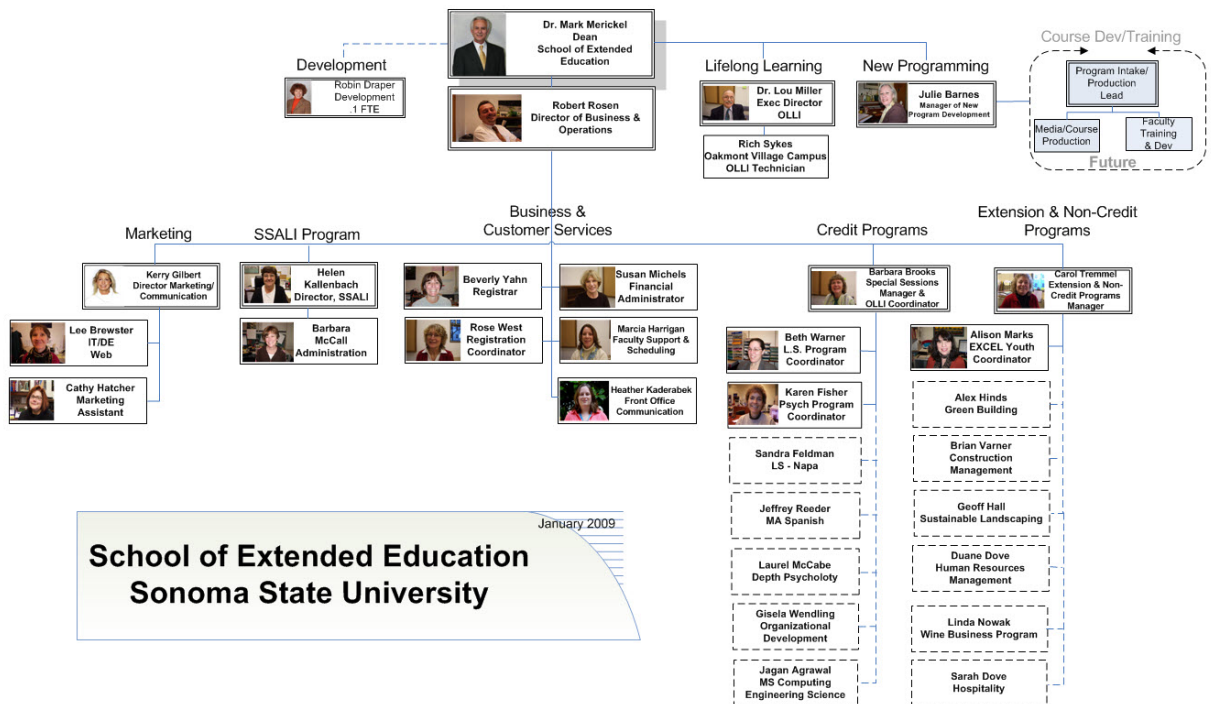
The city of Santa Rosa is the most populous area, home to 33% of the county's population (roughly 157,145 people). The city was also recently named as one of the nation's "most livable communities" by Partners for Livable Communities. The cities of Petaluma and Rohnert Park are the next most populous, while the city of Cotati is the least populated.



## Operations and Organization

The School of Extended Education has been in existence since the inception of Sonoma State in 1960. The School is a self-support operation that comes under the CSU heading of Extended and/or Continuing Education. The School is located in Stevenson Hall on the SSU main campus.

The School of Extended Education is lead by Dean Mark Merickel, a tenured full professor in curriculum studies with over 35 years of educational and administrative experience. Dr. Merickel came to SSU after 20 years at Oregon State University as a Professor of Education and the Associate Dean of the university's Ecampus. The Associate Dean of the School is Robert Rosen, Director of Business and Operations/Administrative Manager. The School is comprised of 21 full and part-time staff, some of which are located in the School's partner academic units around the campus.



**School of Extended Education 2009 Organization Chart**

The School currently operates extended programs in Napa, Alexander Valley, Santa Rosa, and Sonoma.

### Current Inventory

The inventory of Extended Education is wide ranging from academic degree programs to continuing education classes that offer relevant CEUs for workshop training, such as the Green Building and Sustainable Landscape Certificate Programs, to non-credit programs at both the 50+ age level (the Osher Lifelong Learning program) and the below 14 (elementary and middle

school) age level (the EXCEL Program for Youth). For more information or current inventory lists please go to the websites listed below: <http://www.sonoma.edu/exed> (click on Degree Programs, Certificate Programs, or another link of choice)

<http://www.sonoma.edu/greenbuilding/> (Green Building)

<http://www.sonoma.edu/sustainablelandscape/> (Sustainable Landscape)

<http://www.sonoma.edu/exed/lifelong/> (Osher Lifelong Learning)

<http://www.sonoma.edu/exed/excel/> (Excel for Youth)

Other programs and Sessions offered through Extended Education include *Travel Study, Open University, Online Classes, Intersession, Special Session, Classes during Summer Term, and Professional Development.*

## Financial Models and Analysis

Moving forward, the School of Extended Education has come up with a new financial model to facilitate a sustainable system.

The new Extended Education business and revenue model is an organized approach to offering self-support courses and programs and ensuring that these programs will be financially solvent and sustainable without state-side revenue. In order to accomplish this, self-support classes and programs (credit and non-credit) need to be planned with a budget and business plan that ensures the results are revenue positive. That is...the results should show a positive revenue margin. One factor that must always be considered, however, is that SSU is a non-profit state institution, making Extended Education a non-profit unit. This directs Extended Education to ensure that all positive revenue generated through the unit are directed toward planned support and investment in new program inventory, infrastructure, and planned revenue sharing with the program partners including departments, schools, businesses, industry, and other institutions, to name a few. This fundamental condition of the new Extended Education business and revenue model ensures a partnership approach to offering extended programs to individuals throughout the Sonoma region, and not an independent profit centered operation.

There are numerous approaches to the operation of a business. Most of these were developed for private sector businesses. Because Sonoma State University is not a private sector business, most models do not quite fit our culture and mission. But there are common principles that provide the framework for most business models that Extended Education has adapted for SSU. These principles are:

- **Relationships** (links established between SSU and our different students/clients and partners).
- **Value Proposition** (define the student/client problem, the product that solves the problem, and what the student/client gets for what they pay)
- **Market and Value Network** (identification of competition and available target audience for SSU's classes, programs, and services)
- **Resources** (resources needed to make the business model possible)
- **Activities and Competitive Strategy** (activities necessary to implement the business model and how SSU will differentiate itself in the market i.e., niche, price, reputation, etc.)
- **Distribution** (means by which SSU delivers classes, programs and services to customers)
- **Cost Structure** – Budget (costing the model to ensure fiscal responsibility and sustainability)
- **Revenue Streams and Margins** (revenue streams generated by the business model and making up the revenue model, and expected positive revenue margins)

Although many of these principles may be thought of as “sequential steps” in a traditional business model, it is best to think of this model as non-linear. With the limited resources of the university, it is virtually impossible to process a business model in a linear or sequential way. We often need to process multiple steps in a consolidated fashion. So, even though the SSU

Extended Education Business Model (shown at right) presents each of the principles as individual pieces of “pie,” in actuality we process many of these principles together or in a non-sequential process as the arrow indicates.

Once the model is fleshed out, the results act as a documentation of a partnership/business relationship and blueprint for the design, development and delivery of SSU extended courses and programs. The business model specifies Extended Education services and responsibilities, Department responsibilities, and revenue streams associated with the approval, design, development, marketing, implementation, instruction, administration, and financial management.

## Revenue Streams

The Extended Education business model focuses on services and revenue distribution. The business model employs a revenue distribution formula intended to provide incentives for Schools and Academic Departments to participate with Extended Education in building and delivering an inventory of degree and certificate programs specifically designed to meet the academic needs of the student body of Sonoma State University. SSU Extended Education has implemented the infrastructures necessary to track student credit hours and translate that into revenue available to the Schools/Department.

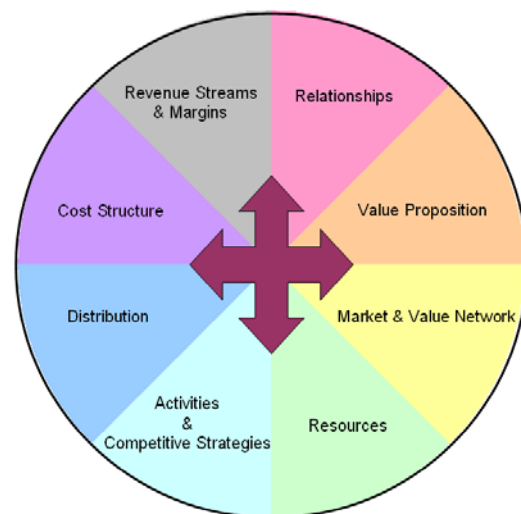
## Revenue Distribution

The intent of the Extended Education Revenue Allocation Model (EERAM) is to provide incentives for Schools and Departments to participate in developing distance degree and academic certificate programs. A second goal of the model is to generate a source of external revenue that will support School/Department programs and provide an alternative for declining state revenues. To encourage the growth of this participation, EERAM revenue generated by these programs will be transferred according to established agreement between the Schools and Extended Education.

Business and revenue models are only as good as the people and programs that they support. This certainly holds true for the new models being employed by Extended Education at Sonoma State University. Over the last 8 months, the School of Extended Education has been working diligently on building relationships with the 4 other academic schools, the departments, and faculty.

It is the intention of Extended Education that through these relationships and partnership efforts, the new business models will support the development and offering of a relevant catalog of programs. These programs will serve and support the needs of the diverse SSU student

SSU Extended Education  
2008-2009 Business & Revenue Model Components

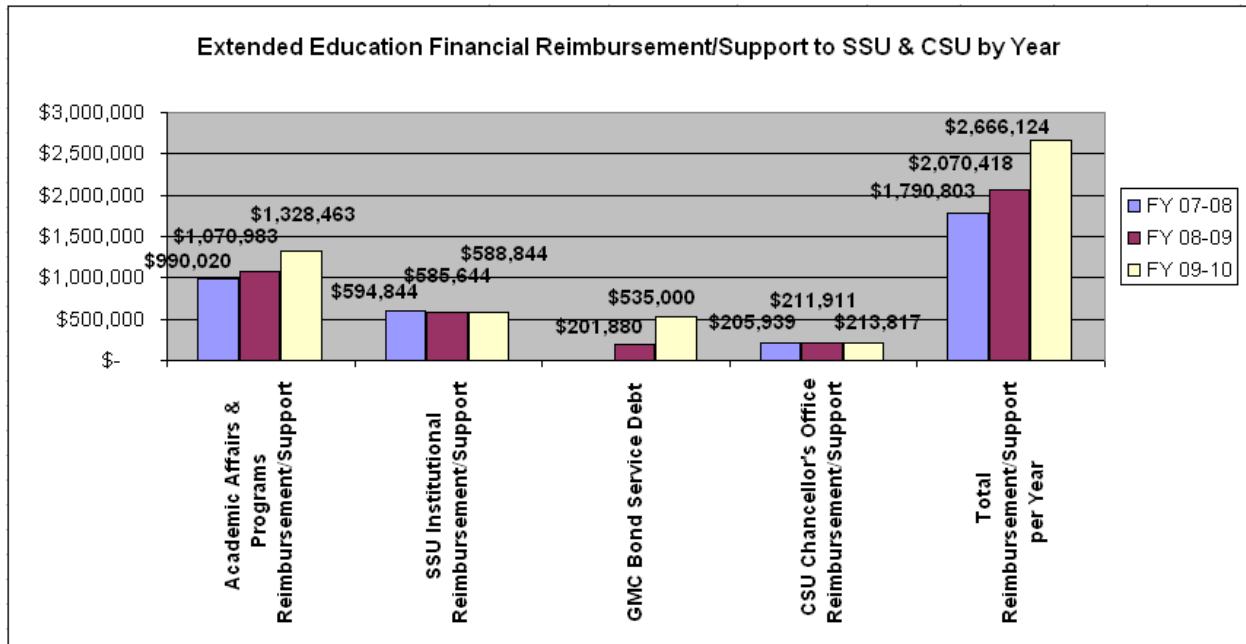


population; enhance collaborative relationships with local communities, the region, and the world, to foster educational, social, cultural, and economic development; and provide essential services to extended education students and our academic partners.

**Yearly Financial Reimbursements/Support to SSU and CSU**

Sonoma State University (SSU) is one of the 23 California State University campuses and is located in the heart of the North Bay wine country. The university was opened in 1960. The School of Extended Education (previously known as Continuing Education) has served the institution since its inception. The School of Extended Education provides programs, student services, and direct financial reimbursement and support to both SSU and the CSU Office of the Chancellor. These financial reimbursements and support totaled 43% of the revenue generated through Extended Education in '07-'08 which amounted to \$1,780,803. These reimbursements and support are projected to grow to 48% this fiscal year ('08-'09) which amounts to \$2,070,418 and up to 56% in '09-'10 or \$2,666,124.

The following bar chart shows the trend in Extended Education institutional reimbursements growing significantly over the next two years. The reimbursements to the CSU Chancellor's Office are projected to remain relatively stable.



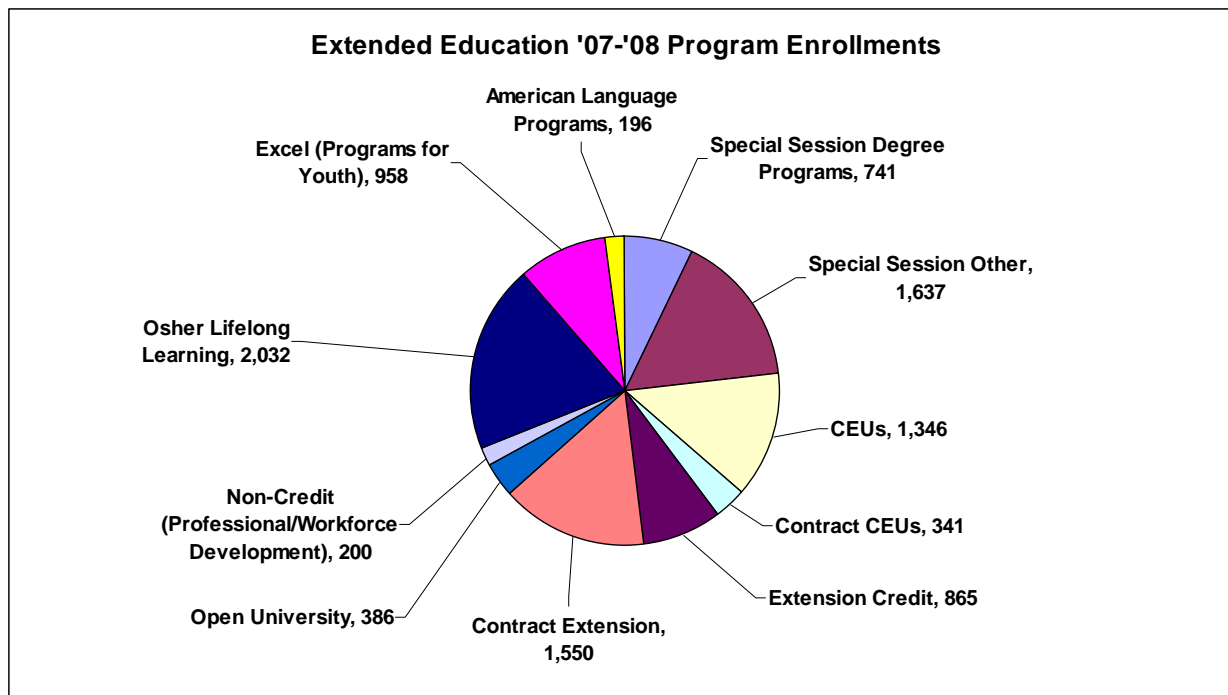
The following table shows the financial reimbursements to SSU and the CSU by year and specific allocations.

<b>Extended Education Financial Reimbursements to SSU &amp; CSU by Year</b>			
	<b>FY 07/08</b>	<b>FY 08/09</b>	<b>FY 09/10</b>
<b>SSU REIMBURSEMENTS/SUPPORT</b>			
<b>Academic Affairs &amp; Programs Reimbursements/Support</b>			
<b>Academic Salaries (academic credit)</b>	\$ 710,220	\$ 765,000	\$ 864,598
<b>Academic Schools Allocations (includes Library &amp; Graduate School)</b>	\$ 279,800	\$ 305,983	\$ 463,865
<b>Subtotal</b>	<b>\$ 990,020</b>	<b>\$ 1,070,983</b>	<b>\$1,328,463</b>
<b>SSU Institutional Reimbursements/Support</b>			
<b>Admissions &amp; Records Office</b>	\$ 22,592	\$ 45,800	\$ 49,000
<b>University Utilities</b>	\$ 15,615	\$ 15,615	\$ 15,615
<b>Risk Pool</b>	\$ 59,847	\$ 56,314	\$ 56,314
<b>Facilities / Rent</b>	\$ 177,891	\$ 177,891	\$ 177,891
<b>Information Technology (IT)</b>	\$ 49,849	\$ 23,277	\$ 23,277
<b>SSUITE Program (Computer Support and Leases)</b>	\$ 11,250	\$ 22,350	\$ 22,350
<b>Institutional Support</b>	\$ 211,598	\$ 205,845	\$ 205,845
<b>Common Management System (CMS) / Peoplesoft</b>	\$ 46,202	\$ 38,552	\$ 38,552
<b>Subtotal</b>	<b>\$ 594,844</b>	<b>\$ 585,644</b>	<b>\$ 588,844</b>
<b>Total SSU Reimbursement/Support</b>	<b>\$ 1,584,864</b>	<b>\$ 1,656,627</b>	<b>\$ 1,917,307</b>
<b>Bond Service Debt</b>			
<b>Green Music Center Bond Service Assigned to Extended Education for 30 years</b>	\$ -	\$ 201,880	\$ 535,000
<b>Total Bond Service</b>	<b>\$ -</b>	<b>\$ 201,880</b>	<b>\$ 535,000</b>
<b>CSU REIMBURSEMENTS/SUPPORT</b>			
<b>Chancellor's Office Operations &amp; State Pro Rata</b>	\$ 170,622	\$ 176,594	\$ 178,500
<b>Open University Payout</b>	\$ 35,317	\$ 35,317	\$ 35,317
<b>Subtotal</b>	<b>\$ 205,939</b>	<b>\$ 211,911</b>	<b>\$ 213,817</b>
<b>TOTAL SSU &amp; CSU Reimbursements/Support Per Year</b>	<b>\$ 1,790,803</b>	<b>\$ 2,070,418</b>	<b>\$2,666,124</b>

This funding provides significant support for the instruction, facilities, staff, and services of SSU and the Office of the Chancellor. Extended Education has been, and will continue to be, a significant financial contributor of reimbursements to SSU and the CSU in support of the delivery of education to 1000s of students who need extended programs and services to achieve their educational goals.

### Extended Education Enrollments by Program Areas for '07-'08

The chart below contains the '07-'08 enrollments by each program area offered through Extended Education. The table following contains the Student Credit Units (SCUs) generated by academic credit programs.



More than 500 faculty, adjunct faculty, instructors, and professionals from the field teach for Sonoma State University Extended Education throughout the year. Extended Education also offered over 1000 academic credit courses and 300 non-credit courses in '07-'08. Measured after the first half of the '08-'09 year, all of these figures are showing a projected increase of +15%.

*Note: Enrollments figures are duplicated headcount.*

Program Areas	Enrollment	SCUs
Special Session Degree Programs	741	2,681
Special Session Other	1,637	4,572
CEUs	1,346	
Contract CEUs	341	
Extension Credit	865	1,384
Contract Extension	1,550	3,355
Open University	386	1,205
Non-Credit (Professional/Workforce Development)	200	
Osher Lifelong Learning	2,032	
Excel (Programs for Youth)	958	
American Language Programs	196	
<b>TOTAL</b>	<b>10,252</b>	<b>13,197</b>

## **Budget**

The SEE's actual financial performance for '07-'08 and the projected budgets for both FY '08-'09 and FY '09-'10 are presented in the appendices. Gross revenue in '07-'08 benefitted from strong performances of academic credit courses and degree programs as well as continued growth in non-credit programs such as OLLI and SSALI. The year ended with a shortfall of \$37,413; this is a dramatic improvement from the previous year and demonstrates that SEE is making progress toward successfully replacing the revenue lost from resident summer courses and YRO.

### **Two-Year Budget Projection**

The School's Director of Business and Operations together with the Dean created the two-year profit projections. These projections were created using historical data and projecting both expenditures and new revenue sources over the remainder of this fiscal year and next year.

The two-year projections for the School of Extended Education are conservative; however, the growth in revenue should be seen as both encouraging and a change in the "trend line" to financial recovery and sustainability. Even though the growth in revenue trend is showing positive gains, it will be necessary that the university provide Extended Education with "bridge support" funding over this academic year and next. These bridge support funds will provide the necessary revenue and reserves to cover the required bond debt service until which time that the Green Music Center academic wing assignments to Extended Education are completed and available for rental. When these facilities are completed it is expected that their rental will generate the necessary revenue to cover both the annual bond service owed by Extended Education and the budget reserve amounts required by Executive Order 994 associated with bond service debts.

These projections show that SEE has recovered from the loss of summer session to YRO and will generate a balanced budget with the exception of the GMC bond service debt and required bond service coverage. The School of Extended Education will be extended "SSU bridge support" funds this academic year and the next academic year to cover these deficits and to carry the required reserves. It is the goal of the School of Extended Education to insure fiscal stability and sustainability by '10-'11. Consequently, the current financial projections show SSU Bridge Support coverage for year '08-'09 at \$500,000 and \$500,000 in '09-'10. Preliminary estimates for FY '10-'11 show a balanced budget with growing reserves due to significant revenue expansion from academic credit programs.

The bond service expenses pose a number of challenges to the School and SSU, which require the School to reduce expenses to the degree possible and dedication to creating new revenue generating inventory. The service also required the need for SSU to provide the School with two years of Bridge Support funds to insure required CSU fiscal accountability.

The focus of the School of Extended Education will be to create new partnerships with academic faculty, departments and schools. The most significant growth is to come from new special sessions, intersessions, online programs, academic certificates, minors, and undergraduate and

graduate degrees. These new programs will be delivered through various modalities including face-to-face, online, DVD/video, and hybrid. In order to achieve this goal it is necessary that the School and SSU invest capital in infrastructure, inventory and partnership development.

Although non-credit professional development programs have declined over the past five years, and with the current economic crisis are likely to continue to decrease for a minimum of two more years, it is prudent for the School to continue to work with the academic Schools and departments to create specialized corporate training like that recently offered by the School of Business and Economics to the Dry Creek Rancheria on the topic of “hospitality.”

The other non-credit units and programs in Extended Education (i.e., Excel and OLLI) are being managed to insure fiscal responsibility (i.e., balance their yearly budgets).

It is the goal of the School of Extended Education to achieve an independent balanced budget FY '10-'11.

**APPENDIX A**

**2007 Actual Financial Report, 2008 and 2009 Projections**

<b>Sonoma State University School of Extended Education Three Year Financial Review</b>				
		<b>Actual</b>	<b>Projections</b>	
<b>FUND SOURCES/REVENUE:</b>		<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>
Contract Special Session		\$ -	\$ -	\$ -
Special Session Degree Prgrms.		\$ 1,029,157	\$ 966,108	\$ 1,363,750
Special Session		\$ 912,526	\$ 1,190,879	\$ 1,222,347
CEU		\$ 325,804	\$ 325,550	\$ 330,000
Contract CEU		\$ 2,180,000	\$ -	\$ -
Extension		\$ 271,833	\$ 188,949	\$ 74,968
Contract Extension		\$ 156,796	\$ 108,000	\$ 112,000
Open University		\$ 217,554	\$ 234,977	\$ 205,000
Non Credit		\$ 1,021,241	\$ 1,200,000	\$ 1,310,000
SSU Bridge Support		\$ -	\$ 500,000	\$ 500,000
OLLI Endowment Earnings		\$ 56,314	\$ 35,000	\$ 35,000
Miscellaneous (Interest, Application Fees, Late Charges)		\$ 221,966	\$ 61,816	\$ 180,000
<b>TOTAL FUND SOURCES</b>		<b>\$ 4,215,371</b>	<b>\$ 4,811,279</b>	<b>\$ 5,333,065</b>
<b>FUND USES/EXPENSES:</b>				
<b>Special Session Programs</b>				
Salary & Wages - Faculty		\$ 720,220	\$ 765,000	\$ 864,598
Operating Expense		\$ 44,196	\$ 35,000	\$ 79,359
Open University Payback		\$ 35,317	\$ 35,317	\$ 35,317
<b>Special Session Programs Subtotal</b>		<b>\$ 799,733</b>	<b>\$ 835,317</b>	<b>\$ 979,274</b>
<b>Extension Programs</b>				
Salaries & Wages - Faculty		\$ 506,688	\$ 548,109	\$ 587,787
Operating Expense		\$ 179,570	\$ 135,000	\$ 213,312
<b>Extension Programs Subtotal</b>		<b>\$ 686,258</b>	<b>\$ 683,109</b>	<b>\$ 801,099</b>
<b>Informational Support</b>				
Admissions & Records		\$ -	\$ 67,647	\$ 49,000
Information Technology		\$ 49,849	\$ 23,277	\$ 23,277
<b>Informational Support Subtotal</b>		<b>\$ 49,849</b>	<b>\$ 90,924</b>	<b>\$ 72,277</b>
<b>University Reimbursement/Support</b>				
Institutional Services		\$ 211,598	\$ 205,845	\$ 205,845
Utilities/Facilities Services/Rent		\$ 193,506	\$ 193,506	\$ 168,506
CMS		\$ 46,202	\$ 38,552	\$ 38,552
<b>University Reimbursement/Support Subtotal</b>		<b>\$ 451,306</b>	<b>\$ 437,903</b>	<b>\$ 412,903</b>
<b>Administration</b>				
Salaries & Wages		\$ 1,203,675	\$ 1,153,588	\$ 1,168,061
Staff Benefits		\$ 431,923	\$ 415,292	\$ 418,000
Risk Management		\$ 71,807	\$ 56,314	\$ 56,314
State Pro Rata		\$ 44,000	\$ 55,000	\$ 48,500
Chancellor's Office Operations		\$ 126,623	\$ 122,500	\$ 130,000
GMC Bond Service		\$ -	\$ 201,880	\$ 535,000
Marketing / Marketing Postage		\$ 108,368	\$ 95,000	\$ 80,000
Phone / Postage		\$ 42,682	\$ 30,000	\$ 25,851
Bankcard Charges		\$ 47,576	\$ 50,800	\$ 58,000
Ssuite		\$ 11,220	\$ 23,250	\$ 53,707
Operating Expense		\$ 69,745	\$ 28,500	\$ 20,925
<b>Administration Subtotal</b>		<b>\$ 2,157,619</b>	<b>\$ 2,232,124</b>	<b>\$ 2,594,358</b>
<b>Allocations to Schools &amp; Academic Affairs</b>				
School of Arts & Humanities		\$ 10,112	\$ 68,275	\$ 66,628
School of Business & Economics		\$ 5,100	\$ 47,026	\$ 90,348
School of Education		\$ -	\$ 11,209	\$ 9,590
School of Science & Technology		\$ 2,400	\$ 113,820	\$ 67,299
School of Social Sciences		\$ 90,007	\$ 172,100	\$ 149,000
Graduate Studies		\$ -	\$ 40,775	\$ 28,000
Library		\$ 400	\$ 69,742	\$ 53,000
<b>Allocations Subtotal</b>		<b>\$ 108,019</b>	<b>\$ 522,947</b>	<b>\$ 463,865</b>
<b>TOTAL FUND USES/EXPENSES</b>		<b>\$ 4,252,784</b>	<b>\$ 4,802,324</b>	<b>\$ 5,323,776</b>
<b>PROJECTED SURPLUS/DEFICIT</b>		<b>\$ (37,413)</b>	<b>\$ 8,955</b>	<b>\$ 9,289</b>
<b>Reserves</b>			<b>\$ 1,027,526</b>	<b>\$ 1,027,526</b>
<b>Reserves to Cover Deficit</b>			<b>\$ -</b>	<b>\$ -</b>
<b>Reserves Remaining</b>			<b>\$ 1,027,526</b>	<b>\$ 1,036,815</b>
<b>Executive Order 994 Required Reserves for Bond Service</b>				
<b>SEE Yearly GMC Bond Service</b>			<b>\$ 535,000</b>	
			<b>1.1</b>	<b>\$ 588,500</b>
			<b>1.35</b>	<b>\$ 722,250</b>