

2006–07 Annual Report

Extended Education

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The Evergreen State College Annual Report 2006-2007

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EXECUTIVE SUMMARY

Extended Education at Evergreen has completed the second year of its three year trial period with a balance of \$3,126.00. Extended Education has expended \$200,000.00 (first year draw) of the \$600,000.00 investment fund approved by the faculty.

In 2006-07 Extended Education doubled its enrollment and came close to tripling (2.8) its revenue as compared to its first year of operation. Our total enrollment this year was 1191; total revenue for the year was \$273, 590.00. The major goals set for 2006-07, increasing revenue, expanding visibility in the community and institutionalizing our current operations, were met.

Our registration system, curriculum development, and instructor recruitment processes were refined resulting in increased offerings again in 2007-08. The significant growth in our enrollment demonstrates our increased visibility in our community. The excellent evaluations received for our courses and instructors and the fact that almost 50% of our students are new to Evergreen demonstrates our ability to provide service and enhance Evergreen's reputation in our local community.

We have added a new training module and increased the number of sessions offered through custom training for the Washington State Department of Personnel (DOP). We have executed contracts for custom training with DOP for the current biennium (2007-09). Our custom training provides a showcase for the Evergreen approach to education and has been very well received by State employees.

In addition to sustaining our existing partnerships with programs and centers at Evergreen, we have added a new partnership with the Hyogo Business & Culture Center in Seattle & Hyogo-Kobe University Consortium in Japan. We are also, together with Evening & Weekend Studies, planning a pilot endeavor with Seattle Central Community College

Our major goal for 2007-08 is to become self-supporting. We plan to increase overall offerings and expand the number of offerings and programs that meet the requirements for professional certification or licensure. We will continue to increase visibility and service to the community through our offerings and partnerships at Evergreen and in our community.

We acknowledge that none of our achievements would have been possible without the assistance of staff in enrollment services, business services, facilities and academic budget. We also want to acknowledge the excellent work of our adjunct faculty, instructors and continuing Evergreen faculty who have been willing to offer blended classes for EE participants during the summer quarters.



GOAL ACHIEVEMENT

Extended Education (EE) at The Evergreen State College was given three years and \$600,000.00 to demonstrate financial viability. Extended Education began on July 1, 2005 and has now completed the second year of its trial period. During the two year period, EE has drawn down only \$200,000.00 of the initial investment and has ended its second year with a balance of \$3,126.00.

Although EE was not fully self-supporting in its second year, it is in a solid position to become so in its third year. During 2006-07, we increased our offerings and came close to tripling our revenue as compared to 2005-06. Given increased offerings planned for 2007-08 and assuming stable enrollment, EE could be self-sufficient in its third year.

Excellent progress is also being made in meeting the ancillary portion of EE's mission to provide for the personal and professional learning needs of our surrounding community and to enhance Evergreen's reputation in our local environment

We set some very ambitious goals for 2006-07 and we are happy to report that the majority of these goals were achieved. (See page 14 EE Annual Report 2005-06).

- Seamless registration and payment procedures were established and progress was made toward developing an on-line registration option.
- Instructors were assessed via review of student evaluations of their work and class room observation. All instructors in custom training were evaluated via class room observation and review of student evaluations. Debriefing sessions for constructive feedback were held with each instructor. Formal evaluation of adjunct faculty not otherwise evaluated by other deans will be scheduled for 2007-08.
- Recruited additional instructors for curriculum expansion in 2006-08.
- Recruited and trained a high quality pool of instructors for custom training in 2006-07.
- Using enrollment data from 2005-06, we were able to develop a market driven curriculum for 2006-07, the success of which is evidenced by increased enrollment and a lower number of cancellations.
- Increased total number of course offerings.



- Increased the number of custom training sessions offered for Washington State Department of Personnel and launched an additional training module.
- A Human Resource Management Certificate program was developed in 2006-07 and will begin in September 2007.
- Provided offerings that met the requirements for professional certification or licensure and provided courses with clock hour options for K-12 educators.
- Almost tripled our revenue as compared with 2005-06.
- Reduced expense to revenue ratio.



COURSE OFFERINGS AND INSTRUCTORS

Extended Education continued to offer courses and workshops in three areas:

- 1. Not for credit courses & workshops at Olympia campus and on-line
- 2. Academic credit bearing courses at Olympia campus
- 3. Custom training

Not for Credit Offerings

In 2006-07 we increased the number of Not for Credit courses & workshops offered at the Olympia campus from 60 to 92. We also provided Not for Credit options through 31 Summer Quarter blended programs and classes. The enrollment and cancellation data from 2005-06 was used as a guide for decisions on these offerings and to inform a market driven curriculum.

Our on line, Not for Credit, offerings remained relatively the same as those offered in 2005-06. Although the number and type of offerings have not changed enrollment in the classes doubled.

Academic Credit Offerings

Our guidelines for credit bearing offerings remained the same as last year:

- Supplement the Evergreen curriculum in areas of demand absent faculty Full Time Equivalent (FTE) lines to fill the demand; and
- Accommodate overflow for courses absent faculty FTE lines to add additional sections.

Decisions on credit bearing offerings were made in consultation with the curriculum deans and graduate program directors. Adhering to these guidelines allows EE to support and augment Evergreen's overall curriculum while generating revenue for Evergreen without competing with full or part time curriculum.

We continued the practice of blended courses, i.e., all courses offered for academic credit were open to community participants. This model was again utilized for Summer Quarter 2007 and for travel abroad offerings in partnership with Evening and Weekend Studies. This model provided the opportunity for some community members to join the Silk Roads program trips to China and to Jordan and Turkey this past year.



The blended courses provide a showcase for Evergreen's approach to teaching and for the expertise of our faculty. These blended courses serve the educational needs of our community while at the same time serving to enhance our reputation in our local area.

Feedback from faculty teaching blended courses indicates that EE participants in their courses are very highly motivated and appreciative of the opportunity to take classes at Evergreen. Faculty also note that the presence of community members on the whole serves to augment the overall learning experience for everyone in the class.

Custom Training

We continued to offer custom training through our partnership with the Washington State Department of Personnel, (DOP). Our Mid-Management Leadership Academy and Human Resource Fundamentals training programs have been very well received; we went from one offering of each last year to three of each this year. We also added an additional, topic specific, one day training for graduates of the Mid-Management Leadership Academy.

In addition to generating significant revenue, our custom training provides an excellent platform for acquainting people with Evergreen. We have anecdotal data that suggests that several of the participants in our training have been motivated to go back to school and have started attending Evergreen as special students. Our training courses were ranked among the highest of all training provided by DOP this past year. Participants in this training often take me aside to comment that this is the best training that they've ever participated in throughout their careers as state employees.

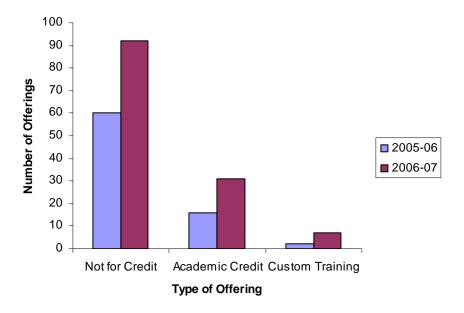
Table I Extended Education Course Offerings 2006-07

	Summer 2006	Fall 2006	Winter 2007	Spring 2007	Total
Not for Credit					
Evergreen Campus	11	31	26	24	92
On Line Courses	250	250	250	250	1000
Credit Courses	*	8	9	14	31
Custom Training	2		2	3	7
Total	284	289	287	291	1130

*EE did not offer credit bearing courses but 31 credit bearing summer school courses were offered with a not for credit (blended) option for EE participants.



Chart I Course Offerings 2005-06 & 2006-07*



^{*} On line offerings are not included in Chart I

Continuing Education Units and Certificate Programs

This year we began to offer courses approved for continuing education units (CEU's) by the National Association of Social Workers, Washington Chapter. We also offered a Summer Quarter blended course that was approved for CEU's for Continuing Medical and Continuing Nursing Education credit. We also continued to offer courses that were approved for clock hours for teachers.

We were able to develop a Certificate program in Human Resource Management which will be launched in September 2007. We have applied for certification status for this program through the Society for Human Resource Professionals – Human Resource Certification Institute.

Instructors

Instructors for Extended Education offerings, including blended courses and custom training, were recruited from existing full time, visiting, part time and adjunct faculty whenever possible. Instructors for most of our workshops were selected from well-respected individuals in various fields of expertise. Faculty for blended courses offered with the Master in Public Administration Program, Master in Teaching Program, Evening and Weekend Studies and Summer School were selected by those partners.



All of our instructors consistently receive excellent evaluations which speaks to the quality of their work. As Dean of Extended Education, my own in class observation of several of our instructors provides evidence of through preparation, expertise in their field and responsiveness to students. I have also found all of our instructors to be very responsive to feedback and ideas on methods to further enhance their courses.



ENROLLMENT AND STUDENTS IN EXTENDED EDUCATION

Enrollment in our courses doubled this year due to an increase in our offerings and expanding the distribution of our catalogue from 20,000 to 50,000 copies. The majority of students in EE courses and workshops came to us from Thurston County. We did, however, attract a number of students from Pierce, Lewis and Mason counties.

Our enrollment data indicates that we continue to attract people new to Evergreen. The percentage of participants new to Evergreen remained about the same as last year, 48% but given enrollment growth, the total number of people new to Evergreen about doubled. The number of people new to Evergreen indicates considerable progress in meeting EE's goal of enhancing Evergreen's reputation in our immediate community through providing for the personal and professional learning needs of people in our area.

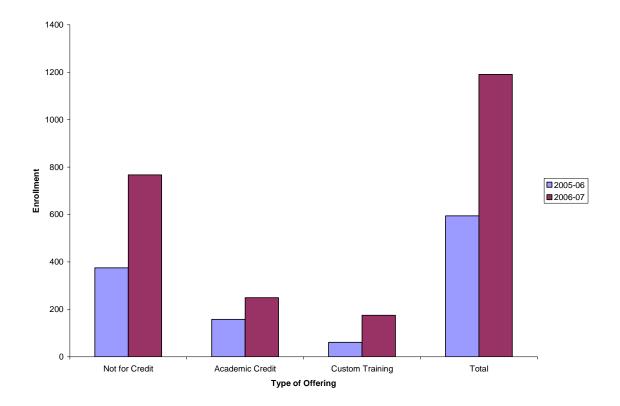
Table II Extended Education Enrollment 2006-07

	Summer 2006	Fall 2006	Winter 2007	Spring 2007	Total
Not for Credit					
Evergreen Campus	59	184	222	178	643
On Line Courses	34	35	31	24	124
Credit Courses		50	85	114	249
Custom Training	50		48	77	175
Total	143	269	386	393	1191

Extended Education students continued to be impressed with the quality of our courses, workshops and instructors. Their evaluations of our offerings consistently noted that they felt they received excellent value for their money. The students' evaluative comments on courses and workshops are illustrative of the quality and needs met by our offerings.



Chart II Enrollment by type of Offering for 2005-06 & 2006-07



FINANCIAL OVERVIEW

The faculty of the Evergreen State College approved a \$600,000.00 investment to be drawn over a three year pilot period for assessing the viability of Extended Education at Evergreen. EE drew \$200,000.00 from this investment fund when it began its formal trial period on July 1, 2005. We did not draw from the investment fund in 2006-07. Extended Education began the 2006-07 fiscal year with a carry forward balance of \$87,208.00.

The most significant information in our financial overview for 2006-07 is that we did not take a draw from the investment fund. Through use of our carry forward balance and revenues generated, we managed without a draw and ended the fiscal year with a balance of \$3126.00.

Given the start-up nature of this enterprise this is an excellent achievement. We took steps to increase offerings and enrollment which paid off in increased revenues during our second year. However, our marketing and salary costs are still unavoidably high. We did decrease our expense to revenue ratio, but will have to develop additional revenue generating resources to be profitable in 2007-08.



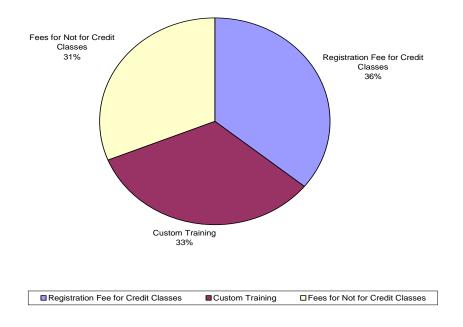
Table III Extended Education Financial Statement for the Period Ending June 30, 2007

Revenue: Registration Fee for Credit Classes Custom Training Other Revenue (Fees for Not for Credit Classes) Total Revenue	\$ 98,120 90,360 <u>85,110</u> 273,590
Operating Expenses:	
Salaries & Benefits Administration Salaries & Benefits Faculty Salaries & Benefits Instructors Total Salaries & Benefits	118,006 66,830 63,710 248,545
Other Operating Expenses: Marketing Conference Registration Fees Dues & Membership Fees Instructional Support Travel Total Other Operating Expenses	88,010 750 3,580 14,530 2,258 109,127
Total All Operating Expenses	357,672
Net Operating Loss	(84,083)
Other Revenue Carry Forward Total Other Revenue	87,208 87,208
Net Profit (Loss) Less: Commitments Available Balance	3,126 0 3,126

Our total earned revenue for 2006-07 was \$273,589. This revenue was from our three sources of revenue: fees for not-for-credit courses, academic credit courses and custom training.

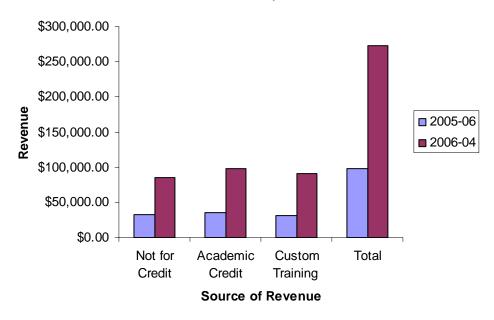


Chart III Revenue Sources for Extended Education



As compared to 2005-06 there was only a slight change in the percentage of earnings in each revenue resource category. Most important was the fact that we almost tripled (2.8) our earnings in 2006-07.

Chart IV Source & Revenue Comparison 2005-06 & 2006-07





Our total operating expenses for 2006-07 exceeded our earned revenue. We did however manage to reduce our expense to revenue ratio. Even though we increased the distribution of our catalogue, we offset that expense by eliminating the majority of our print and other media advertising due to feedback from our students that the catalogue was their key source of information about extended education. The carry forward balance from 2005-06 allowed us to end the year with a positive balance and without having to draw from the investment account.

Chart V 2006-07 Operating Expenses

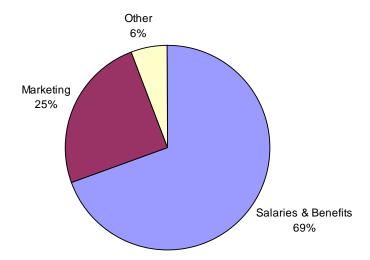
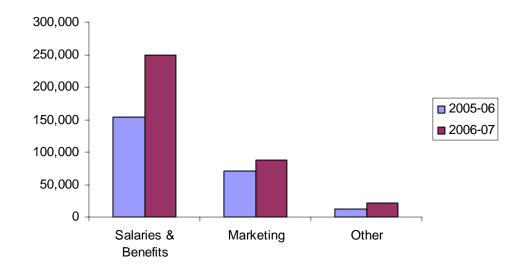


Chart VI Category & Expenditure Comparison 2005-06 & 2006-07





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We have planned to significantly increase our offerings in 2007-08 which combined with further reductions in our expense to revenue ratio should allow us to be completely self-supporting in our third year of operation.

PARTNERSHIPS

Master in Public Administration Program

During the past year Extended Education has expanded its partnership with the Master in Public Administration Program (MPA) to include a short course series. The series provided two blended (graduate credit) courses per quarter. The series was very successful to the extent that we even had to add an additional section for one of the courses.

The series was widely advertised through a brochure sent to a targeted market of public administrators in state, local and tribal governments. The Washington State Department of Personnel also distributed an electronic copy of the brochure to all of the state's training directors. This marketing effort resulted in excellent visibility for our MPA program and it also attracted a number of EE participants for each of the courses.

Master in Teaching Program Evergreen Center for Educational Improvement

Extended Education has continued its partnership with the Master in Teaching Program (MIT) through offerings for Professional Certification and in planning a number of Summer Quarter blended offerings to help meet endorsement requirements for current teachers.

We have also continued our work with the Evergreen Center to plan and certify both academic year and summer quarter courses for clock hours. Although we do not as yet have an extensive set of offerings that meet clock hour or endorsement needs, EE is providing increased visibility to Evergreen's ability to meet the professional development needs of K-12 educators in our area.

The Evergreen State College – Tacoma Campus

Two meetings were held with both private and public sector leaders from Tacoma to discuss the possibility of launching a leadership training program at the Tacoma campus. The meetings indicated a strong need for a solid management program as opposed to another leadership program. The persons attending these meetings (most of whom represented significant employers in the area) also indicated that whatever program was developed needed to be offered for academic credit since employers almost consistently provide reimbursement or payment for academic classes and not for workshops or training that can be



provided through their own organizations. We will continue working with this group and the director of the Tacoma Campus, Artee Young, to develop a management program.

Thanks to Artee's support, we will provide several credit and not for credit workshops at the Tacoma campus next year. This partnership with Tacoma could play a significant role in expanding enrollment for EE offerings as well as providing greater visibility for our Tacoma Campus.

Washington State Department of Personnel

During the past year, Extended Education solidified its partnership with the Washington State Department of Personnel and executed a contract for the next biennium to continue our custom training with the Mid-Management Leadership Academy and Human Resource Fundamentals. We also added a new offering – an intensive single topic one day training for graduates of the Mid-Management Academy.

Our two offerings for DOP are among the highest ranked of all of the department's offerings based on student evaluations. Our instructors and staff consistently hear from state employees involved in our training that it is the "best training that they've had in all their years with the state."

St. Peter Hospital

This year we again partnered with St. Peter Hospital to offer a summer quarter blended course for Continuing Medical Education (CME) and Continuing Nursing Education (CNE) units. We are continuing discussions with staff at St. Peter Hospital to plan additional offerings for CME and CNE continuing education units.

Shelton School District

Thanks to the initiative of Arleen Sandifer, adjunct faculty member, we were able to partner with the Shelton School District to provide "Spanish for Educators" at one of the district's schools in Shelton. This made it very convenient for participants from Shelton and the fact that the course was offered for clock hours provided an additional professional development option.

Hyogo Business & Culture Center, Seattle & Hyogo-Kobe University Consortium, Japan

Thanks to Helena Meyer-Knapp, member of the faculty and Russ Fox, former dean of Evening Weekend Studies, EE was given the opportunity to enter into discussions with the principals of Hyogo Business & Culture Center regarding development of a business program for Japanese students. We completed all of



the negotiations and program design but did not offer the program this summer due to insufficient time for marketing in Japan which resulted in low enrollment. However, all of the agreements have been finalized and marketing efforts will begin in the fall of 2008 to ensure sufficient enrollment for the program to be offered in Summer 2008.

Seattle Central Community College

We began discussions with Seattle Central Community College (SCCC) regarding the possibility of offering upper-division Evergreen courses at SCCC's campus in Seattle. The administration at SCCC is ready to move forward with this venture. Extended Education will partner with Evening Weekend Studies to provide an interdisciplinary program and at least one course at SCCC beginning Winter Quarter 2008.

GOALS FOR 2007-08

Our major goal for the coming year is to become self-supporting and earn a profit. We will continue to contribute to Evergreen's Strategic Plan through providing a source of revenue and enhancing Evergreen's visibility and service to our community. The following objectives will be met to achieve our major goals of profitability, visibility and service:

- Expand course offerings
- Increase enrollment
- Expand custom training
- Launch Human Resource Management Certificate Program
- Increase visibility in Seattle through partnership with Seattle Central Community College
- Continue to reduce expense to revenue ratio
- Recruit sufficient students to launch Japanese Business Program
- Continue to expand offerings that meet requirements for continuing education units
- Double our revenue.



ACKNOWLEDGEMENTS

Our sincere thanks for the support and assistance of staff members in Enrollment Services, Business Services, Facilities and the Academic Budget Office. None of our achievements would have been possible without their help. We also want to thank and acknowledge the excellent work of our adjunct faculty, instructors and continuing Evergreen faculty who have been willing to offer blended classes for EE participants during the summer quarters.

A special thanks also goes to the members of our advisory committee who helped to guide our progress this past year.

EXTENDED EDUCATION ADVISORY COMMITTEE MEMBERS 2006-07

Laura Coghlan
Andrea Coker-Anderson
Bracy Dangerfield
Carolyn Dobbs
Russ Fox
Lee Hoemann
Steve Hunter
Allen Mauney
Walter Niemiec
Collin Orr
Tom Womeldorff

Dean of Extended Education: Theresa A. Aragon

Operations Manager of Extended Education: Caroline Tawes



The Evergreen State College SEMII D4107 Olympia, WA 98505 (360) 867-5515 www.evergreen.edu/extendededucation/