

Electrical Technology

Evaluation Summary & Recommendation – August 2017

Proposal and Recommendation

Migrate the Electrical Technology (ET) program to be offered on the Temecula campus, planning for a late-Fall 2018 launch.

Strategic Evaluation

The Growth and Development team first considered the proposed ET program migration through the lens of SJVC's strategic objectives.

Enroll Capable Applicants

While there are a number of institutions offering electrical training in Southern California, the nearest opportunity for people in the Temecula area is 45 miles away. The average distance between the Temecula campus and the next nearest program offering outside of 45 miles is about 55 miles. Southern California Institute of Technology is a competitor well outside of the Temecula area, however, its completers data is included due to the unusual high number of annual graduates. (Appendix A: IPEDS Competition Assessment)

A consumer demand assessment was completed to gather the best estimate of monthly searches and clicks on advertisements for electrical training in the Temecula market. The results were compared to the number of estimates Google is predicting for like technical programs in the same region. The number of people searching and viewing (impressions), and also clicking on electrical training advertisement far surpasses the other technical programs. (Appendix B: Google Demand Assessment)

The marketing team also conducted a test campaign. The results of this campaign were compared to the data we know to be true within our existing markets (Ontario & Modesto) for ET and HVAC in Temecula. The response data showed there is a higher volume of activity for electrician education in Temecula compared to its current HVAC program or standing ET programs in Ontario or Modesto. (Appendix C: ET Test Marketing Campaign Results)

These results all present a potentially positive experience with consumer demand in the proposed program. Our prospective start budget anticipates approximately 90 starts in the first 24 months of operation (Appendix D: Marketing & Starts Budget).

Achieve Course Success

Although the ET program is new to the College, the Ontario campus (launched in January 2017) has had early success in course completion. The campus has completed six courses with a 94% course completion rate. Two other measures included in this objective (Classroom Engagement Score ≥ 2 and Learning Outcomes Achievement) are either new or do not include data for of all courses. Therefore, the outcomes of the measures are not included in this proposal.

Ensure Career Readiness

The measures (Classroom Professionalism score of ≥ 2 and Exit Interview) available within the objective are new and do not have complete data available.

Achieve Academic Success

While the data sample is small, Ontario's ET 5-week success (88%), course completion (94%), and graduation rate for their first cohort (80%) are leading indicators the proposed program will meet our institutional standard for graduation rates.

Electricians who work for a contractor licensed as class C-10 must be certified or hold an Electrical Trainee card (T-card) to work in California. Enrollment in the proposed ET program allows students to apply for a T-card and work in-field while completing their program. All graduates of the ET program will have mastered the learning outcomes designed to prepare students and allow them to sit for the Electrician Certification exam.

Achieve Professional Success

We anticipate the proposed program will share similar positive placement outcomes as our IMT programs.

According to the California Employment Development Department (EDD), there is a stronger demand to hire in the electrical technology field than the current supply of upcoming graduates in the San Bernardino-Riverside-Ontario region. (Appendix E: EDD Employment Data) In addition, the same region has nearly 1,000 electrical contractors available for potential jobs in the electrician trade. (Appendix F: EDD Available Employers). At the time of this research, nearly 30 job openings for electricians were available within 25 miles of Temecula (www.indeed.com). Between the number of projected job openings and available employers within this market, students of the proposed program will be well positioned to achieve professional success upon graduation.

The most recent official three-year cohort default rate for the College is 19.6%. We expect the proposed program will have a similar CDR as the IMT program, which was slightly above our institutional rate.

Increase SJVC Presence

The proposed program will generate new revenue while slightly increasing SJVC presence. Migrating the ET program to the Temecula campus is an effective way to expand the number of technical programs offered by the campus and institution. We are expecting the program to have about 30 students at maturity.

Ensure Financial Stability

Within the first 24 months of migrating the ET program to the Temecula campus, it is projected to generate a total of \$1M in revenue. The campus will have positive cash flow by month three, and we will see a return on our investment by month nine, inclusive of all start-up costs. The proposed program is predicted to have an ongoing gross profit of about 69%. Because our ET programs are new in Ontario in Modesto, we do not have a comparative data yet. (Appendix G: Proposed ET Budget Summary & Income Statement)

The proposed budget includes tenant improvement and construction expenses for the migration of the ET program only. However, we intend to migrate an additional one or two more programs in the same calendar year. The projected total investment for tenant improvements for three programs in 2018 will be around \$100K.

Operational Considerations

The proposed program has a timeline of dependencies in order to secure approval to operate as an approved ET program. The program will require faculty with professional experience and certifications. The recruiting process is similar to the HVAC and IMT program, which can be difficult but achievable.

Accreditation and Approvals

In addition to approval from WASC, BPPE, and USDE for a Certificate of Completion and Associates Degree in Electrical Technology, the lab for the proposed program will need to be inspected and approved by the Department of Industrial Relations. Following the inspection, the state of California Electrician Certification Curriculum Committee (CECCC) will review and make a motion to approve our site at their earliest quarterly meeting following the inspection. Committee meetings are usually held once a quarter; however, dates are not available until about two to three months before the meeting. The College's curriculum has already been approved by the CECCC, therefore, the site inspection can be completed as soon as construction is complete.

We anticipate graduates of the Electrician program will meet the debt-to-earnings ratio required for eligibility under Gainful Employment for a 40 week Certificate program.

Facilities and Equipment

The combined lecture and lab space required for the ET program is about 1,200 square feet. The Temecula campus does not have the space to absorb and will require an additional lease expense. Migrating the ET program will also create external factors from the city and the property owner regarding parking. Following Senior Management approval to execute the proposed program, the real estate and facilities team will contact the property owner and begin the process of acquiring additional suite space. As a result, the College will also acquire additional parking.

Appendices: Temecula Electrical Technology

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Electrical Technology programs w/in 60-miles of Temecula				
Distance from Temecula	Campus CITY	County	College	YR 16 Grads
45	Riverside	Riverside	InterCoast- Open to the public	74
45	Riverside	Riverside	Brightwood College- Open to the public	NEW
49	Norco	Riverside	Norco College- Whole curriculum	8 Cert 6 Degree
49	Poway	San Diego	Chabot College/Associated Builders and Contractors of San Diego Open to the public	N/A
53	Colton	San Bernardino	Summit College Colton- Open to the Public	NEW
56	San Bernardino	San Bernardino	San Bernardino Valley College	8 Cert 4 Degree
60	San Diego	San Diego	Western Electrical Contractors Association (WECA)- Open to the public	N/A
60	San Diego	San Diego	San Joaquin County Office of Education- Open to IBEW members only	N/A
60	Santa Ana	Orange	Santa Ana Summit College (Branch Campus)	NEW
60	Anaheim	Orange	Cerritos College/Associated Builders and Contractors of Southern California (Not open to Public)	N/A
61	Ontario	San Bernardino	San Joaquin Valley College	NEW
70	Anaheim	Orange	Southern California Institute of Technology	303 Cert *

Private Colleges
Public Colleges
Union/IBEW

Riverside/ San Bernardino County

*outside the Riverside/Ontario MSA

Google Monthly Search Estimates: Temecula				
	Impressions (estimates)	Impressions (actuals)	Clicks (estimates)	Clicks (actuals)
CJ	5,627	N/A	241	N/A
MA	18,246	8,993	551	202
ELEC	22,703	N/A	836	N/A
HVAC	3,565	5,342	162	304
IMT	1,929	N/A	107	N/A

Test Marketing Campaign Results vs.
Actual Campus Results
Timeframe: August 4, 2017 - August 19, 2017

Criminal Justice: Corrections		
	Impressions	Clicks
<i>TEM</i>	9600	190
ONT	8608	280
BAK	5128	182
MOD	5893	170
FRE	5205	133
VIS	3890	122
HES	3510	117

Test
SJVC Actuals

Campus	Program	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018	Oct-2018	Nov-2018	TOTAL
TEM	CJ	\$ 15,000	\$ 15,000	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 75,000
TEM	TOTAL	\$ 15,000	\$ 15,000	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 75,000

Select first start date: 8/20/2018

		Start Date																				
Campus	Program	20-Aug-18	24-Sep-18	29-Oct-18	3-Dec-18	14-Jan-19	18-Feb-19	25-Mar-19	29-Apr-19	3-Jun-19	8-Jul-19	12-Aug-19	16-Sep-19	21-Oct-19	25-Nov-19	6-Jan-20	10-Feb-20	16-Mar-20	20-Apr-20	25-May-20	29-Jun-20	TOTAL
TEM	CJ	10	8	10	5	7	6			4	4	5	7	8	7			5	5	4	4	99
TEM	TOTAL	10	8	10	5	7	6	-	-	4	4	5	7	8	7	-	-	5	5	4	4	99

Employment Development Department
 Labor Market Information Division
 Published: January 2017

**2014-2024 Occupational Employment Projections
 Riverside-San Bernardino-Ontario Metropolitan Statistical Area
 (Riverside and San Bernardino Counties)**

SOC Code*	Occupational Title	Estimated Employment 2014**	Projected Employment 2024	Numeric Change 2014-2024 [1]	Percent Change 2014-2024	Annual Average Percent Change	Average Annual Job Openings			2016 First Quarter Wages [5]		Education and Training Levels [7]		
							New Jobs [2]	Replacement Needs [3]	Total Jobs [4]	Median Hourly	Median Annual	Entry Level Education	Work Experience	On-the-Job Training
00-0000	Total, All Occupations	1,386,300	1,636,600	250,300	18.1%	1.8%	25,476	32,677	58,153	\$16.92	\$35,189			
11-0000	Management Occupations	66,840	78,350	11,510	17.2%	1.7%	1,152	1,518	2,670	\$44.70	\$92,971			
33-3012	Correctional Officers and Jailers	4,070	4,460	390	9.6%	1.0%	39	112	151	\$37.86	\$78,754	7	None	MT OJT
33-9032	Security Guards	15,190	17,560	2,370	15.6%	1.6%	236	214	450	\$11.22	\$23,332	7	None	ST OJT

- * The Standard Occupational Classification (SOC) system is used by government agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.
- ** Data sources: U.S. Bureau of Labor Statistics' Current Employment Statistics (CES) March 2015 benchmark, Quarterly Census of Employment and Wages (QCEW) industry employment, and Occupational Employment Statistics (OES) data.
Occupational employment projections include self-employed, private household workers, farm, and nonfarm employment.
N/A - Information is not available.
Occupations with employment below 100 in 2014 are excluded.
Occupation subtotals may not add to the totals due to rounding and the suppression of data.
The use of occupational employment projections as a time series is not encouraged due to changes in the occupational, industrial, and geographical classification systems; changes in the way data are collected; and changes in the OES survey reference period.

- [1] Numerical employment change is the net difference between the base and projected year employment and reflects job growth or decline. The base and projected year employment are independently rounded to 10. Therefore, numerical change may not equal new jobs.
- [2] New jobs are only openings due to growth and do not include job declines. If an occupation's employment change is negative, there is no job growth and new jobs are set to zero. New jobs may not equal numerical change.
- [3] Replacement needs estimate the number of job openings created when workers retire or permanently leave an occupation and need to be replaced.
- [4] Total jobs are the sum of new jobs and replacement needs.
- [5] Median hourly and annual wages are the estimated 50th percentile of the distribution of wages; 50 percent of workers in an occupation earn wages below, and 50 percent earn wages above the median wage. The wages are from 2016 first quarter and do not include self-employed or unpaid family workers.
- [6] In occupations where workers do not work full-time all year-round, it is not possible to calculate an hourly wage.
- [7] The Bureau of Labor Statistics develops and assigns education and training categories to each occupation (see tables below). For more information please see http://www.bls.gov/emp/ep_education_training_system.htm

Entry Level Education
1- Doctoral or professional degree
2- Master's degree
3- Bachelor's degree
4- Associate's degree
5- Postsecondary non-degree award
6- Some college, no degree
7- High school diploma or equivalent
8- No formal educational credential

Work Experience Codes	
≥5 years	5 years or more experience in a related occupation or field is common.
<5 years	Less than 5 years experience in a related occupation or field is common.
None	No work experience is typically required.

On-the-Job Training	
I/R	Internship/Residency
APP	Apprenticeship
LT OJT	Long-term on-the-job training
MT OJT	Moderate-term on-the-job
ST OJT	Short-term on-the-job training
None	None

Available Employers (Criminal Justice: Corrections)			
	Riverside County	San Bernardino County	Total
Corrections	3	6	9
Security	159	124	283
			292

San Joaquin Valley College
 Temecula - Criminal Justice
 Financial Budget Summary

Electrician Program				
	Start Up	1-12 Months	13-24 Months	Total
Average Census		25	36	
Revenue	\$ -	\$ 548,872	\$ 820,358	\$ 1,369,231
Direct Expense^A				
Salaries	4,996	79,937	122,304	207,238
Text & supplies	-	32,430	47,440	79,869
Lab Supplies	39,365	6,809	9,960	56,134
Academy	-	17,776	26,004	43,780
Cert./Licenses Exams	-	6,513	9,528	16,041
Other	-	4,554	6,662	11,216
Total Direct	\$ 44,361	\$ 148,020	\$ 221,897	\$ 414,278
Administrative Expense^B				
Depreciation ^C	828	3,311	3,311	7,450
Non Capital	20,348	-	-	20,348
Marketing	45,000	30,000	-	75,000
Administrative Support	-	-	-	-
Total Administrative	\$ 66,175	\$ 33,311	\$ 3,311	\$ 102,798
Net Income^D	\$ (110,537)	\$ 367,542	\$ 595,150	\$ 852,155

A: Expenses directly related to the student

B: Administrative expenses that support student learning

C: Depreciation: Capital Expense (5 yr)

D: Campus income before other income/expenses, corporate allocation and taxes

San Joaquin Valley College
 Temecula - Criminal Justice
 Financial Budget Detail

	Values	May-18	Jun-18	Jul-18	Start Up Total
CENSUS					
Beginning Census					
Starts					
Drops					
Graduates					
Ending Census					
Revenue					
Net revenue/student/dy	\$ 69				
Days earned per month					
Net revenue					
Direct Expenses:					
Salaries		-	-	4,583	\$ 4,583
Payroll taxes	9%	-	-	413	\$ 413
Text & supplies	\$ 110				\$ -
Lab Supplies	\$ 23			39,365	\$ 39,365
Academy	\$ 60				\$ -
Cert./Licenses Exams	\$ 22				\$ -
Other	\$ 15				\$ -
Total direct expenses		-	-	44,361	\$ 44,361
Gross profit per month					
Gross profit %					
Depreciation	\$ 276	276	276	276	\$ 828
Non Capital	\$ 20,348	12,209	5,087	3,052	\$ 20,348
Marketing		15,000	15,000	15,000	\$ 45,000
Administrative Support	0%	-	-	-	\$ -
Total Expenses		27,484	20,363	18,328	\$ 66,175
Net Income		(27,484)	(20,363)	(62,689)	(110,537)
Accumulative Net Income		(27,484)	(47,847)	(110,537)	
Salaries + Benefits					
CJ Instructor	\$ 4,583	-	-	4,583	\$ 4,583
Total Direct Salaries		-	-	4,583	\$ 4,583

San Joaquin Valley College
Temecula - Criminal Justice
Financial Budget Detail

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	1-12 Months
CENSUS													
Beginning Census	-	8	14	21	19	21	27	31	30	29	29	32	
Starts	10	8	10	-	5	7	6	-	-	-	4	4	54
Drops	2	2	3	2	3	1	2	1	1	-	1	1	19
Graduates	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Census	8	14	21	19	21	27	31	30	29	29	32	35	
Revenue													
Net revenue/student/dy	\$ 497	\$ 870	\$ 1,304	\$ 1,180	\$ 1,304	\$ 1,677	\$ 1,925	\$ 1,863	\$ 1,801	\$ 1,801	\$ 1,988	2,174	
Days earned per month	12	30	31	30	31	31	28	31	30	31	30	31	
Net revenue	5,963	26,087	40,434	35,403	40,434	51,987	53,912	57,763	54,036	55,838	59,626	67,390	\$ 548,872
Direct Expenses:													
Salaries	4,583	4,583	4,583	4,583	4,583	4,583	6,875	6,875	6,875	6,875	9,167	9,167	\$ 73,333
Payroll taxes	413	413	413	413	413	413	619	619	619	619	825	825	\$ 6,604
Text & supplies	876	1,534	2,301	2,082	2,301	2,958	3,396	3,287	3,177	3,177	3,506	3,835	\$ 32,430
Lab Supplies	184	322	483	437	483	621	713	690	667	667	736	805	\$ 6,809
Academy	480	841	1,261	1,141	1,261	1,621	1,862	1,802	1,742	1,742	1,922	2,102	\$ 17,776
Cert./Licenses Exams	176	308	462	418	462	594	682	660	638	638	704	770	\$ 6,513
Other	123	215	323	292	323	415	477	462	446	446	492	538	\$ 4,554
Total direct expenses	6,836	8,216	9,826	9,366	9,826	11,207	14,624	14,394	14,164	14,164	17,352	18,042	\$ 148,020
Gross profit per month	(874)	17,870	30,608	26,037	30,608	40,780	39,288	43,369	39,872	41,673	42,274	49,348	\$ 400,853
Gross profit %	-14.7%	68.5%	75.7%	73.5%	75.7%	78.4%	72.9%	75.1%	73.8%	74.6%	70.9%	73.2%	73.0%
Depreciation	276	276	276	276	276	276	276	276	276	276	276	276	\$ 3,311
Non Capital													\$ -
Marketing	10,000	10,000	10,000										\$ 30,000
Administrative Support	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Total Expenses	10,276	10,276	10,276	276	276	276	276	276	276	276	276	276	\$ 33,311
Net Income	(11,150)	7,594	20,332	25,761	30,332	40,504	39,012	43,093	39,596	41,397	41,998	49,072	\$ 367,542
Accumulative Net Income	(121,686)	(114,092)	(93,760)	(68,000)	(37,668)	2,836	41,848	84,941	124,537	165,934	207,933	257,005	
Salaries + Benefits													
CJ Instructor	4,583	4,583	4,583	4,583	4,583	4,583	6,875	6,875	6,875	6,875	9,167	9,167	\$ 73,333
Total Direct Salaries	4,583	4,583	4,583	4,583	4,583	4,583	6,875	6,875	6,875	6,875	9,167	9,167	\$ 73,333

San Joaquin Valley College
 Temecula - Criminal Justice
 Financial Budget Detail

	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	13-24 Months
CENSUS													
Beginning Census	35	38	43	43	42	36	35	32	31	31	33	35	
Starts	5	7	8	7	-	-	-	5	5	4	4	-	45
Drops	2	2	2	2	1	1	-	1	1	2	2	1	17
Graduates	-	-	6	6	5	-	3	5	4	-	-	-	29
Ending Census	38	43	43	42	36	35	32	31	31	33	35	34	
Revenue													
Net revenue/student/dy	\$ 2,360	\$ 2,671	\$ 2,671	\$ 2,609	\$ 2,236	\$ 2,174	\$ 1,988	\$ 1,925	\$ 1,925	\$ 2,050	\$ 2,174	\$ 2,112	
Days earned per month	31	30	31	30	31	31	29	31	30	31	30	31	
Net revenue	73,166	80,123	82,794	78,260	69,316	67,390	57,639	59,688	57,763	63,539	65,216	65,465	\$ 820,358
Direct Expenses:													
Salaries	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	\$ 112,200
Payroll taxes	842	842	842	842	842	842	842	842	842	842	842	842	\$ 10,104
Text & supplies	4,163	4,711	4,711	4,602	3,944	3,835	3,506	3,396	3,396	3,615	3,835	3,725	\$ 47,440
Lab Supplies	874	989	989	966	828	805	736	713	713	759	805	782	\$ 9,960
Academy	2,282	2,582	2,582	2,522	2,162	2,102	1,922	1,862	1,862	1,982	2,102	2,042	\$ 26,004
Cert./Licenses Exams	836	946	946	924	792	770	704	682	682	726	770	748	\$ 9,528
Other	585	662	662	646	554	538	492	477	477	508	538	523	\$ 6,662
Total direct expenses	18,932	20,082	20,082	19,852	18,472	18,242	17,552	17,322	17,322	17,782	18,242	18,012	\$ 221,897
Gross profit per month	54,234	60,041	62,711	58,407	50,843	49,148	40,087	42,366	40,441	45,757	46,974	47,452	\$ 598,461
Gross profit %	74.1%	74.9%	75.7%	74.6%	73.4%	72.9%	69.5%	71.0%	70.0%	72.0%	72.0%	72.5%	73.0%
Depreciation	276	276	276	276	276	276	276	276	276	276	276	276	\$ 3,311
Non Capital													\$ -
Marketing													\$ -
Administrative Support	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Total Expenses	276	276	276	276	276	276	276	276	276	276	276	276	\$ 3,311
Net Income	53,958	59,765	62,435	58,131	50,567	48,872	39,811	42,090	40,165	45,481	46,698	47,177	595,150
Accumulative Net Income	310,963	370,728	433,163	491,295	541,862	590,734	630,544	672,635	712,799	758,281	804,979	852,155	
Salaries + Benefits													
CJ Instructor	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	\$ 112,200
Total Direct Salaries	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	9,350	\$ 112,200