

# OACC SEMESTER CONVERSION PROJECT

Business Processes Committee

# Members:

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# Background and Objectives

- *Background:* As a part of the Chancellor Fingerhut's Strategic Plan for Higher Education, all state institutions of higher education on a quarter based calendar will convert to semesters.
- *Objective:* The Semester Conversion Project will assist OACC member community colleges currently on quarters as they convert to semesters through a collaborative approach by providing consulting services, opportunities to pool resources and strategic direction resulting in all Ohio community colleges operating on a semester calendar by fall of 2012.

# Which Business Processes May Be Affected?

- **Auxiliary Services**
  - Bookstores
  - Food Service
  - Child Care
- **Human Resources**
  - Full Time and Adjunct Faculty
  - Contracts
  - Policies and Procedures
- **Payroll**
- **Grants and Grants Processes**
- **Institutional Research**

# Which Business Processes May Be Affected?

- Purchasing
- Printing
- Budget and Accounting
  - Contracts
  - State Share of Instruction
  - Tuition
- Facilities and Plant Operations
- Student Financial Aid
- OACC Training

# Our Process

- During several telephone conferences, the group divided the list of business processes among the members
- By interviewing individuals both on and off campus, each member investigated the current state process, and identified any effect or implication the conversion would have on that process
- The information was reduced to a common form and submitted for group review

# Auxiliary Services

- The impact on Auxiliary Services processes will be minimal. Dates will need to be adjusted for things such as book adoption and inventory management for ordering textbooks, etc. It is anticipated that the bookstore could experience a 20% *reduction* in sales that will be partially offset by the reduced need for temporary staffing.
- The other salient point is the question of whether a College will close during college breaks, and how those closures will affect inventory levels for food service and revenue streams.

# Auxiliary Services -- Bookstore

- Bookstores can anticipate a loss in sales of possibly 20%
  - ▣ A study by National Association of College Stores has proved this to be true in other quarter –to- semester conversions
- Bookstores will realize cost savings in reduce temporary staffing needs due to one less rush period
- The process of establishing dates for inventory management software system, adoption dates, etc. will need to be changed to reflect semesters versus quarters
- Third party billings (A/R processes) will be affected because of the longer semesters
- Physical inventory dates will change, and liquidation sale dates as well
- Return policy dates and book buyback dates will also change

# Auxiliary Services – Food Service

- Food service outlets will be closed for extended periods of time (7-10 days)
  - ▣ Inventory amounts must be re-examined if food service is closed during breaks
  - ▣ There will be more opportunities for food service employees to have extended days off during holidays if food service is closed during break
- Even with more breaks, there will not be a significant change in staffing either way

# Auxiliary Services – Child Care

- Child care facilities are currently opened year round
  - ▣ Enrollment is generally low during breaks so if it is mandated by the College to close during breaks the Center could realize a cost savings because of reduced staffing needs
  - ▣ However, it could also mean a reduction in revenue as Title XX and other county programs would not be billed

# Human Resources – Full Time and Adjunct Faculty Issues

- Adjunct faculty will likely have more pays per term than under quarters, but will have fewer terms to be paid (3) than under the quarter system (4)
- Full time faculty may need a recalculation of duty days, hours and load
- Adjunct faculty may need adjustments in contract language, periods and loads must be adjusted

# Human Resources – Contracts

- Many faculty are unionized, and may be in mid-contract when conversion happens
- Decide how to address a union contract covering both periods: whether have two separate contracts, an entire division of the contract dealing with the transitions, etc
- Possible major overhaul to faculty evaluation processes
- Timelines for renewal/non-renewal of contracts must be revised, which might include staff with individual contracts
- 9 month faculty who are not off during the summer might be a challenge since the summer session will be much shorter

# Human Resources – Policies and Procedures

- All must be reviewed, and forms updated if necessary, to make sure they are in sync with semester operations
- They include recruiting timelines, job postings, offer letters, new hire paperwork, payroll notifications, new staff/faculty orientation, etc., job descriptions

# Payroll

- Many schools already have a bi-weekly pay schedule for staff, faculty and administration so there will be no change
- As collective bargaining agreements are being negotiated, there may be changes in pay structure. However, this does not necessarily affect the actual processing of payroll
- For part-time employees such as adjunct faculty the conversion will actually simplify the payroll process as most institutions will move from 3 “payment cycles” to 2”payment cycles”

# Grants and Grants Processes

- Overall, little impact expected as grants have their own distinct cycle
- Grants that have budgets, start dates or reporting dates tied to the term schedule may need to be adjusted

# Institutional Research

- While most work is not tied to the terms, any reports generated by term would be lessened
- HEI reporting will be based on new date, which must be coordinated with IT
- Trend and historical quarter data must be adjusted and evaluated in order to compare with new semester data

# Purchasing

- Overall, there will be a limited impact
- Purchasing cycles for classroom supplies, and other term based supplies will need to be adjusted
- If a supplier contract is tied to a quarter term cycle it must be adjusted

# Printing

- Production cycle for new course materials will change
- Reproduction of new documents, booklets, posters, and brochures with “term” related information and statements will be significant

# Budget and Accounting

- Many budgeting business processes will be likely affected by a conversion. One way to identify these processes is to examine how a process is constructed or how it is measured (i.e. based on FTE or credit hours).
- Many budgeting issues may be affected positively, as a converting quarter hour school will have on less “rush” period each year.

# Budget and Accounting

- ❑ Correct budget forecasting and compilation will involve converting historical data
- ❑ Bad debt may decrease since students will have a longer time to pay, but that will also affect accounts receivable
- ❑ Budget preparation must be shifted to coincide with new deadlines
- ❑ User created database formulas must be identified and updated
- ❑ Less flexibility in managing a budget with two semesters

# Budget and Accounting – Contracts

- Long term or ongoing contracts must each be examined to determine if payments, actions or obligations are measured in quarters
- If so, they must be modified or adjusted
- Such adjustments can affect the receipt of payments or the making of payments, affecting the overall budget

# Budget and Accounting -- State Share of Instruction

- Ultimately, converting schools should not be uniquely affected
- The conversion may provide an opportunity for the state to standardize the calculation across all public institutions

# Budget and Accounting -- Tuition

- Difficulty in developing the correct conversion formula which fairly represents the academic conversion formula
- Same conversion for quarterly one time fees which are now each semester
- Supplemental fee conversion must be conducted (going from three classes in a series to two)
- May be an effect on the timing of revenue to be recognized, as students will now pay only twice a year

# Facilities and Plant Operations

- The conversion from quarters to semesters will not have a major impact on these areas. These types of activities must occur routinely, and on a regular basis, and often do not depend on an academic timeline or the presence of students, staff and faculty.

# Facilities and Plant Operations

- A longer winter shutdown may reduce costs for operations
- While there may be more days without classes, enabling work to be done more easily, there will be fewer actual breaks which may affect maintenance
  - ▣ Longer breaks may be good for major project renovations
- However, many routine maintenance jobs occur whether classes are in session or not

# Facilities and Plant Operations

- Routine plowing and salting of lots would not be affected
- Rush parking periods would decrease
- Bigger projects, such as sealing or striping, may be scheduled differently

# Student Financial Aid

- Many financial aid processes will be affected by the conversion. System changes will be needed, and many of the current integrated software management systems such as Datatel will require additional manual interventions. The academic year 2012-13 will be very challenging and labor intensive, but future years will be “lighter” as rush periods decline from four to three.

# Student Financial Aid

- The amount of the award will be reallocated from quarters to semesters
  - ▣ Loans and Pell Grants will be split differently
  - ▣ From the summer of 2010 and autumn and spring of 2010-13, there will be two sets of awards – summer will be a quarter award and autumn/spring will be semesters

# Student Financial Aid

- Satisfactory Academic Progress (SAP) will change
  - ▣ Current standards will have to be translated into semesters, importantly concerning the number of hours attempted
  - ▣ If a student does not graduate before the conversion, they will have both semester and quarter hours

# Student Financial Aid

- Aid will be disbursed according to different timelines
  - ▣ The second disbursement date will have to be decided, and will most likely be later in the semester to avoid students taking the aid and not attending classes
- Timely and effective communication about tuition prices must occur as this will affect students' financial aid award
  - ▣ While the award may increase, it does not mean a student's refund will increase

# OACC Training to Adapt to New Processes

- Information will be posted on the OACC Semester Conversion website
- Develop a contact list of individuals who were responsible for these processes as their college converted to semesters
  - ▣ Post the list on the OACC website so direct assistance can be obtained if needed
- Capture the presentation of this information and post on the OACC website for reference