

Southeast Tech
Training Solutions Institute
EXECUTIVE SUMMARY

Purpose:

To provide the School Board insight in to the purpose, operation and financial status of Training Solutions Institute.

Training Solutions Institute exists as a division of Southeast Tech to provide education and training opportunities to companies, organizations and individuals in the Sioux Falls region. Training is provided for the purposes of upskilling incumbent workers, improving employability and self-enrichment.

Training is offered in numerous disciplines and through multiple delivery channels. TSI strives to be both responsive and nimble in order to accommodate customers for whom employee down-time has a direct impact on revenue generation.

The revenue/expense ratio has been a significant challenge in the division's recent history. While expenses are relatively steady and predictable, revenues are neither. TSI has been challenged by the loss of several important and significant revenue streams and has experienced difficulty in identifying areas through which replacement revenue is available.

This report will outline the operation, its structure, purpose and financial status. This report will also detail the significant changes that have impacted the revenue/expense ratio. Finally, a brief plan to more closely match future revenues and expenditures will be presented.

Administrative Recommendation to School Board:

Acknowledge the Training Solutions Institute board report.

Training Solutions Institute

A division of Southeast Tech

Training Solutions Institute is the industry training and professional development division of Southeast Tech.

We offer specialized, short-term training opportunities for companies and individuals seeking to add skills or improve employability.

What kind of training is offered?

TSI has a wide variety of training options available.

Some of the on-going programs include:

- Commercial Driving (Class A & B)
- Welding (AWS certifications available)
- Certified Nursing Assistant
- Leadership and Supervisory training
- Computer applications
- Customer Service training (and many more)

Do you customize training?

Yes. We work with many local and regional companies to tailor courses and programs to their specific needs. This takes more time and effort, but is highly effective and provides the company the opportunity to target specific needs of the organization. We can also offer training on-campus or deliver these services to the client's facility.

TSI Personnel Full-Time

Training Coordinator	- 1.0 FTE	Employment Contract (210-day)
Marketing Coordinator	- 1.0 FTE	Employment Contract (241-day)
CDL Instructor	- 1.0 FTE	Employment Contract (210-day)
Clerical	- 0.75 FTE	12-mo Clerical Contract

Recent Personnel Changes:

CDL Instructor (Fargo) resigned 11/7/14

Administrator reassigned to Academics as of 7/1/2013

Performance Data

Companies and Individuals Served by Year			
Fiscal Year	Companies Served	Individuals Served	
2010	Not reported	1743	
2011	171	2033	
2012	122	3370	
2013	105	2513	
2014	70	2454	

Report Prepared by: Training Solution Institute, Presented by:
Lon Hird, April 1, 2015

Financial Data

Fiscal Year	Total Revenue	Total Expenses	Net	Fund Balance
2010	\$1,205,032	\$1,299,981	-\$94,949	\$507,039
2011	\$1,084,463	\$1,167,300	-\$82,837	\$424,202
2012	\$940,574	\$1,126,046	-\$185,472	\$238,730
2013	\$907,451	\$1,001,220	-\$93,769	\$144,961
2014	\$734,863	\$740,436	-\$5,573	\$139,392

Report Prepared by: Training Solution Institute, Presented by:
Lon Hird, April 1, 2015

Significant Changes

- FY 2010 – Implemented (Jenzabar) Higher Reach software
- FY 2012 – Welding program transitioned to Academics
 - FY11 revenue = \$253,170, Exp = \$147,469
- FY 2014 – TSI administrator (1.0 FTE) reassigned to Academics
 - Exp = \$114,242 (FY13 salary +)
- FY 2015 – Contract with NCSCS for CDL instruction terminated
 - FY14 revenue = \$179,000 Exp = \$102,914+
- FY 2016 - CNA program will be transitioned to Academics
 - FY 14 revenue = \$85,690 Exp = \$59,366

What has been done:

- Reassigned 1.0 admin FTE to academics
- Reassigned .25 clerical FTE to academics
- Established relationship with Sioux Falls Area Chamber of Commerce
- Established relationship with Sioux Falls SHRM group
- Established relationship with Sioux Falls SME chapter

Next Steps

- Increase Revenues
 - Additional focus on grant opportunities
 - Expand Testing Center hours of operation
 - 8% increase in operational time
 - Projected increase in revenue of ~ \$6800
 - Expand Leadership training
 - Expand Language Skills training
 - Implement price increases on CDL training & Welding Certifications
 - Projected increase in revenue of ~ \$8500

Next Steps (cont.)

- Reduce Expenses
 - Investigate management software alternatives
 - Potential annual reduction in expenses of ~\$20,000
 - Eliminate discretionary travel
 - Projected reduction in expenses ~ \$3,500
 - Reduce PT Testing Center hours (4 hrs/wk)
 - Projected reduction in expenses ~ \$2,500

Questions?

Thank you for the opportunity!

Report Prepared by: Training Solution Institute, Presented by:
Lon Hird, April 1, 2015