President’s Report  
President George Fouts  
State Board of Community Colleges  
Friday, January 15, 2016

Throughout our 50-year history, much of the attention given to our community colleges has been focused on what we do in our curriculum credit programs, such as nursing and college transfer, rather than on what we do in our continuing education, short-term, non-credit programs.

But I believe that one could argue that this system of community colleges was built on a foundation of continuing education or what we lovingly refer to as con ed.

When our first Industrial Education Centers or IECs, and, later, our first technical colleges and comprehensive community colleges were chartered—they largely focused on continuing education offerings to their communities.

For example, when the first IEC was opened in Leaksville, certificates were offered in areas such as textiles, radio and television servicing, drafting, machining, and carpentry.

By the way, the IECs charged a $2 registration fee for new students and $1 registration fee for returning students. In addition, an instructional supply fee of $7.50 per month was also charged, along with a $0.50 locker fee, along with an additional $1 fee if the IEC provided a combination lock for that locker.

When the Guilford County IEC opened in downtown High Point, the only courses offered were upholstery, looper training, and training to be a knitter fixer.

During the 1960s and 70s, as more and more institutes and colleges opened, credit-bearing curriculum programs were added but, in most cases, the number of continuing education courses was greater than those in curriculum programs.

Continuing education was the way these infant community colleges reached out and established themselves in communities across North Carolina.

In fact, continuing education was the loss leader for our community colleges, drawing in customers at a below market price in hopes that they would buy more of what these growing colleges were offering.
Because these offerings earned budget FTE, they produced more funds for the colleges than it was costing them to offer the courses. It was the profits from continuing education that allow the start-up of curriculum programs, especially high-cost programs such as nursing to grow and expand. Without continuing education, I seriously doubt that, today, we would have many of the curriculum programs that were created on those revenues.

Also making those courses popular and productive, in addition to the $2 course fee, was the fact that senior citizens could take them free, although they still earned budget FTE for the college. There were no self-supporting offerings such as we have today.

Along the way as this early con ed outreach was luring interested citizens into degree program, it was and continues to build broad support for our community colleges across the state. The same kind of broad support that has helped make past bond referendums successful, and we hope, will help pass our 2016 Connect NC bond referendum.

Thus, my conclusion that it was the foundation of continuing education on which our system was built. But, today, I want to turn to a particular continuing education program that was developed in 1984 to serve small business owners and would-be small business owners across the state.

Every work day of every week of every month, there is an effective, efficient economic development engine clicking away on 58 smooth-running cylinders and is driving job creation, job retention, investment, financial independence and an improved quality of life for thousands of North Carolinians annually. No, it’s not an economic development unicorn nor is it a highly paid economic consultant. It is our Small Business Center Network, led by people who are passionate about helping folks know when and how to start or expand a business, and fueled by the responsiveness of our community colleges to the economic needs of their service areas.

During the 2014-15 fiscal year, our Small Business Centers helped to develop more than 750 small businesses and assisted with the retention or creation of nearly 3,600 jobs. They did all of this with $6.2 million in funds appropriated by our General Assembly. Just in case you are wondering, that amounts to just under $8,300 per business or a bit more than $1,700 per job.

Compare this to the $13,520 per job that North Carolina recently invested in a company relocating to Cary, NC, or the $25,000 per job that was recently invested in a Durham economic development announcement. This in no way disparages the work of our state’s great economic development tools, efforts or team. It is simply to draw the comparison that, at the cost of $6.2 million, our System’s Small Business Center Network is a pretty darn good deal for our clients, who receive no-cost counseling and services; for our communities who welcome hundreds of new businesses each year;
and for our state who reaps the benefit of self-employed thousands who are, in turn, contributing to the tax base, our economy and our communities.

Each year, the Small Business Center Directors turn in an annual report, approved by their presidents, in which they outline and account for their outcomes. This is supported by data stored in the SBCN’s client management system and a review by their peers and our state director. From these reports, a group of both internal and external judges, for lack of a better term, select recipients for a series of awards. Today, I am proud to recognize those award winners for 2014-15 and am especially proud that all but one of them made it here today along with their respective presidents.

Each of the directors received the actual awards during the joint professional development conference held annually with our sister small business agency, the Small Business and Technology Development Centers, housed at each of our state’s 16 public universities. That joint conference has helped to build a level of trust, partnership and client service that was unheard of just a decade ago.

So on to our awards. As I recognize each recipient, I’d like to ask you and your president to please stand while I read a brief summary of your award.

**Rookie of the Year**
*Katy McLean Gould, Haywood Community College*
*Dr. Barbara Parker, President*

This award goes to directors who are short in tenure, two years or less, but long on impact. Under Katy McClean Gould’s leadership, the Haywood Community College Small Business Center has increased the number of seminars by 171 percent, the number of attendees by 146 percent, and the number of clients by 69 percent. In the most recent 12-month period, Gould has helped start 32 businesses and has helped area businesses create 56 jobs.

**Innovation Award – Programs and Seminars**
*Renee Hode, Central Piedmont Community College*

Renee Hode adopted new teaching modalities and shifted from seated, classroom instruction only by adding the convenience and flexibility of online training. This new instructional approach resulted in 31 online offerings for more than 1,000 attendees. To create even stronger value for the center’s clients, the online training was paired with the newly created Virtual Volunteer Counseling Program, increasing the counseling capacity while gaining targeted expertise with no added cost.
Innovation Award – Services and Collaboration
Tiffany Henry, Southwestern Community College
Dr. Don Tomas, President

With the help of regional, state and federal partners, the Southwestern Small Business Center, led by Tiffany Henry, helped develop a pilot project known as the Appalachian Farm School, helping farmers to become more proficient in business management. The collaboration was also successful in securing $10,000 in grant funds to plan and implement the pilot project, which served 20 farmer entrepreneurs with training, networking, and resource information, vitally important to agri-preneurs in this rural, mountainous area.

Business Success Story – Most Impact
Kathryn Jenkins, Tri-County Community College
Dr. Donna Tipton-Rogers, President

The owner of Premium Knife Supply, an existing supplier of high-quality knife blade components, wanted to decrease order times and dependence on overseas manufacturers, but to do that, the owner needed capital to purchase inventory, cover development costs and create a new knife design for the U.S. Armed Services. Tri-County County Community College’s Small Business Center provided assistance with setting up the new company, creating a business plan, and securing funding totaling $200,000, and with the help of local and regional economic development partners, helped establish a new business with both job creation and capital investment.

Business Success Story – Overcoming Challenges
Deborah Hardison, Richmond Community College
Dr. Dale McInnis, President

The story of Scoop N Dip Ice Cream Parlor, which opened in March 2015 in Laurinburg, is the story of Shalonda Taylor, the owner, and her “determination, perseverance and triumph” according to Deborah Hardison, the Small Business Center Director at Richmond Community College. Via Deborah’s assistance – working with the client on her goals and her business plan – combined with the knowledge Shalonda gleaned through the free seminars offered at Richmond Community College, Shalonda, overcame enormous personal and financial challenges to start her dream business. The Scoop N Dip story was even featured in the local newspaper.
Director of the Year
Tamara Bryant, Fayetteville Technical Community College
Dr. Larry Keen, President

The Director of the Year is recognized for going above and beyond in providing significant support, time and service to the clients within their center’s service area as well as in support of the SBCN mission at the state level.

Fayetteville Tech’s Tamara Bryant served as chair of the SBCN Professional Development Committee, participating as a member of the planning committee of the Fall Joint SBCN/SBTDC professional development conferences, serving as a board member and SBC liaison to the NC Community College Adult Educators Association, and providing leadership for planning all other SBCN professional development activities. As a result, SBC Directors got the critical training they need to do their jobs and to deliver great service to North Carolina’s entrepreneurs.

Administrative Support Award
Jerrie Farmer, NC Community College System Office
Anne Shaw, Interim State Director

The Administrative Support Award, a new award in 2015, goes to an individual who has provided excellence in administrative support to the SBCN. The System Office’s very own Jerrie Farmer has been a supporter of the SBCN for more than 20 years. For this award, she was recognized for implementing administrative practices to help streamline the annual reporting process for the SBCN. She was also noted for being that true support champion who is the “go to” for critical information and who is always there to address everyday questions and concerns.

The group you see here today represent the best of an outstanding set of professionals that often operate below the radar in both our Small Business Centers and across our con ed teams. They are just seven reasons why I am proud to focus this month’s report on this important part of our System, one that helps our citizens improve their lives and, at the same time, drives the economic development of our state. Please join me in thanking these award recipients and all those who daily serve to make our con ed programs great.