

**TO: Program Planning & Development Committee**

**DATE: 03/24/04**

**FROM: WIB Staff**

**For Action**

**For Information**

**For Discussion**

**SUBJECT: Continuation of Registered Nurse Program**

**PROPOSED MOTION(S): Continue the Registered Nurse Training Program with Merced College and select an appropriate enrollment level for recommendation to the Workforce Investment Board (WIB).**

**DISCUSSION: Since August 1, 1999, Merced County has had continuing contracts with Merced College to provide Registered Nurse (RN) training for WIA participants. The original class was 6 students. In March 2002, the WIB directed the number of WIA supported students be increased to 24. The present contract will terminate June 30, 2004. Of the 24 students now enrolled, 18 will still be enrolled at contract termination.**

**A new contract would result in a contract continuation through June 30, 2005. Six (6) new students would enroll each of the two semesters covered by the contract, with 6 graduating each semester, keeping those supported by the WIB at 24. Contract cost per participant will be \$2,737 per student/semester with a total contract cost of \$131,376. This is an increase in the contract, computed at 24 students attending per semester, of \$21,504 per year, or an increase of 19.6% in contract cost. The rise in cost is attributed to increased costs for Health Insurance and Workers' Compensation, plus salary step increases.**

**Ms. Sarah Greene, Dean of Instruction, Merced College, will attend the March 24, 2004 committee meeting to provide any additional information requested.**

**The following Options are offered for cost comparison and consideration:**

**(Please see attachment)**

**ATTACHMENT(S):  
RN Training Options**

## **RN Training Options**

### **Option 1: 24 RNs per year (Current WIB policy)**

- **Total cost of contract + supportive services = \$131,376 + \$36,616 = \$166,992**
- **Cost represents 40.5% of Adult Training Budget  
25.7% of Total Training Budget**
- **Future costs to graduate all participants with no new enrollments = \$215,168**

### **Option 2: 18 RNs in program. Enroll 6 new 1<sup>st</sup> semester, none (0) in 2<sup>nd</sup> semester, none after that**

- **Total Cost of contract + supportive services = \$114,954 + \$26,237 = \$141,191**
- **Costs represents 34.3% of Adult Training Budget  
21.7% of Total Training Budget**
- **Future cost to graduate all participants with no new enrollments = \$67,574**

### **Option 3: 18 RNs in program. No new or future enrollments.**

- **Total Cost of contract + supportive services = \$82,122 + \$18,237 = \$100,359**
- **Cost represents 24.4% of Total Adult Training Budget  
15.4% of Total Training Budget**
- **Future cost to graduate all participants with no new enrollments = \$19,466**

## **Combined Costs of RN/LVN Programs**

- **Option 1: \$249,719    60.6% of Adult    38.4% of Total**
- **Option 2: \$207,485    50.4% of Adult    31.9% of Total**
- **Option 3: \$183,074    44.5% of Adult    28.2% of Total**