



Gateway Community and Technical College Board of Directors
Budget/Summary Review Committee

Working Documents

April 24, 2015

Finance Committee Meeting

April 24, 2015

The GCTC Board of Directors' finance committee meets Friday April 24, 2015. During this meeting we will review the FY2015-16 budget development process and associated strategies and guiding principles. Below is the report that will be reviewed on Friday with the committee. As requested by the finance committee separate reports will be shared on facilities and marketing.

FY2015-16 Budget Development Process

The FY2015-16 budget development has proven to be one of the most challenging times facing the college. Enrollment is projected to remain flat as compared to FY2014-15 actual enrollment. The increase of the personnel benefits rate from 38.6% to 40.6%, along with KCTCS Board of Regents proposed initiatives is estimated to cost the college roughly \$500k. Flat enrollment and fixed costs increases accompanied by no tuition increase has lead the college to make strategic reallocations, reorganizations and reductions in order to invest in the future growth opportunities within our college and region.

Budget Strategies

At the beginning of the budget development process we worked closely with KCTCS focusing on the budget strategies for the FY2015-16 budget. The strategies are as follows:

Budget strategies for 2015-16 are focused on the following priorities:

- Increased enrollment of high school students and recent high school graduates.
 - Intensified focus on the transfer agenda.
 - Focus on increasing capacity for adv. manufacturing, business/IT, professional services.
 - Increased retention of current students.
 - Increased revenue generation through the Corporate College and workforce training contracts in targeted regional industry clusters and career related assessments.
 - Increase in average credit hours completed per student.
 - Substantial reorganization of the college to decrease administrators and reallocate funds to increase faculty in critical areas and student support staff required to support students.
1. The college has implemented a hiring freeze; all vacant positions will be reviewed by the President and evaluated against the budget priorities above.
 2. All Vice Presidents have reviewed existing organizational structures and met with the President to discuss consolidations, restructuring, reductions of expenditures and reallocations of funds to address the priority areas. To date approximately \$400,000 has been identified as a potential pool of internal funds for reallocation to address budget priorities including KCTCS initiatives.
 3. The college will invest fund balance strategically for two years to complete the hiring of professional advisors as part of the QEP. (retention and student engagement)

4. The college will invest fund balance in general educational faculty to create an early college for 100 students (to grow to 200 in 2016-17) at the Boone Campus (80 students have been identified by Boone County Schools). A similar initiative will begin in the fall 2015 with the urban schools at the Urban Metro Campus. These faculty will also help grow the transfer program. Increased enrollment in targeted areas is expected to cover the costs within two years.
5. Creation of the Corporate College with a redefined mission to increase training contracts and services is expected to increase revenue from \$650,000 to over \$1 million within two years.
6. A task force is reviewing the college policy related to supplemental pay assignments in order to reduce the number of assignments per employee so that fulltime faculty can have time to advise and engage students in order to increase recruitment and retention (part of the QEP).
7. Two programs with low enrollment are being suspended or consolidated to reduce costs.
8. Funding of the KY FAME will increase FTE by 24 to 30 students beginning in the summer.
9. A cohort model for online AA and AS degrees that can be completed in 5 semesters will be launched in the Spring 2016 as a pilot with anticipated new revenue of \$150,000 in 2015-16.

The print center will be significantly reduced in scope; funds will be reallocated to social media and new marketing strategies to increase awareness of GCTC in the Greater Cincinnati and NKY region.

Guiding Principles

Based on the above strategies the following guiding principles have been developed and utilized during the development of the budget. These principles are subject to change as KCTCS Board Initiatives are finalized and additional information becomes available.

Revenue Assumptions

- No tuition increase
- Fall, Spring semesters budgeted at FY2014-15 actual enrollment
- Summer based on FY2013-14 realized
- Workforce including assessment center budgeted at FY2014-15 actual projections
- Indirect cost increased to reflect FY2014-15 projected
- All other categories budget same as FY2014-15

Strategic Revenue Enhancements

- Increased growth corporate college \$200,000
- Online cohort of AA and AS \$150,000

Expenditures

- Reflects FY2014-15 budgeted positions
- Reflects known benefit increase from 38.6% to 40.6%

- Reflects FY2014-15 base budget
- Increases incorporated to include system chargebacks and fixed cost contract increases
- No increase in utility budgets
- Tuition Waiver increase to cover transition from articulated credit
- Reflects in Indirect cost assessment from Systems Office
- Reflects individual reorganization plans submitted by VPs
- Incorporates 25% holdback from operating budgets
- Investment in eLearning cohort AA and AS model
- Contingency for Board of Regents initiatives
- Reflects approved grant funded positions moved to college funded positions
- Moves a position funded from fund balance to college funded

Working Draft

1. Costs related to the operation/maintenance of the YMCA Building;

Year	Description	Expended as of April 20
2015	YMCA M&O position	\$ 4,597.18
2015	YMCA M&O expense	\$ 26,085.57
2015	YMCA Property Tax	\$ 32,128.05
	Total	\$ 62,810.80

2. Money spent on Southern Association Dues and related costs;

- a. Annual Dues for the Southern Association of Colleges and Schools Commission on Colleges for FY15 was \$6,432. Substantive change fees are \$300, if the change requires a prospectus.

3. Money spend on the ABET Accreditation process to date and amount expected to be spent next year;

- a. At this time the college hasn't expended any funds on ABET accreditation. The college is in the first stages of the accreditation process with ABET and future costs haven't been determined at this time.

4. Average salaries for Adjuncts and number of adjunct professors

- a. As of FY2014-15, adjuncts are paid at a rate of \$625 per credit hour.
- b. Fall 2014 – 150 adjuncts : Spring 2015 – 138 adjuncts
- c. In FY2014-15, the adjunct budget comprised 25% of total unrestricted instructional personnel costs.

----Do we have any information regarding fall 15 applications? Summer applications?

- Fall 2015 – New applicants 815 as of April 19, 2015
- Summer 2015 - New applicants 477 as of April 19, 2015

Marketing Budget

Expense	Advertising Medium	Media Outlet	Purpose	Timing	Funding Source	2014-2015 Budget	2015-2016 Budget
Advertising	Outdoor: Transit and stationary billboards		To promote brand awareness, enrollment and programs; location buys based proximity to target audience and availability	annual contract: \$3,000/month	Communication/ Grants Budgets	\$ 45,000.00	\$ 36,000.00
		TANK					
		Norton					
		Lamar					
	Television:		To drive enrollment	Annual contract for pushes prior to fall, spring and summer semesters	Communication/ Grants Budget		
		Sinclair Media				\$ 50,000.00	\$ 36,000.00
	Print: Display ads, local magazine and newspaper college special sections		To ensure market presence and promote brand awareness, accomplishments, enrollment and programs	seasonal based on publication schedules		\$ 15,000.00	
		Business Journal					\$ 5,000.00
		Enquirer-College Connection	Branding/Market presence: Message parents of potential students re: value of GTC/transfer options		Communication Budget	\$ 3,000.00	\$ 3,000.00
		Cincy Magazine: College/University edition	Market presence: Message parents of potential students re: value of GTC/transfer options	April	Communication Budget	\$ 1,200.00	\$ 1,200.00
			Feature specific programs, targeted enrollment/possible	August, January, May	Grants Budget		\$ 11,500.00
		What's Happening: mailed to all households in Kenton, Campbell and Boone Counties	4 page annual report to community		Communication/ President		\$ 12,000.00
	Paid Digital: Media website(display ad, video and banner ads), email, text, Ad Network, mobile ads: drive enrollment and target multiple demographics	Enquirer Media	Brand awareness, consistent presence in market, highlight specific programs, enrollment push	annual contract: \$4,000/month	Communication/ Grants Budgets	\$ 32,000.00	\$ 48,000.00
	Signage at HS sports venues		Brand awareness, consistent presence in market	annual contracts	Recruitment Budget		\$ 6,000.00
Promotional Items			For items to promote GTC at college, secondary schools and community events staffed by admissions and communications		Communication Budget	\$ 5,000.00	\$ 5,000.00
Media Tracking Service			Track and measure presence in market/visibility to stakeholders		Communication Budget	\$ -	\$ 5,000.00
Creative Services: stock photography, professional photography						\$ 800.00	\$ 1,000.00
			Total:			\$ 152,000.00	\$ 169,700.00

Gateway Community and Technical College

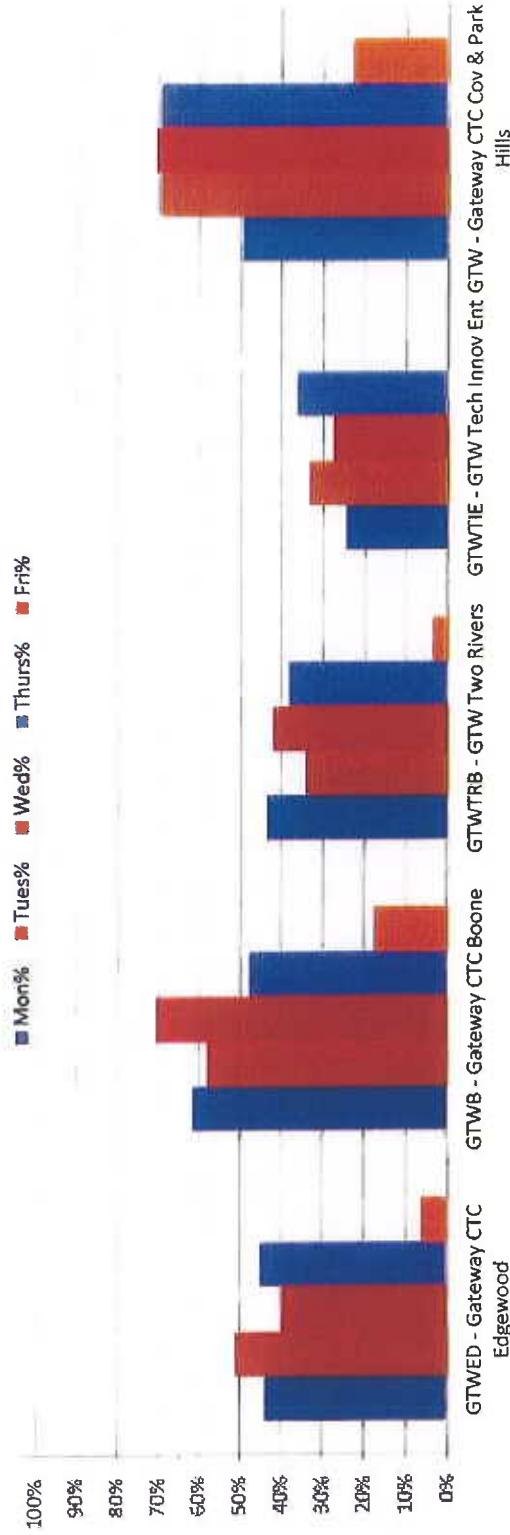
Campus and Building Square Footage

Campus and Buildings	Assignable Square Footage	Gross Square Footage
Boone Campus 500 Technology Way Florence, KY		
Center for Advanced Training Building	21,959	34,516
Center for Advanced Manufacturing Building	70,732	110,200
Maintenance and Bookstore Building	4,065	7,397
TOTAL BOONE CAMPUS	96,756	152,113
Covington Campus 1025 Amsterdam Road Covington, KY		
Covington Building A	21,027	28,254
Covington Building B	24,435	28,132
Covington Building C	21,959	32,851
Park Hills Center	20,617	31,356
TOTAL COVINGTON CAMPUS	88,038	120,593
Edgewood Campus 790 Thomas More Parkway Edgewood, KY		
Nursing and Allied Health Sciences Center	31,759	57,618
Student Services Center	23,716	41,580
TOTAL EDGEWOOD CAMPUS	55,475	99,198
Highland Heights Campus 90 Campbell Drive Highland Heights, KY		
Highland Heights Campus	36,509	43,000
TOTAL HIGHLAND HEIGHTS CAMPUS	36,509	43,000
Urban Metro Campus 525 Scott Blvd. Covington, KY		
Two Rivers Building	44,949	81,412
YMCA Building*	0	68,688
Senior Center*	0	8,480
Professional Services Building	0	12,000
Administration and Bookstore Building	0	6,700
Center for Technology, Innovation and Enterprise**	27,613	54,315
TOTAL URBAN METRO CAMPUS	72,562	231,595
Other Areas		
Other	6,651	13,950
TOTAL OTHER	6,651	13,950
TOTAL CAMPUS SQUARE FOOTAGE	355,991	660,449

* - To Be Renovated ** - Leased Facility

Seat Capacity Usage Report

This report shows the percent of total seat fill hours per day. Available seat hours is calculated by using maximum seats offered at any point during the week for each location (excluding online) multiplied by 8 hours of availability for each day. The seat hours used for each day is a sum of the contact hours, as listed in the PS_K_Class table for a section, multiplied by the student head count for the section. Since this report uses only the maximum seats offered at any point during the week for each location, it may not be representative of the total capacity of the location.

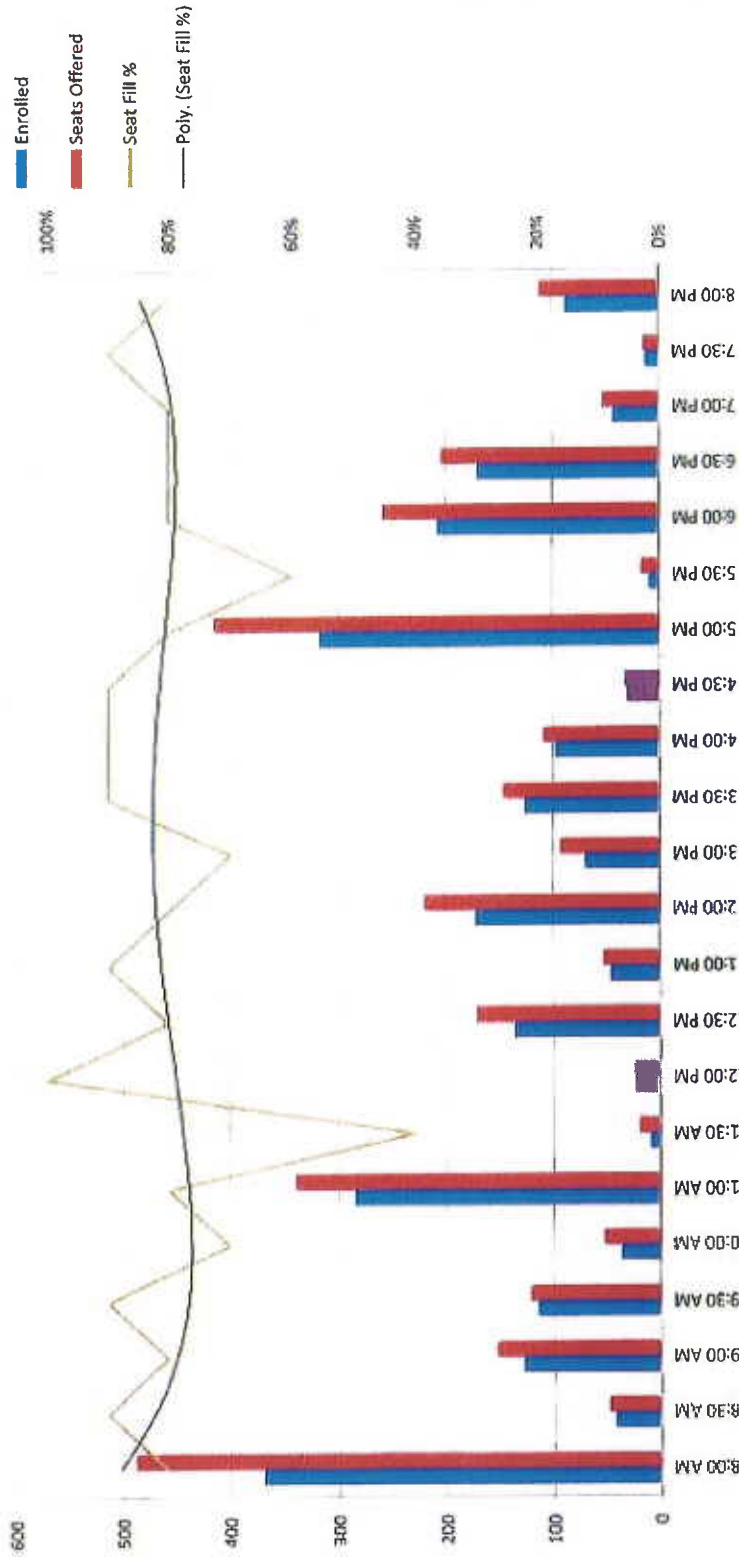


Unit	Term	Location code - Name	max Available Seats	Standard Seat Hrs Per Day	Mon Seat Hrs	Mon%	Tues Seat Hrs	Tues%	Wed Seat Hrs	Wed%	Thurs Seat Hrs	Thurs%	Fri Seat Hrs	Fri%
68110	4144	GTWED - Gateway CTC Edgewood	320	2,560	1,687	44%	1,968	51%	1,524	40%	1,728	45%	243	6%
68110	4144	GTWB - Gateway CTC Boone	298	2,384	2,200	62%	2,074	58%	2,528	71%	1,706	48%	631	18%
68110	4144	GTWTRB - GTW Two Rivers	268	2,144	1,395	43%	1,101	34%	1,354	42%	1,225	38%	117	4%
68110	4144	GTWTIE - GTW Tech Innov Ent	130	1,040	382	24%	519	33%	432	28%	565	36%		
68110	4144	GTW - Gateway CTC Cov & Park Hills	124	992	736	49%	1,037	70%	1,056	71%	1,037	70%	341	23%

Source: K_Class Tbl where Building <> "WWW" and Begin Time <> "TBA" for Class time between 7:59 AM and 8:01 PM and Where Location Ownership code = 1, 2, 3, 4, 5, or 9
 Class start date < (report date + 14 days)

Enrollment Efficiency of On-Campus Enrollment Seats Offered and Seat Fill by Start Time Gateway CTC Boone

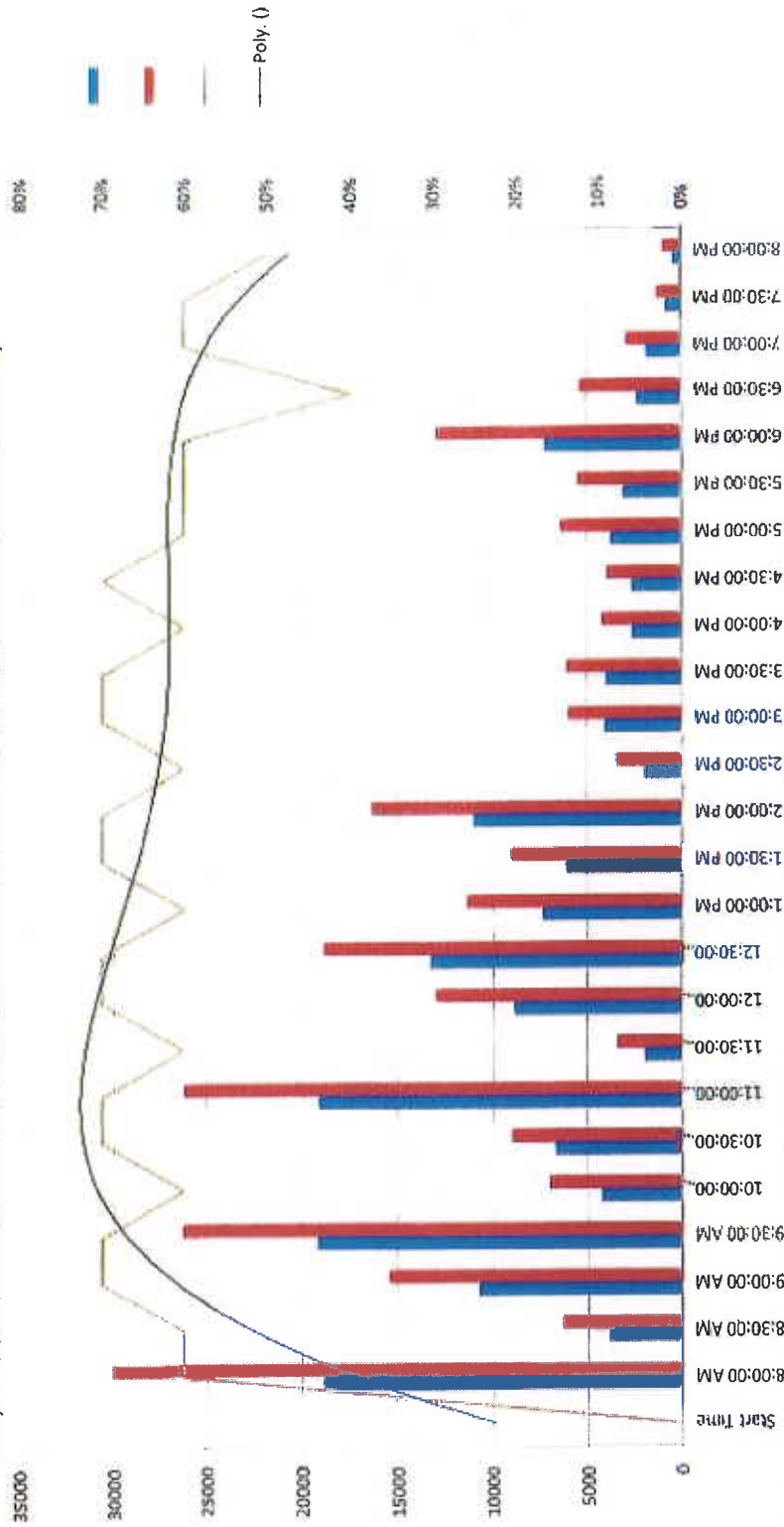
This chart shows the relationship between seats offered and the seat fill ratio between the hours of 8:00AM and 8:00PM (start times are rounded to the nearest 30 min). High fill ratios may indicate the preferred class times for students. Time slots where there are a high number of seats offered may indicate a preferred time for faculty. There must be a balance between the seats offered and the seat fill ratio to achieved maximum enrollment efficiency.



Source: K_Class TBL - WHERE Begin Time<>"TBA" AND Crse Attr<>"TD" AND Crse Attr<>"HSND" AND Crse Attr<>"FR" AND Crse Attr<>"DUAL" AND Crse Attr<>"CR" AND Crse Attr Not Like "WT**" AND Crse Attr<>"VL" and Where Location Ownership code = 1, 2, 3, 4, 5, or 9
Term = 4144 and class start date < (report date + 14 days)

Enrollment Efficiency On Campus Enrollment, Seats offered, and Seat Fill by Start Time System Wide

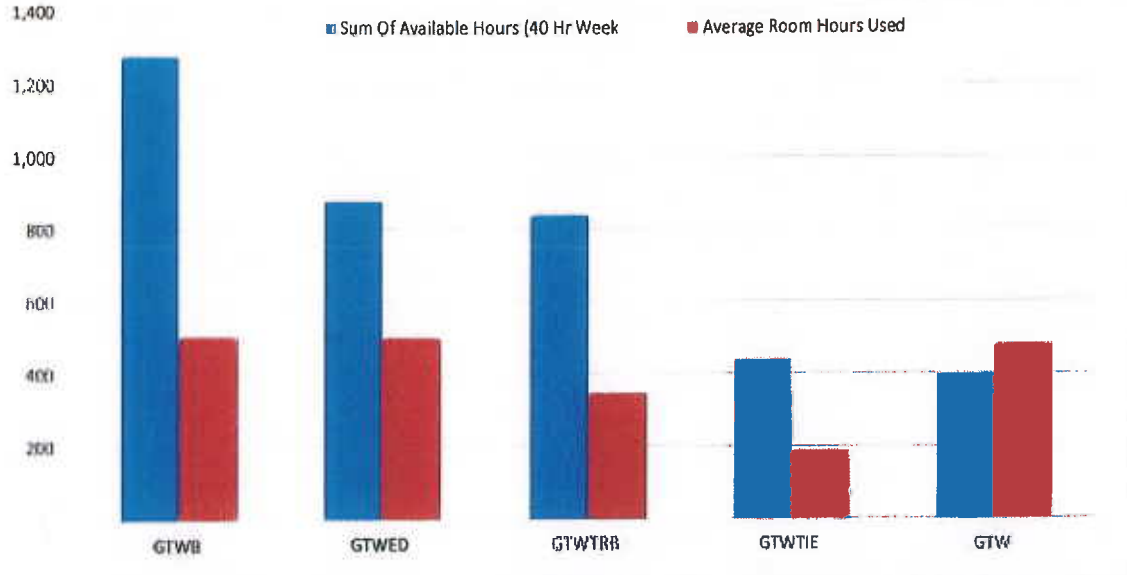
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Term = 4144 and class start date < (report date + 14 days)

Classroom Usage by Location Code

This chart shows the relationship between the total number of room hours available during a week and the average weekly hours used during the term. This graph is based on the Course Contact hours listed in the Class table. Reports of utilization by hour are available in Astra Schedule.



Unit	Term	Room count	Name	Code	Sum Of Available Hours (40 Hr Week)	Average Room Hours Used	Percent usage
68110	4144	32	Gateway CTC Boone	GTWB	1,280	504	39.4%
68110	4144	22	Gateway CTC Edgewood	GTWED	880	502	57.0%
68110	4144	21	GTW Two Rivers	GTWTRB	840	347	41.3%
68110	4144	11	GTW Tech Innov Ent	GTWTIE	440	188	42.7%
68110	4144	10	Gateway CTC Cov & Park Hills	GTW	400	478	119.5%

Source: K_Class Tbl - Contact Hours are used Where Building <>"WWW" And Building <>"TBA" And Begin Time <>"TBA" and Where Location Ownership code = 1, 2, 3, 4, 5, or 9
Class start date < (report date + 14 days)