Supplemental Questions to 2016-2017 Budget Approval

Gateway Community and Technical College Board of Directors

Gateway Community and Technical College (Gateway) administration provides the following information as a means to inform the Gateway Board of Directors about the mission of the college and to assist the directors in furthering their stated goal of becoming better community advocates. This information is supplied for educational purposes and is intended to assist and support the Board of Directors in fulfilling their statutory duties as outlined in KRS 164.600.

1. Underlying assumptions and strategic priorities in 2016/2017 Budget

2016-17 Budget Assumptions & Strategic Priorities
The unrestricted budget for 2016-17 is $19,352,500 which is a decline of $2,272,600 from FY2015-16 original budget. The proposed 2016-17 revenue and expenditure assumptions are as follows:

<u>Revenue</u>
- Tuition & Mandatory Fees: $10,640,700 last year's budget was $10,662,500. Reduction of $21,800. Projecting a decline in credit enrollment based on historical data and in line with state and national trends. The Council on Postsecondary Education (CPE) has approved up to a 6.1% or $9 increase per credit hour. This increase generates approximately $605,700 in new tuition revenue.
  - Fall 2016 paid credit hour projection is 29,037 – Total budgeted tuition for Fall is $5,137,501. Realized $4,920,896 in Fall 2015.
  - Spring 2017 paid credit hour projection is 27,553 – Total budgeted tuition for Spring is $4,625,300. Realized $4,314,906 in Spring 2016.
  - Summer 2017 paid credit hour projection is 5,627 –Total budgeted tuition for Summer is $877,800. Realized $961,080 in Summer 2016.
- State Allocation: $5,812,400 last year's budget was $6,241,200. Reduction of $428,800
  - Reduction details:
    - State Budget Reduction of 4.5% is $274,400
    - Base Reallocation within KCTCS is $15,200
    - Financial Aid Central Processing is $50,000
    - One time nonrecurring funds of $88,300
    - KCTCS scholarships $900
- Noncredit Tuition: $1,354,000 last year's budget was $800,000. Increase of $554,000.
  - Increase details:
    - Enhanced Operator, Commercial Driver's License, Information Technology/Coding certifications
- Sales/Service Educational Activity: $1,051,800 last year's budget was $1,947,900. Decrease of $896,100. Composed of charges approved by KCTCS Board of Regents and implemented by KCTCS president.
  - Reduction Details:
    - Indirect Grant Revenue $400,000
    - Bookstore Commission $115,000
    - Rental Income $139,000
    - Security Charge $70,000
    - EMERGE $40,700
    - Miscellaneous Educational Sales (i.e. late Payments, transcript charges, food service, student printing, etc.) $131,400
- Budget Reserve $493,600 last year's budget was $651,300. Reduction of $157,700. The adjustment of the required reserve reflects the ability to use the reserve as an offset to losses in tuition due to the enrollment decline and state appropriation reduction. The Budget Reserve remains equal to 3% of total public funds which is comprised of State Allocation and Tuition.

Function of Expenses

- Instruction $8,010,600 last year's budget was $8,061,200. Moved $742,351 for Corporate College (Workforce Solutions) from public service to instruction. This move will align Gateway closer to other KCTCS institutions with coding of this expense. Due to projecting decline in enrollment and adjustment of course offerings.
- Public Service $0.00 last year was $731,600, decrease due to moving corporate college from public service to instruction. In the past Corporate College (Workforce Solutions) has been coded under the public service category. Due to recent conversations the decision was made to move these expenses from the Public Service to Instruction program code categories. This was in order to align Gateway more closely with the other KCCTS colleges for benchmarking purposes.
- Academic Support $1,717,000 last year was $1,934,000. Decrease due to projecting decline in enrollment and adjustment of course offerings.
- Libraries $229,100 last year was $349,500. Decrease due to optimization of digital resources.
- Student Services $2,465,100 last year was $2,701,500 decrease due to shifting testing and assessment center from Public service to align us more closely with the other colleges within KCTCS for benchmarking purposes.
- Institutional Support $2,874,100 last year was $3,321,300
- Operations and Maintenance $2,610,800 last year $3,166,300 reduction of utilities with the move of transportation. TIE rent savings. Reduction of operating expenditures
- Student Financial Aid $952,200 last year was $708,100 increased waivers due to growing high school dual credit and dual enrollments.
- Reserve $493,600 last year was $651,300. Remains at the required 3% KCTCS Board of Regents minimum required level.

Object of Expenses

- Decrease in overall personnel cost and operating expenses based on overall reduction of $2.3M in revenue budgeted compared to FY2015-16. Expenditure reductions consisted of 83% from personnel and 17% from operating accounts.
- Growth in Grants in Aid due to increase in dual enrollment waivers.

2. Sources of $3,278,000 reduction in expenses over the 2015-2016 Budget

2015-2016 Budget Total Expenses: $37,149,500
2016-2017 Budget Total Expenses: $33,871,000

Function of Expenses	Unrestricted	Restricted	Total
Instruction	$ (50,600.00)	$(1,358,100.00)	$(1,408,700.00)
Public Service	$ (731,600.00)	$ 17,000.00	$ (714,600.00)
Academic Support	$ (217,300.00)	$ 490,500.00	$ 273,200.00
Libraries	$ (120,400.00)	$ -	$ (120,400.00)
Student Services	$ (236,400.00)	$ 1,228,500.00	$ 992,100.00
Institutional Support	$ (447,200.00)	$ 6,400.00	$ (440,800.00)
Operation and Maintenance	$ (555,500.00)	$ -	$ (555,500.00)
Grants, Aid and Work Study	$ 244,100.00	$ (990,200.00)	$ (746,100.00)
Mandatory Transfers	$ -	$ (400,000.00)	$ (400,000.00)
Budget Reserve "NR"	$ (157,700.00)	$ -	$ (157,700.00)
Total Expenses	$(2,272,600.00)	$(1,005,900.00)	$(3,278,500.00)
Object of Expenses	Unrestricted	Restricted	Total
Personnel Costs	$(1,989,500.00)	$ (129,100.00)	$(2,118,600.00)

Operating Expenses	$ (318,100.00)	$ 840,900.00	$ 522,800.00
Capital Outlay	$ (51,400.00)	$ (327,700.00)	$ (379,100.00)
Grants in Aid	$ 244,100.00	$ (990,000.00)	$ (745,900.00)
Mandatory Transfers	$ -	$ (400,000.00)	$ (400,000.00)
Budget Reserve "NR"	$ (157,700.00)	$ -	$ (157,700.00)
Total Expenses	$(2,272,600.00)	$(1,005,900.00)	$(3,278,500.00)

3. Instructional Expense and Headcount by Programs of Study

The 2016-2017 budget includes $9,871,900 in Instruction Expenses, representing a reduction of $1,408,700 over the previous year. The Board wishes to better understand funding and faculty headcount by the Programs of Study listed on the college's website at http://www.gateway.kctcs.edu/en/Academics/Program_of_Study.aspx.

Programs of Study	2016-2017 Instruction		2015-2016 Instruction	
	Funding	**Headcount**	**Funding**	**Headcount**

Pending further development

Air Conditioning Technology
Associate Degrees and Transfers
Automotive Technology
Business Administration Systems
Collision Repair Technology (Auto Body Repair)
Computer Aided Drafting & Design
Computer & Information Technologies
Computerized Manufacturing and Machining
Cosmetology
Criminal Justice
Diesel Technology
Education
Electrical Technology
Emergency Medical Services (EMT)
Emergency Medical Services (Paramedic)
Energy Technologies
Exercise Science (Personal Trainer)
Fire/Rescue Science Technology
Ford ASSET Automotive Technology
General Occupational/Technical Studies
Health & Wellness Technology (Massage Therapy)
Health Information Technology
Human Services
Industrial Maintenance Technology
Interdisciplinary Early Childhood Education
Manufacturing Engineering Technology
Medical Assisting (Phlebotomy)
Medicaid Nurse Aide
Nursing
Pharmacy Technology
Plumbing Technology
Supply Chain Management
Visual Communications
Welding Technology

$9,871,600   **$11,280,600**

4. Budget and Headcount by Department

The Board wishes to better understand the allocation of these funds and faculty headcount by the Organization Chart available on the college's website at http://www.gateway.kctcs.edu/~/media/Gateway/About/Org%20Charts/GatewayOrgCharts.ashx.

Departments	2016-2017		2015-2016	
	Funding	Headcount	Funding	Headcount

Pending further development

Corporate College
Arts and Sciences
Manufacturing and Engineering
Transportation Technologies
Health Professions
Business, IT, and Professional Studies
Student Development
Computerized Manufacturing and Machining
Development and Strategic Partnerships
Criminal Justice
Business Affairs
Knowledge Management

5. Student enrollment by Campus and County
Totals may exceed 100%

Location	2015-2016 Enrollment							
	Total	Boone	Campbell	Kenton	Grant	Pendleton	River Cities*	Other

Boone Campus
Edgewood Campus
Urban Campus
River Cities
Dual Credit   _____
        Total
River cities include Bellevue, Covington, Dayton, Newport

Location	TOTAL TAKING COURSES AT LOCATION	Enrollment by County of Residence						
		Boone	Campbell	Grant	Kenton	Pendleton	Other	River Cities*
SUMMER 2015								
TOTAL ENROLLMENT BY COUNTY**								
Boone Campus	84	25	9	2	30	1	17	4
Covington Campus	6	2	0	0	3	1	0	1
Edgewood Campus	404	111	47	12	167	10	57	51
Urban Metro Campus	247	39	41	7	110	5	45	66
Online^	692	214	89	26	246	13	104	90

Dual Credit^	**37**	13	3	1	15	4	1	4
TOTAL ENROLLMENT**	**392**	**178**	**57**	**531**	**36**	**229**	**202**	
FALL 2015								
TOTAL ENROLLMENT BY COUNTY**								
Boone Campus	**1,040**	449	75	86	302	14	114	67
Covington Campus	**636**	87	118	55	190	33	153	79
Edgewood Campus	**1,264**	399	166	63	528	31	77	179
Urban Metro Campus	**1,240**	251	271	29	568	22	99	424
Online^	**1,487**	478	175	93	540	38	163	222
Dual Credit^	**668**	129	135	71	197	128	8	199
TOTAL ENROLLMENT**	**1,169**	**663**	**314**	**1,655**	**239**	**543**	**824**	
SPRING 2016								
TOTAL ENROLLMENT BY COUNTY**								
Boone Campus	**953**	372	83	72	317	14	95	80
Covington Campus	**149**	27	42	5	48	2	25	20
Edgewood Campus	**1,056**	332	143	45	448	25	63	139
Urban Metro Campus	**1,077**	233	242	32	468	20	82	357
Online^	**1,481**	476	181	71	568	38	147	216
Dual Credit^	**576**	122	127	80	154	83	10	155
TOTAL ENROLLMENT**	**1,040**	**562**	**241**	**1,380**	**155**	**323**	**651**	

*River Cities include Bellevue, Covington, Dayton, Ludlow and Newport

**Total Enrollment is unduplicated. County enrollment is CPE Official data, and River City enrollment is Unofficial. The enrollment by campus does not equal the total of the four locations/online combined due to the fact many students take courses at more than one campus location and/or online.

^Dual Credit and Online are not "locations", however, the data shows the number of students that took at least one online class or were part of the Dual Credit program.

6. Employment by level

The following table provides the number and percentage breakdown of faculty, staff and vacant positions for both 2015-2016 and 2016-2017 for regular, full-time positions only.

	2016-2017		2015-2016	
	Headcount	%	Headcount	%
Faculty	86	35%	87	31%
Staff	115	47%	129	46%
Vacant	3	1%	16	6%
Administration*	41	17%	47	17%
TOTAL	**245**	**100%**	**279**	**100%**

*Staff and faculty positions that are classified at the Administration-level of the college. Administration-level positions are defined as those positions within the pay bands of 10-16.

5. Definition of "financial emergency" as it applies to notification of employees of a reduction in headcount due to termination, layoff, or contract non-renewal.

A financial emergency does not exist in the Kentucky Community and Technical College System (KCTCS) or at any of our colleges. KCTCS policy does not define financial emergency, but the authority to declare a financial emergency rests solely with the KCTCS Board of Regents.

6. Faculty and staff development budget

Currently faculty and staff professional development is included within operational budgets. It is the discretion of each supervisor if funding is available to support individual request. Faculty have access to $10,000 in Perkins funding to support professional development. There are also numerous opportunities for low cost or free professional development within KCTCS, online and through partnerships within the Greater Cincinnati Consortium of Community Colleges and Universities (GCCCU). Additional examples of opportunities include:

- Gateway's internal leadership development program (LEAD) that faculty and staff can apply for.
- The Gateway Foundation provides the opportunity for faculty or staff to apply for participation in various local leadership programs (i.e. SOAR, WILD, BOLD, and Leadership Northern Kentucky).
- Faculty and staff also have access to up to 6 credit hours per semester of coursework (undergraduate or graduate) at any state-funded college or university within Kentucky.

7. If we continue to see a reduction in tuition $, can we afford to increase our commitment to those programs that do not generate tuition – like Ky Trains and other non–credit programs?

If we continue to see a reduction in tuition funding, we will prepare appropriately and respond strategically.

8. What investment is being made to reverse the downward trend in student population? Looks like a "going out of business" scenario if we don't do something.

The current uptick in enrollment can be contributed to the strategic use of marketing funds and the reallocation of time and effort of existing employees to bolster enrollment via such efforts as summer advising and Express Enrollment. Below are examples of recent activities that generated new student enrollments or retained our current students.

New Students to Gateway

Strategic Enrollment Management Plan Development Consultants with the American Association of Collegiate Registrars and Admissions Officers (AACRAO) and the KCTCS have worked with faculty and staff to develop a strategic enrollment management plan. We will continue to update the board as the plan is finalized.
Radius New software
Supports proactive actions from Gateway's Enrollment Management Department
Enrollment Leads-electronic communications being sent via the communication plan
Applicants-Electronic communication plan titled Next Steps initiated
Radius applicant list divided among Admissions Counselors who are using phone and electronic communications to assist applicants to become admitted
Admitted-Admitted student names are moved to the Advising list in Radius. Advising Department contacts admitted students to initiate completion of online SMART orientation and scheduling Advising appointment.
Express Enrollment Events
Enrollment Management, Advising, Financial Aid, Orientation departments have met and began planning for implementation. All services will be available at the GTWED Campus 8am-4:30pm for the week. Full details will be communicated out to college and Bb call center as developed. The list of students who had applied but not yet enrolled was divided up amongst each Vice President. The VP and their staff personally called each student inviting them to the event.
Supplemental SMART advising (Advising for New Students)
Late July and early August, several faculty and staff members with advising experience and/or training will volunteer to advise new Gateway students to help manage the "crunch time".
Paramedic Open House and Enrollment Event
University of Cincinnati has recently closed their paramedic program. GCTC paramedic coordinator contacted current UC students and conducted an open house and enrollment event on July 11th and 12th.

Returning Students

<u>**Calling Campaign:**</u>

We have implemented an active calling campaign reaching out to returning students who have not registered for fall and spring semesters.

These students will be contacted thru a number of ways:

- The IC staff will contact these students and encourage their continued enrollment.
- Grants and student groups will also be asked to reach out to their students that have not registered.
- Advisors and Deans will be sent weekly lists asking them to communicate to any advisee that has not yet registered.
- These students will be KNECTed about the Express Enrollment week and encouraged to come to the Edgewood campus to see an advisor and enroll.

Targeted faculty advising coverage in place, supported by Academic Deans and Professional Advisors

The Information Commons, located at all three campuses, conducting walk-in advising sessions for current students.

Sending KNECT messages all enrolled student before the start of the term to remind them of first day of class and identifies any last minute item to be taken care of. (purchase books, fin aid, activate student accounts, etc.) Communication also list contacts for support services.

<u>**Retention Efforts:**</u>

We will KNECT students to welcome them to Gateway and as a "Count down to the Semester Start". These students will also be invited to our New Student fair.

Targeted faculty advising coverage in place, supported by Academic Deans and Professional Advisors

The Information Commons, located at all three campuses, conducting walk-in advising sessions for current students.

Gateway GO! Event: New and Returning Student Fair. This event will be held at the UMC to promote student engagement and orient students to campus. Students will be able to buy their books, get their ids made, learn about Blackboard, Starfish, Student accounts, meet and greet their faculty, learn about student engagement and student organization opportunities, get advised, learn about student resources and get a FREE lunch, hot dogs and ice cream.

Retention Initiatives **during** Fall 2016

- KNECT messages for start term, SFA and CPR reminders
- Follow-up on Starfish attendance, recommended drop and 3 active flag flags as well as tutoring referrals.
- Bi-monthly emails to Illume student persistence list and once a month phone calls.
- Retention incentives- 2 $500 VISA cards to students that maintain full-time enrollment and good academic standing.
- Fall priority registration blitz (incentive enrollment event)
- Last Chance to Enroll registration event (incentive enrollment event)
- Advisor outreach to advisees to promote spring enrollment
- Various student engagement activities- Welcome week, mid-term and end of the term events as well as a continuation of Friday Fundays throughout the semester, or whatever the name ends up being.
- Promotion of tutoring in classes

<u>Marketing Plan to Increase Enrollment:</u>

- Google Ad Words, FB, Twitter and digital display ads running - July and August
- A digital billboard on I-471 – July
- TV ads - July and August
- Ad in the Colleges profile in Cincinnati Magazine – August
- We also have targeted digital ads running for TTC programs, Enhanced Operator and health programs
- Digital ads on LinkedIn for the CIT classes Corporate College is running
- We working with the NKY McDonald's restaurants to get the tray liner ads system office sent us out into their restaurants
- System office has an enrollment blitz going on, and they are also doing digital advertising

9. What is the cost per teaching hour for each program and what are the assumptions for participation in each program? Are some of these loss leaders?

<u>Pending further development</u>

10. Does this budget assume further staff reductions if the attendance numbers are met?

The budget for FY2016-2017 was submitted and approved as a balanced budget.