



Revised Operating Budget and Business Plan

Submitted to the

Montana Board of Regents

November 15-16, 2012 meeting

By

Jimmy Cargill, President

Table of Contents

I.	Mission and Core Values	3
II.	Executive Summary	3
III.	Management Plan Spring 2013	4
IV.	Management Plan FY 2014-2015	5
V.	Management Plan FY 2016-2017	6
VI.	Demographic.....	6
VII.	Revised Operating Budget.....	7
VIII.	Summary.....	7
IX.	Attachments.....	8

I. Mission and Core Values

The mission of Dawson Community College (DCC) is focused upon our commitment to improve and provide opportunities for students to: DISCOVER their world through a successful student experience. CONTRIBUTE to student success with lifelong learning opportunities, business and industry outreach activities and community partnerships. CONNECT student success to institutional planning, resources, and policies.

Value Statements

- ✚ DCC values a successful student experience by providing excellence in educational programs and student services.
- ✚ DCC values campus and community outreach opportunities, partnerships with local and regional educational and business entities, and nurturing a culture of volunteerism.
- ✚ DCC values stewardship of fiscal resources, implementation of the policies of governing agencies, and transparency for our constituents.

II. Executive Summary

Dawson Community College submits this revised operating enrollment management plan in partial response to the request by the Board of Regents at the September 2012 meeting for clarification of the means by which the College could achieve the enrollment projection of 350 resident full-time equivalent (FTE) as presented by President Cargill. Citing current enrollment trends for the Institution, the successful attainment of that projection was questioned. Although, not uncommon for DCC to experience fluctuations in student enrollment census, the recent sharp decline merits a focused and timely response.

DCC acknowledges enrollment projections did not correspond to the significant decrease in FTE over the last two years. Therefore projections have been revised and a corresponding management plan has been developed. The recent decline in student FTE is a serious concern to the Trustees and the Administration of Dawson Community College who stand committed to the implementation, review, and success of this plan over the next five years. Along with continued support from our community, the goals and strategies to achieve them will position DCC to return to a more stable enrollment to continue our mission as a comprehensive community college and will position DCC for an expanded role as a regional workforce training destination.

The following report offers a revised enrollment projection and an action plan to address budget and enrollment shortfalls for the next five years. The plan is presented in three phases. The first phase defines measures to cut the budget and minimize enrollment declines in the current year. The second phase outlines goals for FY 2014-15 to reverse downward trends in enrollment through program expansion and development, *stackable Career and Technical Education (CTE) credentials, and expanded curriculum options for transfer students. As soon as possible, the college will enact workforce training initiatives with personnel hired to cultivate the business and industry needs of our service area. During phase three in FY 2016-17, the plan is to continue stabilizing FTE enrollment, grow the workforce training sector, and regain the confidence of the

*See **Attachment 2** for “stackable credentials” as defined by DCC

Board of Regents, our students and community. In summary, the next five years will focus on a vision to build a sustainable foundation upon which Dawson Community College can grow and prosper as an institution dedicated to serving Eastern Montana.

III. Management Plan Spring 2013

The goals and strategies to attain enrollment projections and develop workforce training are outlined below. The primary objective of this facet of the plan is to stabilize enrollment as much as possible and to begin the process of recovery. Our expectation of attainment is cautiously optimistic and very dependent upon the implementation of the strategies, careful resource utilization, monitoring of achievement and evaluation of outcomes.

Goals: Spring 2013

-  TARGET ENROLLMENT LEVEL OF 225 RESIDENT FTE BY END OF TERM
-  HOLD GENERAL FUND BUDGET TO 225 FTE LEVELS
-  DEVELOP FIVE YEAR WORKFORCE TRAINING PLAN
-  EXPAND CTE INVENTORY WITH STACKABLE CREDENTIALS & PROGRAM OPTIONS
-  DEPLOY ENROLLMENT MANAGEMENT PLAN TO GAIN RESIDENT STUDENTS
-  SURVEY DCC MISSION WITHIN THE COMMUNITY

Strategies for Attainment: Spring 2013

- Grow enrollment spring 2013 by expanding hybrid and online offerings, increase promotion of Early Start and Finish Line incentives, increase dual enrollment with area schools, and expand evening and weekend course options.
- Define budget reductions and utilization of program development funds as allowed.
- Expand current CTE program options and develop new CTE programs using (private) Program Development Funding with Level I/II submissions by June 28, 2013.
- Implement stackable credentials (for workforce training) during January break and midterm break to focus on energy sector needs including safety training, welding readiness, business training and specialty machine tooling.
- Marketing and Recruitment efforts will focus on area and regional engagement of students including recruitment goals for scholarship recipients and student athletes.
- Hire Director of Workforce Training to develop and implement a five year business plan for customized and contract training in our service area. (The position will be self-funded within five years.)
- Develop and administer a community needs assessment survey. Use the data to define our niche in the community, support strategic plan initiatives and direct general services. The last survey was completed prior to the energy sector growth and community impact.
- President to hold community listening sessions.

IV. Management Plan FY 2014-2015

The objectives for the next biennium are geared to build enrollment levels incrementally with curricular and campus enhancements, retention initiatives and recruitment strategies. At the end of the biennium, DCC will begin a growth initiative to maintain sustainable levels of resident enrollment. Workforce training will deploy a business plan designed to gain support and resource development in partnership with regional companies.

Goals: FY 2014-2015

-  MAINTAIN BUDGET TO FY 2013 LEVELS
-  MEET ENROLLMENT LEVEL OF 300 RESIDENT FTE BY END OF THE BIENNIUM.
-  IMPROVE STUDENT RETENTION RATE TO MINIMUM 55% LEVEL
-  DEVELOP WORKFORCE TRAINING PARTNERSHIPS WITH THREE CORPORATE ENTITIES TO TRAIN 1000 PEOPLE BY 2015.
-  EXPAND PARTNERSHIPS WITH AREA COLLEGES AND SCHOOLS.
-  PLAN IMPROVEMENTS TO CAMPUS FACILITIES AND GROUNDS
-  ACQUIRE BAKKEN IMPACT APPROPRIATIONS FROM LEGISLATURE FOR WORKFORCE TRAINING INITIATIVES

Strategies for Attainment FY 2014-2015

- Maintain budget at FY 2012-13 levels with revisions including, but not limited to, the following options: salary & budget freeze, furloughs, and reductions-in-force.
- Increase tuition by 15%.
- Increase enrollment by a minimum 20% annually to meet or exceed 300 FTE at end of biennium.
- Provide limited daycare services for students to facilitate part-time student enrollment.
- Continue CTE programs with regional employment potential, stacked credentials within those programs, and provide incentives to enroll with paid internships and corporate sponsorships.
- Create program and instructional partnerships with regional tribal colleges, Miles Community College, and North Dakota colleges to optimize program development and resource effectiveness.
- Expand enrollment management plan to meet recruitment goals and retention initiatives.
- Workforce Training will continue to build resource capacity and a standard of excellence through program evaluations, a databank of proven training specialists, and corporate training partnerships.
- Develop short- and long-range campus beautification plan with DCC Foundation.
- Improve College Drive (campus road) with city, county, state and congressional cooperation and private support from industry.

V. **Management Plan FY 2016-2017**

The long range objectives for DCC are to sustain enrollment and services to meet our mission as a comprehensive community college and to begin growth for long-term sustainability. The objective of the workforce training center is to be financially self-sustaining and poised for growth that will provide support for the College as a whole.

Goals: FY 2016-2017

-  *MEET OR EXCEED 350 RESIDENT FTE*
-  *BUDGET TO REFLECT STUDENT ENROLLMENT AND GROWTH POTENTIAL*
-  *BUSINESS WORKFORCE TRAINING CENTER BECOMES SELF-SUSTAINING*
-  *IMPROVE STUDENT RETENTION RATE TO 65%+ LEVEL*
-  *REPEAT COMMUNITY SURVEY*

Strategies FY 2015-2017

- Increase tuition by 10%.
- Expand curriculum to meet the needs of transfer students in education, literature, physics, mathematics and pre-engineering.
- Workforce Training will be self-funded, equipment will be available from industry and training specialists will be identified for all major needs.
- CTE programs will target energy related, post boom production career services.
- Enrollment Management Initiatives will continue to support part-time student growth, student retention and regional enrollment goals.
- Community listening sessions continue and community survey is repeated.

V. **Demographic Narrative**

In contrast to national trends, eastern Montana is poised to see demographic changes to support enrollment growth and sustainability for DCC by the end of the 2017. The October 29, 2012 issue of Community College Week cites enrollment downturns (nationally) due to a drop in the number of high school graduates, fewer adults returning to school due to the recession and steep increases in tuition. In contrast to these national trends, the high school graduates in our region are expected to substantially increase by the end of 2017. DCC is committed to retaining an affordable tuition rate. With the implementation of targeted programs and services, the growth of enrollment for sustainability should be assured within five years.

Unemployment Rate

Area	Year	Period	Labor Force	No. of Employed	Unemployment	Unemployment Rate %
CUSTER COUNTY	2012	Sep	6,728	6,508	220	3.3
DAWSON COUNTY	2012	Sep	4,440	4,288	152	3.4
RICHLAND COUNTY	2012	Sep	6,837	6,662	175	2.6

Area	Year	Period	Population Source	Population
CUSTER COUNTY	2010	Annual	Census - State & County Level	11,699
DAWSON COUNTY	2010	Annual	Census - State & County Level	8,966
RICHLAND COUNTY	2010	Annual	Census - State & County Level	9,746

VI. Revised Operating Budget - see Attachment 1

VII. Summary

Dawson Community College stands at a crossroads. The landscape has evolved and the pace of change is exciting, unfamiliar and challenging. Our regional economy is booming yet our campus economy is in recession; prompting the Regents and the DCC Board of Trustees to take action. The goals to reverse our enrollment trends are outlined in this report. Realistically, it will take five years to meet the objectives within this plan. The action plan to grow DCC as a “hub” for workforce training is defined. The steps planned provide a path to realize the vision of a workforce training hub in eastern Montana, but most importantly it honors our primary mission as a comprehensive community college.

Success is predicated on many factors including the continued support and guidance from the Commissioner and Board of Regents. Our challenge is not only to grow enrollment but to rebuild confidence with constituents and future students. By continuing to support the transfer initiative and assuring school counselors, parents and future students of credit equivalencies, the Regents can help DCC begin this recovery. By lending support for legislative funding to develop the workforce training initiatives, DCC can accelerate a successful program.

Knowing the institution is at a critical juncture, and believing in this institution and our people, the College will set forth with renewed focus to realize the vision we present.

ATTACHMENT 1: REVISED OPERATING BUDGET

ITEM

Revised Operating Budgets – FY2013: Dawson Community College THAT

The Board of Regents of Higher Education authorizes the revised fiscal year 2013 operating budget for Dawson Community College as submitted herein. The revised budget reflects the anticipated loss of FTE and associated tuition and State assistance.

EXPLANATION

As noted during the September 2012 Board of Regents meeting, Dawson Community College enrollment and related tuition projections used in developing its FY13 Budget were overly optimistic given the regions strong economy. The original revenue estimate was based on resident enrollment of 350 FTE. The revised tuition revenue estimate is based on resident enrollment of 225 FTE; a decrease in resident enrollment of 125 FTE. Additionally, the anticipated reversion of State assistance was increased from \$10,735 to \$50,402 to reflect the drop in resident FTE.

The FY13 decrease in tuition revenue associated with the enrollment decline is estimated at \$330,000. The additional reversion of State assistance is estimated at \$39,667.

	9/1/-20/2012	11/29/2012	Difference
Registration/Tuition	991,985.00	661,985.00	(330,000.00)
Reversion In State Assistance	(10,735.00)	(50,402.00)	(39,667.00)
Total	981,250.00	611,583.00	(369,667.00)

Dawson Community College is presenting a revision of the budget to more accurately reflect the present environment. Our long term plan spans a period of five years beginning with fiscal year 2013 and ending with fiscal year 2017. The plan is designed to include three main time periods. Fiscal year 2013 is in the first period, the second period includes fiscal years 2014 and 2015. Fiscal years 2016 and 2017 comprise the third period.

	<u>Revised Budget</u>	<u>Proposed Reduction in Expenditures</u>
Operating Budget Revisions:		
Reduction in Tuition & Fee Revenue	(330,000)	
Reversion in State Assistance	(39,667)	
Net Reduction in Revenues	(369,667)	
Proposed Reduction in Expenditures:		
Faculty Salaries		(174,308)
Academic Program and Operations		(80,959)
Student Support Services		(64,400)
Waiver Costs		(50,000)
Net Decrease		(369,667)

Campus: Dawson Community College

Reporting Metric - Revised 2013 Enrollment

	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budgeted	FY13 Revised	FY13 Decrease Under Budget
Resident	382.0	380.0	327.0	274.0	350.0	225.0	-125.0
WUE	37.0	36.0	34.0	43.0	30.0	47.0	17.0
Non-resident	33.0	33.0	58.0	48.0	30.0	22.6	-7.4
Total	452.0	449.0	419.0	365.0	410.0	294.6	-115.4
Undergraduate	452.0	449.0	419.0	365.0	410.0	294.6	-115.4
Graduate							
Total	452.0	449.0	419.0	365.0	410.0	294.6	-115.4

Note: In early 2013 Dawson Community College will submit a budget amendment for approval to spend unanticipated LGST (oil and gas) revenues. The aforementioned budget revision does not reflect the unanticipated LGST revenues.

ATTACHMENT 2: DEFINITIONS

For purposes of clarity, the following definitions apply to this document.

Business/Workforce Training

Business/Workforce training is defined as training which is oriented toward serving the training needs of business and industry. It is business and industry-driven and often involves customized or contract training. The curriculum is based on identified needs of business with

Workforce Development

Workforce development refers to education of training oriented toward meeting the education and training needs of individuals including K-12, higher education, continuing education and life-long learning. Associate of Arts/Science curriculum plans and Certificate/Associate of Applied Science degree programs offered at DCC are considered workforce development by meeting the needs of the individual who enrolls in a program of study.

Stackable Credentials

Dawson Community College defines stackable credentials as a tailored curriculum within a CAS or AAS degree program offering students competency-based training designed for entry level skill sets for the field attainable in one semester or less. Program Directors work with industry partners to determine the curriculum. Courses are transcribed and students who complete the credential may apply them to a degree at a later date when more advanced training is needed. A stacked credential is developed with area employers who may donate equipment, define learning outcomes with instructors, and expect to hire a number of training completers.

For example, a stacked credential in Machining Skills will offer 9 credits within the AAS in Welding degree plan of study plus 6-8 credits in skill specific courses with competencies directed by the employer for entry level knowledge of important safety skills, applied mathematics, quality control and experience on industry equipment. An added bonus is the potential for a paid internship.