

2021 South Dakota Technical College System Accountability Report

Government Oversight and Audit Committee
Wednesday, October 27, 2021

Executive Summary



The South Dakota technical college system is comprised of four institutions, including:

- Lake Area Technical College, Watertown
- Mitchell Technical College, Mitchell
- Southeast Technical College, Sioux Falls
- Western Dakota Technical College, Rapid City

Each college offers a variety of high-quality associate of applied science degrees, diplomas, and certificates. Central to the mission of the institutions, and the system, is a commitment to prepare graduates to enter the state's workforce as skilled professionals.



Established in 2017, the Board provides system-level oversight and includes representation from a variety of industries and regions across the state. Current board members include:

- Dana Dykhouse (Chair), First PREMIER Bank, Sioux Falls
- Terry Sabers (Secretary), Muth Electric, Mitchell
- Rod Bowar, Kennebec Telephone Company, Kennebec*
- Doug Ekeren, Avera Sacred Heart Hospital, Yankton
- Scott Knuppe, Caterpillar, Rapid City*
- Ed Mallett, CHS, Inc., Watertown*
- Scott Peterson, Scott Peterson Motors, Belle Fourche
- Brian Sandvig, Valley Queen Cheese, Milbank
- Diana VanderWoude, Sanford Health, Sioux Falls

*Term ends on October 31, 2021

The attached report includes data related to **enrollment** (unduplicated, full-time equivalent and dual-credit), **retention** and **graduation/placement**.

Enrollment

According to the system's fall 2021 enrollment report, unduplicated enrollment (full-time, part-time and dual-credit) at the four institutions decreased by 43 students (7,177 students to 7,134). The number of students participating in the dual-enrollment program increased by 145 (1,127 students to 1,272). The full-time equivalent (FTE) count (30 credits) is forecasted to decrease based on preliminary numbers.

Retention

The system's retention rate, which measures the number of students who enroll in the institution one fall and return (or complete) the following fall, was at 78.2% in the fall of 2020. Lake Area Technical College had a retention rate of 84%, Mitchell Technical College had a rate of 82%, Southeast Technical College had a retention rate of 75%, and Western Dakota Technical College had a rate of 69%. The updated retention rate will be available in the fall 2021 retention report, released in December.

(Executive Summary continued on page two)

Executive Summary (continued)

Graduation/Placement

The system produced 2,514 graduates during the 2020-21 academic year, up from 2,420 graduates in 2019-20. The system's current graduation rate is 57.7%. Placement data from the class of 2021 is being collected and will be available in the coming months.

According to the 2020 graduate outcomes report, which had an 87.7% response rate, the system's placement rate was 99.2% (2,085). The placement rate includes those who are employed, continuing their education, or joining the military. The 2020 rate is an increase from the 98.6% placement rate in 2019. Among those graduates who identified themselves as "employed" (1,775), 87% (1,544) are employed in South Dakota.

Additional Information

In recent years, the State of South Dakota has supported additional appropriations to the technical college system through Instructor Salary Support funding (made possible by the passage of HB 1182) and the implementation of a multi-year Maintenance and Repair funding plan. This report includes details regarding the impact of this funding and the method of distribution across the system.

Instructor Salary Support

Since FY17 (2016-2017 academic year), approximately \$3,000,000 in instructor salary support dollars have been appropriated to the system annually (in FY22 the appropriation is \$3,243,894). Those dollars have been distributed to the institutions based on need and applied to the salaries of individual instructors. Need is determined, in part, using an equation that considered appropriate wage levels in a given field and an instructor's years of service and credentials.

The Instructor Salary Support funding has had a positive impact on the retention and recruitment of quality instructors. Southeast Technical College receives the smallest percentage of the overall allocation, thus the impact of the funding has not been felt among their instructors.

Maintenance and Repair Funding

The overall replacement value of facilities in the technical institute system is \$323,506,305. The system partnered with the Office of Governor and Bureau of Finance and Management to develop a multi-year plan to grow the Maintenance and Repair (M&R) fund to 2% of the overall replacement value.

In FY22, year four of the plan, the system received an appropriation of \$1,219,611. The institutions agreed that the funding would only be applied to state-owned facilities and the distribution formula would not include childcare or cold storage facilities. The FY22 allocation breakdown is outlined below:

- Lake Area Technical College—\$307,048 (357,221 square feet)
- Mitchell Technical College—\$264,135 (317,261 square feet)
- Southeast Technical College—\$398,882 (489,380 square feet)
- Western Dakota Technical College—\$249,546 (299,737 square feet)

Summary

The Board of Technical Education and the four colleges in the system are committed to growing enrollment, aligning academic programs with industry needs, and preparing more skilled professionals to enter the state's workforce.

Supporting Reports

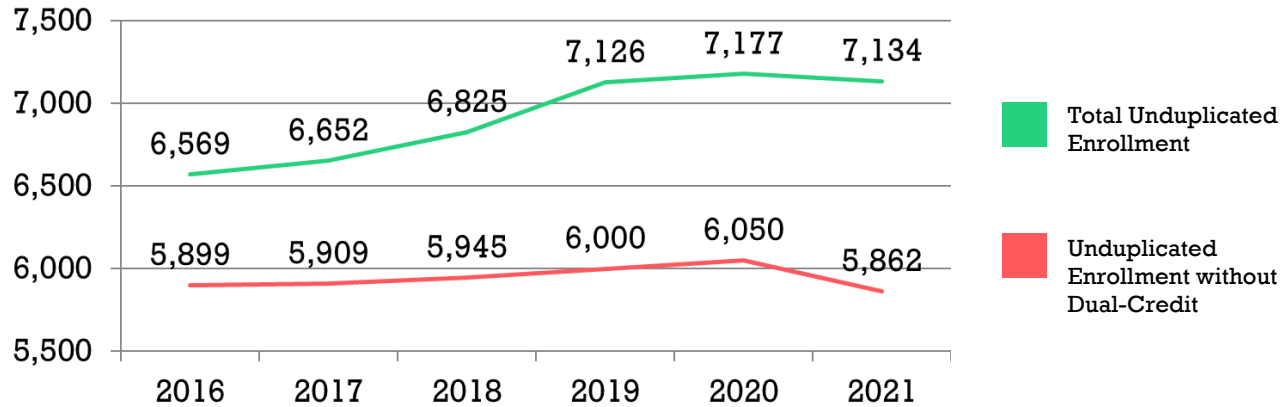
- [Enrollment Report](#)
- [Retention Report](#)
- [Placement Report](#)

Enrollment | Unduplicated and Dual-Credit

According to the fall 2021 enrollment report, **unduplicated enrollment** (full-time, part-time, dual-credit) in the technical college system has decreased by 43 students (7,177 students to 7,134) since fall 2020.

The graph below outlines the system's unduplicated enrollment history since fall 2016 and provides enrollment levels without students engaged in the South Dakota Dual-Credit program.

Graph 1 Unduplicated Enrollment (Full-time, Part-time, Dual-Credit)



Source Fall 2021 Enrollment Report

The table below outlines the system's unduplicated enrollment history since 2016 and our forecast for the 2021-2022 academic year. The forecast (7,134) reflects relatively level enrollment among full-time and part-time students plus minimal growth in students enrolled in the South Dakota Dual-Credit program.

Table 1 Unduplicated Enrollment (Full-time, Part-time, Dual-Credit) History and Forecast

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Full-time/Part-time	5,899	5,909	5,945	6,000	6,050	5,862
Dual-Credit	670	743	880	1,126	1,127	1,272
Total	6,569	6,652	6,825	7,126	7,177	7,134

Source Fall 2021 Enrollment Report

National Notes

According to Integrated Postsecondary Education Data System (IPEDS), enrollment in public, two-year institutions decreased by 10.1% between fall 2019 and fall 2020 and has decreased by more than 26% since 2009.

While South Dakota's technical college system did see a slight decrease in enrollment among full and part-time students, stable enrollment in an uncertain environment makes the system an outlier.

The tables below provide an institution-by-institution breakdown of unduplicated enrollment and enrollment related to the South Dakota Dual-Credit program.

Table 2 Lake Area Technical College

From fall 2020 to fall 2021, Lake Area Technical College had an unduplicated enrollment decrease of 27 students. In fall 2021, the institution enrolled 81 fewer full- and part-time students and 54 more dual enrollment students.

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Full-time/Part-time	1,823	1,814	1,904	1,843	1,890	1,809
Dual-Credit	238	241	341	385	327	381
Total	2,061	2,055	2,245	2,228	2,217	2,190

Source Fall 2021 Enrollment Report

Table 3 Mitchell Technical College

From fall 2020 to fall 2021, Mitchell Technical College had an unduplicated enrollment increase of 49 students, including eight more full- and part-time students and 41 additional dual enrollment students.

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Full-time/Part-time	1,160	1,089	1,099	1,081	1,059	1,067
Dual-Credit	112	119	124	110	125	166
Total	1,272	1,208	1,223	1,191	1,184	1,233

Source Fall 2021 Enrollment Report

Table 4 Southeast Technical College

From fall 2020 to fall 2021, Southeast Technical College had a decrease in unduplicated enrollment of 45 students. The institution had a decrease of 69 full- and part-time students and an increase of 24 dual enrollment students.

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Full-time/Part-time	2,025	2,131	2,141	2,176	2,191	2,122
Dual-Credit	138	170	127	280	235	259
Total	2,163	2,301	2,268	2,456	2,426	2,381

Source Fall 2021 Enrollment Report

Table 5 Western Dakota Technical College

From fall 2020 to fall 2021, Western Dakota Technical College’s unduplicated enrollment decreased by 20 students. The institution’s enrollment among full- and part-time students decreased by 46 and enrollment among dual enrollment students increased by 26.

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Full-time/Part-time	891	875	801	896	910	864
Dual-Credit	182	213	288	351	440	466
Total	1,073	1,088	1,089	1,247	1,350	1,330

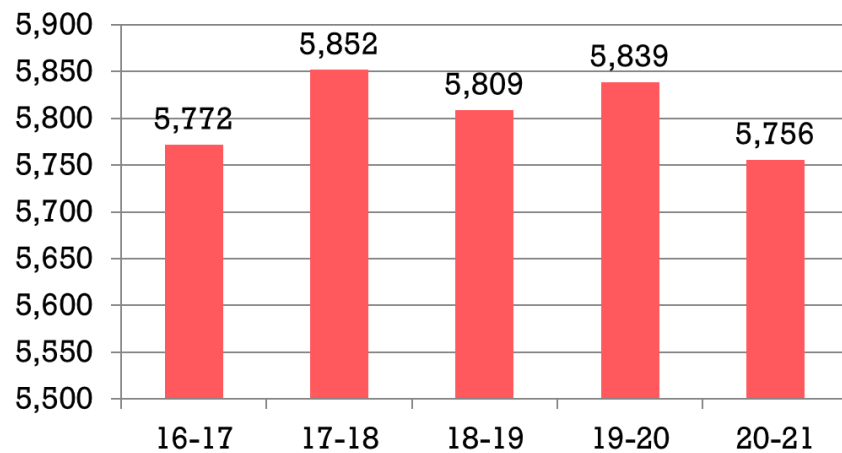
Source Fall 2021 Enrollment Report

Enrollment | Full-time Equivalent (FTE)

According to academic year 2020-21 enrollment data, the full-time equivalent (FTE) count in the technical college system was 5,756 last year. The FTE is determined by dividing the tuition collected in the fiscal year by the product of the state tuition rate and 30 (30 credits per year equals a full-time student).

The graph below outlines the FTE history of the system dating back to academic year 2016-17.

Graph 2 System Full-time Equivalent History



The table below outlines FTE numbers at each institution since academic year 2016-17.

Table 6 Full-time Equivalent Breakdown by Institution

	2016-17	2017-18	2018-19	2019-20	2020-21
LATI	1,962	1,947	2,031	1,995	1,962
MTI	1,157	1,116	1,114	1,088	1,092
STI	1,859	1,958	1,892	1,918	1,861
WDT	794	831	772	838	841
Total	5,772	5,852	5,809	5,839	5,756

Additional enrollment data is available in the [Fall 2021 Enrollment Report](#).

Retention

An official retention rate measures students who enroll in an institution one fall and return to the institution (or complete prior to) the following fall. High school students are not included in retention statistics. The South Dakota technical college system's retention rate in fall 2020 was 78.2%. The system is currently collecting data for the fall 2021 retention report, which will be released in December.

The table below outlines the system's retention rate history since 2016.

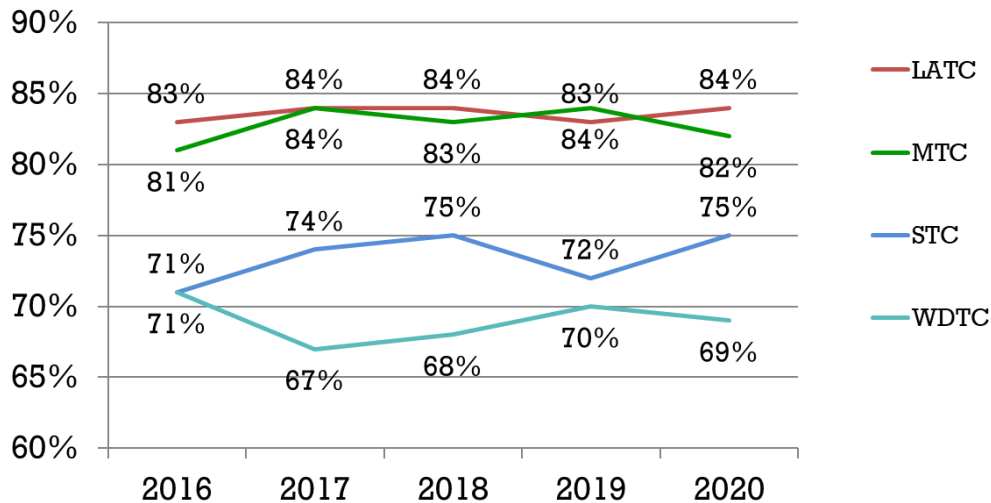
Table 7 System Retention Rate History

	2016	2017	2018	2019	2020
System	77%	78%	78%	78%	78.2%

Source Fall 2020 Retention Report

The graph below provides a history of retention rates by institution since fall 2016.

Graph 3 Retention Rate History by Institution



Source Fall 2020 Retention Report

National Notes

According to the Integrated Postsecondary Education Data System (IPEDS), the retention rate among public, two-year institutions between the fall of 2019 and the fall of 2020 was 53%.

Among full-time students the national retention rate was 60.7%, while the retention rate among part-time students was 40.7%. Institutions with a larger percentage of part-time and non-traditional students tend to have lower retention rates.

Additional retention data is available in the [Fall 2020 Retention Report](#) (the Fall 2021 Retention Report will be finalized in December).

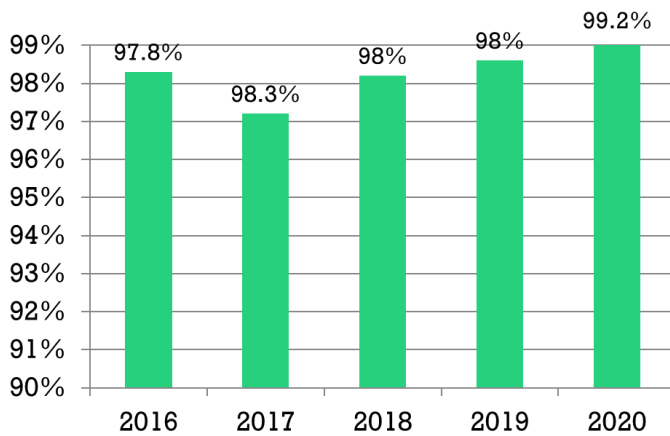
Graduate Placement

The graduate placement report measures the outcomes of graduates six months after graduation. The 2020 graduate placement report includes data on graduates from the fall of 2019, spring of 2020, and summer of 2020. The collection methods that inform the 2020 report had a **87.7%** (2,102 respondents) response rate. The 2020 data reported below is based on those graduates who responded, not all graduates.

According to the 2020 graduate placement report, the system's **placement rate** was **99.2%** (2,085), which includes those respondents who are employed, continuing their education, or in the armed forces.

The graph below outlines the system's placement rate history since 2016. Data for the 2021 graduate outcomes report is being collected.

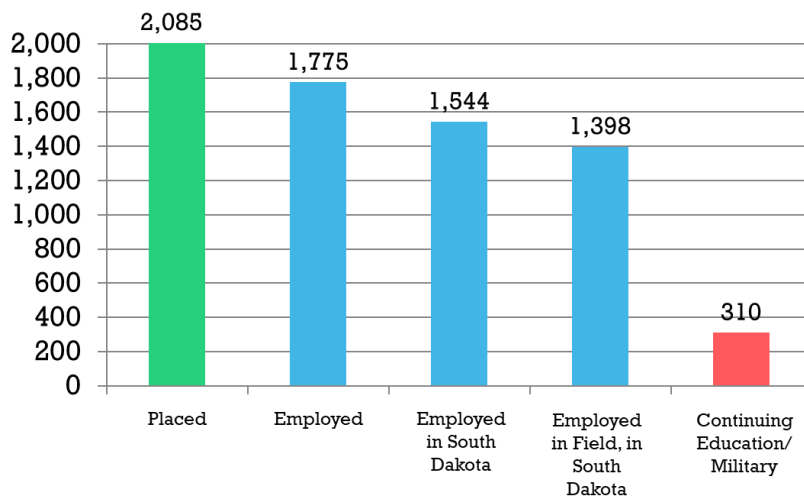
Graph 4 System Placement Rate History



Source 2020 Graduate Placement Report

Of those who identified themselves as “employed” (1,775), **86.9%** (1,544) are employed in South Dakota. Among the respondents who are employed in South Dakota (1,544), **90.5%** (1,398) are employed in their field in South Dakota.

Graph 5 Breakdown of Placed Respondents



Source 2020 Graduate Placement Report

Additional placement data is available in the [2020 Placement Report](#).

Additional Information

In recent years, the State of South Dakota has supported additional appropriations to the technical college system through **Instructor Salary Support** funding (made possible by the passage of HB 1182) and the implementation of a multi-year **Maintenance and Repair** funding plan. Additional details regarding each are outlined below.

Instructor Salary Support

Since FY17 (2016-17 academic year), the technical college system has received an annual appropriation designed to support salary enhancement for eligible instructors. The initial appropriation was \$3,000,000 and has increased incrementally each fiscal year since then. The current year (FY22) appropriation is **\$3,243,894.00**.

The technical colleges developed an allocation rubric that considered an instructor’s years of service and credentials, along with market values within specific industries/programs. This rubric was used to determine eligibility and amount of salary enhancement.

The Board of Technical Education approved proposed revisions to administrative rule (24:59:05) and the distribution model in October. Final changes will be considered by the Interim Rules Review Committee in November. The updated rules are set to take effect in FY23.

The table below outlines the distribution among the four institutions in FY17, FY18, FY19, FY20, and FY21. Totals for the current fiscal year are still being calculated.

Table 8 Instructor Salary Support Funding Distribution by Institution (FY17 through FY21)

	FY17	FY18	FY19	FY20	FY21
LATC	\$1,191,725.21	\$1,308,497.77	\$1,360,396.95	\$1,507,647.48	\$1,479,985
MTC	\$873,183.52	\$823,002.94	\$890,201.82	\$856,937.31	\$858,070
STC	\$95,496.74	\$124,530.00	\$163,664.02	\$84,455.20	\$95,589
WDTC	\$615,737.21	\$707,141.60	\$615,664.21	\$656,710.01	\$734,221
Total	\$2,776,142.68	\$2,963,172.31	\$3,030,000.00	\$3,105,750.00	\$3,167,865

Maintenance & Repair (M&R) Funding

The overall replacement value of facilities in the technical institute system is \$323,506,305. The system partnered with the Office of Governor and Bureau of Finance and Management to develop a multi-year plan to grow the Maintenance and Repair (M&R) fund to 2% of the overall replacement value.

In FY22, year four of the plan, the system received a state appropriation of **\$1,219,611**. The institutions agreed that the funding would only be applied to state-owned facilities and the distribution formula would not include childcare or cold storage facilities. The FY22 breakdown is outlined below:

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If this plan were to continue, eventually the state appropriation would match the system’s 1% contribution, creating a fund equal to 2% of the replacement value. Currently, the institutions are relying upon revenue generated through the M&R fee (\$5.00/credit hour) and local fees to cover the costs of ongoing maintenance and repair.