2024 ACCOUNTABILITY REPORT

South Dakota Technical College System
Government Operations and Audit Committee
Tuesday, October 8, 2024

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 credentials, including; associate of applied science degrees, diplomas, long and short-term 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.

South Dakota Board of Technical Education

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
- Brian Sandvig (Vice Chair), Valley Queen Cheese, Milbank
- Terry Sabers (Secretary), Mitchell
- Doug Ekeren, Avera Sacred Heart Hospital, Yankton
- Brad Greenway, Greenway Pork, Mitchell
- Denny Law, Golden West Communications, Wall
- Joy Nelson, Haugan Nelson Realty/Joy Ranch, Watertown
- Dr. Kay Schallenkamp, retired university president, Spearfish
- Diana VanderWoude, Sanford Health, Sioux Falls

The attached report includes data related to **graduate outcomes**, **enrollment**, and **retention**.

STRATEGIC PRIORITIES

The Board of Technical Education and the system's four institutions have three system-level strategic priorities.

Those priorities include:

1. **Attainment** Increasing the number of South Dakotans who attain high-quality post secondary credentials.
2. **Affordability** Ensuring that technical education is affordable and offers a positive return on investment.
3. **Alignment** Preparing learners and graduates for meaningful employment and continued education opportunities.

The goals related to the priorities include growing the number of credential completers produced by the system, ensuring credentials are affordable and provide a return on investment, and supporting academic programs that are aligned with industry needs.

(**Executive Summary** continued on page two)

(**Executive Summary** continued from page one)

GRADUATE OUTCOMES

The system produced **2,619** graduates during the 2022-23 academic year (an increase of 383 graduates over 2021-22), with an on-time completion rate of **65%**.

According to the 2023 graduate outcomes report, which had an 97.2% response rate, the system's placement rate was **99.2%** (2,527). The placement rate includes those who are employed, continuing their education, or joining the military. The 2023 rate is an increase from the 97.9% placement rate in 2022. Among those graduates who responded (2,546), **84.6%** (2,154) remained in South Dakota after graduation.

In academic year 2023-24, the system produced **2,462** graduates. Data for the Graduate Outcomes Report based on 2023-24 graduates is being collected and will be available in the coming months.

ENROLLMENT

According to the system's fall 2024 enrollment report, unduplicated enrollment (full-time, part-time and dual-credit) increased by **492** students (up to **7,407** students from 6,915). The number of students participating in the dual-credit program increased by **173** (up to **1,347** students from 1,174).

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 **81%** in the fall of 2023. Lake Area Technical College had a retention rate of 84%, Mitchell Technical College had a rate of 86%, Southeast Technical College had a retention rate of 80%, and Western Dakota Technical College had a rate of 74%.

The updated retention rate will be available in the fall 2024 retention report, released in December.

KEY APPROPRIATIONS

In recent years, the State of South Dakota has supported additional appropriations to the technical college system through **Tuition Freeze/Salary Increase** dollars, 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.

Tuition Freeze/Salary Increase

The system received a **$1,314,000** appropriation in FY25 to support a four percent salary increase for all full-time faculty and staff, in exchange for a freeze in tuition and fees for the 2024-25 academic year. The system also froze tuition and fees in academic years 2022-23 and 2023-24.

Maintenance and Repair Funding

The overall replacement value of facilities in the technical institute system is **$338,053,894**. 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 two percent of the overall replacement value.

In FY25 the system received an appropriation of **$1,801,842**.

SUPPORTING REPORTS

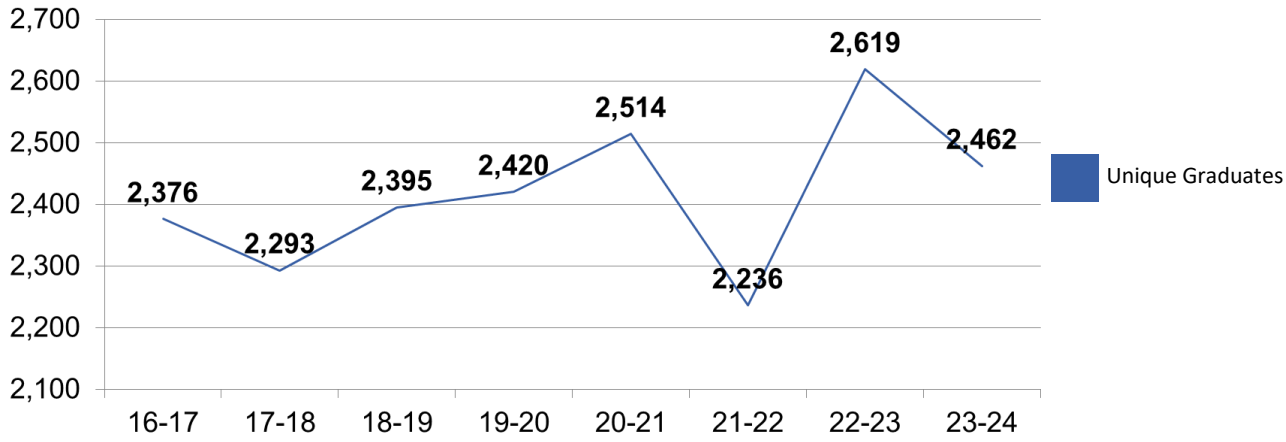
More in depth reports in each area can be found at the links below.

- 2022-23 Graduate Outcomes Report
- Fall 2024 Enrollment Report
- Fall 2023 Retention Report

GRADUATEOUTCOMES

The system produced **2,462** graduates in academic year 2023-24, returning to some normalcy after COVID-impacted graduation years in 2021-22 and 2022-23. As part of the recently adopted attainment goal, the system intends to produce 3,001 graduates per year by 2031.

Graph 1 System Unique Graduates History (2017—2024)



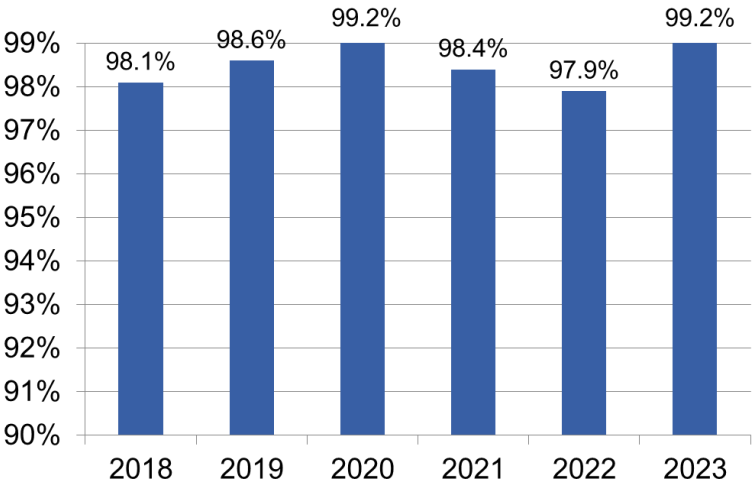
Source *Graduate Outcomes Report (2023), Projections from Technical Colleges (2024)*

Graduate Placement

The graduate outcomes report measures the outcomes of graduates six months after graduation. The 2023 graduate placement report includes data on graduates from the fall of 2022, spring of 2023, and summer of 2023. The 2022-23 graduate survey had a **97.2%** (2,546 respondents) response rate. The 2023 data reported below is based on those graduates who responded, not all graduates.

According to the 2023 graduate outcomes report, the system's **placement rate** was **99.2%** (2,527), which includes those respondents who are employed, continuing their education, or in the military. The graph below outlines the system's placement rate history since 2018. Data for the 2024 graduate outcomes report is being collected.

Graph 2 System Graduate Placement Rates (2018—2023)



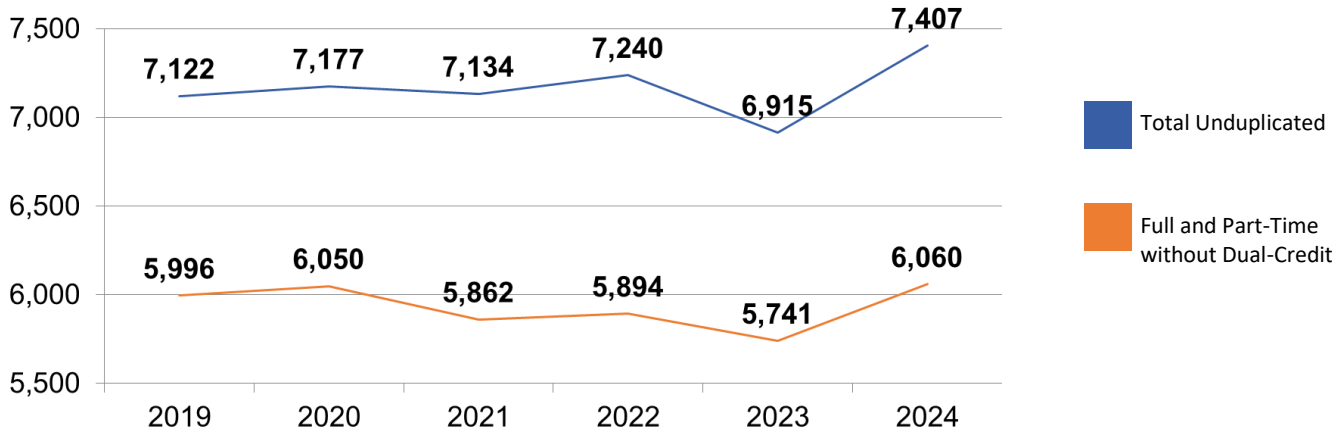
Source *2023 Graduate Outcomes Report*

ENROLLMENT

According to fall 2024 enrollment data, **unduplicated enrollment** (full-time, part-time, dual-credit) in the technical college system has increased by **492** students (7,407 students to 6,915) compared to fall 2023.

The graph below outlines the system's total unduplicated enrollment history since 2019 and full-time and part-time enrollment without dual-credit students.

Graph 3 Unduplicated Enrollment History (2019—2024)



Source *Enrollment Report (Fall 2024)*

The table below outlines the system's unduplicated fall enrollment history since 2019. Fall 2024 data indicates an increase in enrollment among full-time and part-time students and students enrolled in the dual-credit program.

Table 1 Unduplicated Enrollment (Full-time, Part-time, Dual-Credit) History (2019—2024)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Full-time/Part-time	5,996	6,050	5,862	5,894	5,741	6,060
Dual-Credit	1,126	1,127	1,272	1,346	1,174	1,347
Total	7,122	7,177	7,134	7,240	6,915	7,407

Source *Enrollment Report (Fall 2024)*

Program Growth

In recent years, the system has targeted a number of high-demand programs for enrollment growth. Since the fall of 2020, enrollment in **Health Sciences** programs have grown by **385** students, enrollment in **Transportation, Distribution, and Logistics** programs have grown by **118** students, and enrollment in **Architecture and Construction** programs have grown by **56** students.

National Trends

According to the Integrated Postsecondary Education Data System (IPEDS), enrollment in public, two-year institutions remained relatively flat between fall 2021 and fall 2022. Enrollment in this sector has declined by **17%** since fall 2019 and **30%** since fall 2014.

The fall 2023 national data will be available in December.

Enrollment by Institution
The table below breaks down the enrollment history of each institution since 2019.

Table 2 Unduplicated Enrollment (Full-time, Part-time, Dual-Credit) History by Institution

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
LATC						
Full-time/Part-time	1,843	1,890	1,809	1,816	1,720	1,817
Dual-Credit	385	327	381	422	459	495
Total	**2,228**	**2,217**	**2,190**	**2,238**	**2,179**	**2,312**
MTC						
Full-time/Part-time	1,081	1,059	1,067	1,065	1,015	1,064
Dual-Credit	110	125	166	169	161	173
Total	**1,191**	**1,184**	**1,233**	**1,234**	**1,176**	**1,237**
STC						
Full-time/Part-time	2,176	2,191	2,122	2,202	2,234	2,375
Dual-Credit	280	235	259	251	244	284
Total	**2,456**	**2,426**	**2,381**	**2,453**	**2,478**	**2,659**
WDTC						
Full-time/Part-time	896	910	864	811	772	804
Dual-Credit	351	440	466	504	310	395
Total	**1,247**	**1,350**	**1,330**	**1,315**	**1,082**	**1,199**
System						
Full-time/Part-time	5,996	6,050	5,862	5,894	5,741	6,060
Dual-Credit	1,126	1,127	1,272	1,346	1,174	1,347
Total	**7,122**	**7,177**	**7,134**	**7,240**	**6,915**	**7,407**

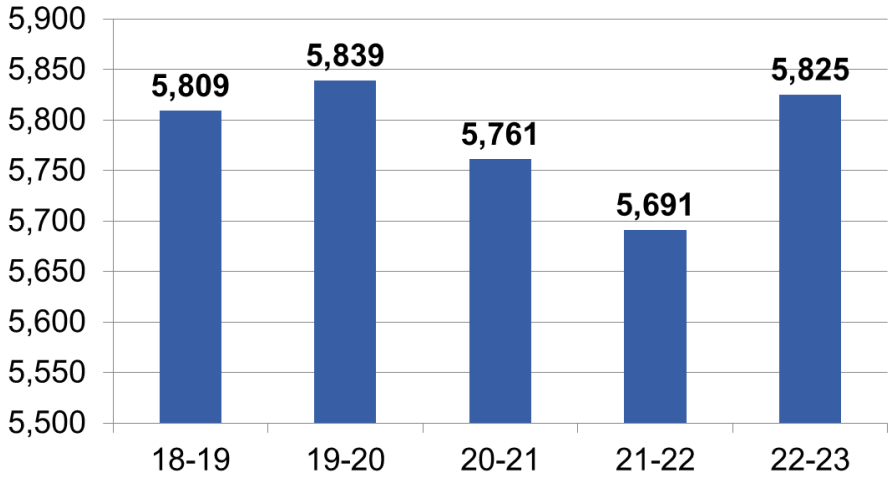
Source *Enrollment Report (Fall 2024)*

Full-Time Equivalent (FTE)
According to academic year 2022-23 enrollment data, the full-time equivalent (FTE) count in the technical college system was **5,825**. The FTE is determined by dividing the tuition collected by the product of the state tuition rate and 30 (30 credits per year equals a full-time student).

The FTE number is verified through the approval of Appendix A by the Board of Technical Education. The system is projecting a flat or slightly increased FTE number for academic year 2023-24 (FY25). The previous academic year's FTE is used to apply the Per Student Allocation each fiscal year.

The graph below outlines the FTE history of the system dating back to academic year 2018-19.

Graph 4 System Full-time Equivalent History (2018—2023)



Source *Appendix A (2023)*

The table below outlines FTE numbers at each institution since academic year 2018-19.

Table 3 Full-time Equivalent Breakdown by Institution (2018—2023)

	2018-19	2019-20	2020-21	2021-22	2022-23
LATC	2,031	1,995	1,962	2,006	2,047
MTC	1,114	1,088	1,092	1,120	1,135
STC	1,892	1,918	1,861	1,768	1,939
WDTC	772	838	846	797	704
Total	5,809	5,839	5,761	5,691	5,825

Source *Appendix A (2023)*

Predicting FTE Performance
As student behaviors evolve, predicting the system's FTE number based on enrollment is becoming increasingly difficult. The system continues to provide more opportunities for part-time students, which makes projecting the total number of credits generated each semester a challenge.

RETENTION

The 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 2023 was **81%**. The system's fall 2024 retention report will be shared at the board's December meeting.

The table below outlines the system's retention rate history since 2018.

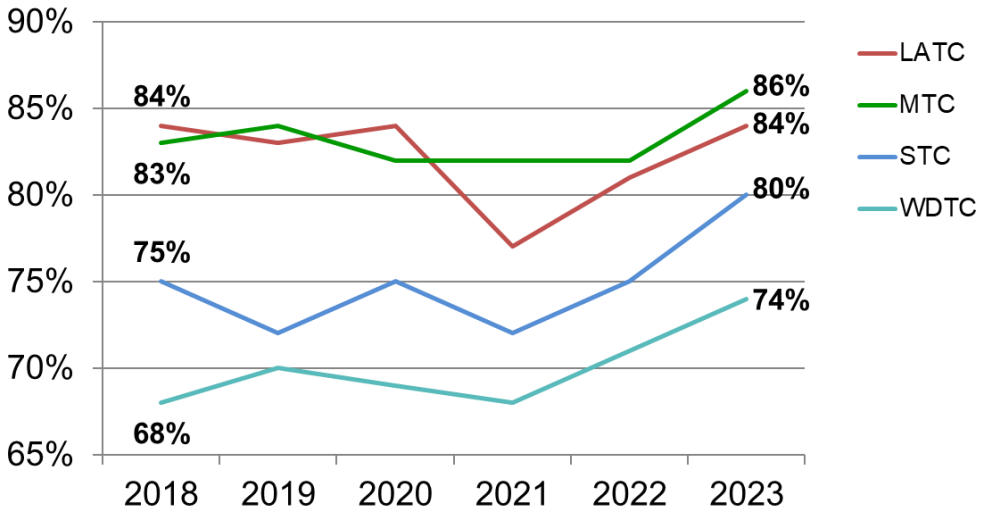
Table 4 System Retention Rate History (2018—2023)

	2018	2019	2020	2021	2022	2023
System	78%	78%	78.2%	74%	78%	81%

Source *Retention Report (Fall 2023)*

The graph below provides a history of retention rates by institution since fall 2018.

Graph 5 Retention Rate History by Institution (2018—2023)



Source *Retention Report (Fall 2023)*

National Notes

According to the Integrated Postsecondary Education Data System (IPEDS), the retention rate among public, two-year institutions between the fall of 2021 and the fall of 2022 was **54%**.

Among full-time students the national retention rate was **62%**, while the retention rate among part-time students was **43%**. Institutions with a larger percentage of part-time and non-traditional students tend to have lower retention rates. In South Dakota, the student populations at Southeast Technical College and Western Dakota Technical College have a higher percentage of part-time students than the populations of Lake Area Technical College and Mitchell Technical College.

KEYAPPROPRIATIONS

In recent years, the State of South Dakota has supported additional appropriations to the technical college system through **Tuition Freeze/Salary Increase** dollars (originated in FY23) and the implementation of a multi-year **Maintenance and Repair** funding plan. Additional details regarding each are outlined below.

Salary Increase Funding

In FY23, FY24, and FY25, the technical college system received additional ongoing appropriations to support a salary increase for all full-time faculty and staff in exchange for a commitment to freeze all tuition and fees in academic years 2022-23, 2023-24, and 2024-25. The salary increase in FY25 was 4%.

The table below outlines the projected* distribution of Tuition Freeze/Salary Increase funding in FY25. The FY25 distribution will once again rely on the funding formula and the Tuition Freeze/Salary Increase dollars were rolled up into the Per Student Allocation.

Table 5 Tuition Freeze/Salary Increase Funding Distribution by Institution (FY25)

	FY25*
LATC	$436,352
MTC	$267,551
STC	$410,526
WDTC	$199,572
Total	$1,314,000

Maintenance & Repair (M&R) Funding

The overall replacement value of facilities in the technical college system is $338,053,894. 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 FY25 the system received a state appropriation of **$1,801,842**. 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 FY25 breakdown is outlined in the table below.

Table 6 Maintenance & Repair Funding Distribution by Institution (FY25)

	FY25	**Square Feet**
LATC	$453,630	368,805 ft^2
MTC	$390,231	317,261 ft^2
STC	$589,305	479,110 ft^2
WDTC	$368,676	299,737 ft^2
Total	$1,801,842	1,464,913 ft^2

The colleges match the state's M&R contribution using a combination of local fees and revenue generated through a $6/credit hour M&R fee assessed to students.