

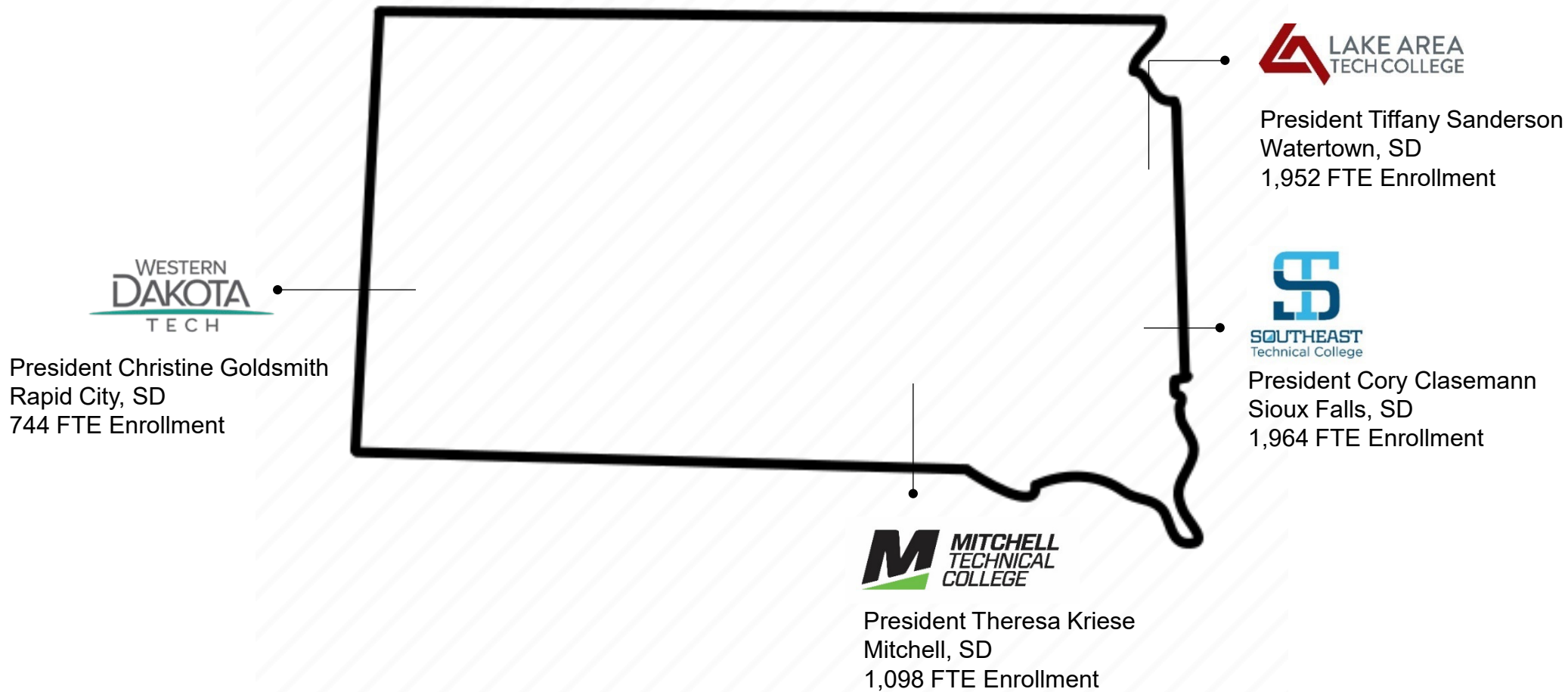
Building the Next Generation of Skilled Professionals

Tuesday, February 4, 2025 | Joint Committee on Appropriations



Board of Technical Education

Technical Colleges



Board of Technical Education

2025 Board Members

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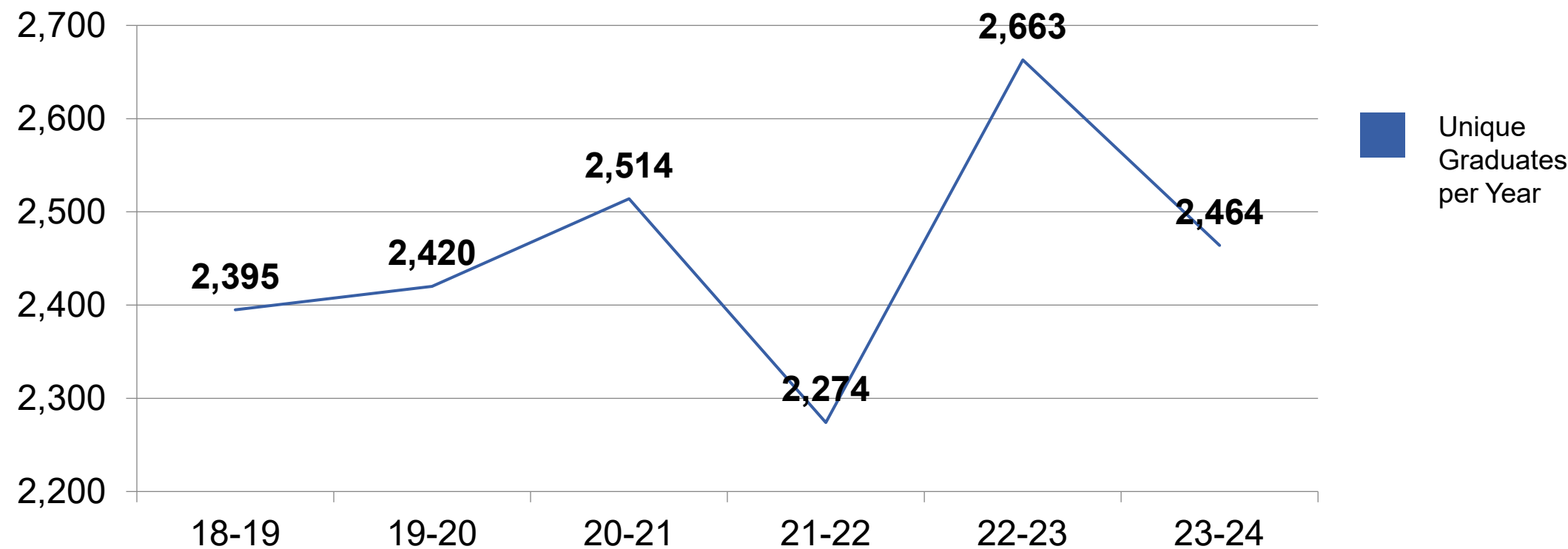


By the Numbers

Graduate Outcomes Unduplicated Enrollment Full-Time Equivalent (FTE)



Number of Technical College Graduates

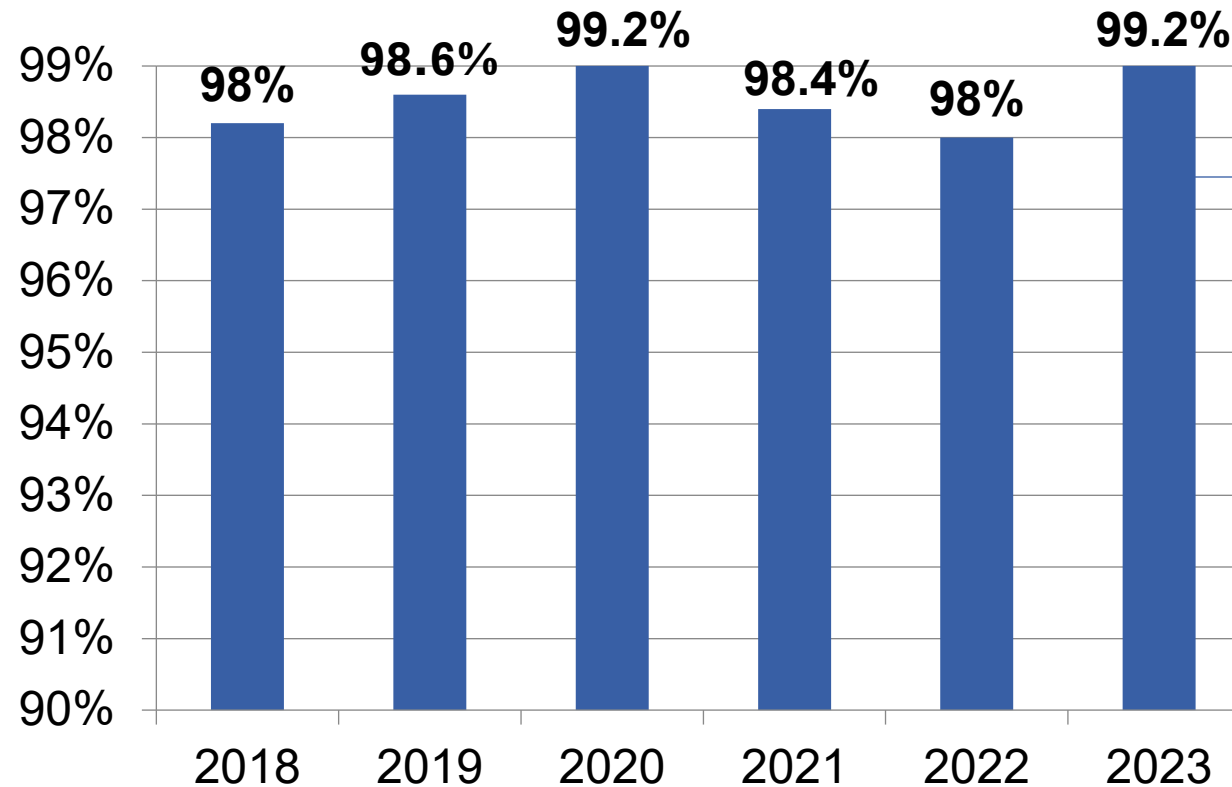


bote.sd.gov

The system’s increasing **completion (66.4%)** and **retention (81%)** rates and **expanded capacity** in high-demand, high-need programs have yielded strong graduate numbers in recent years.



Placement Rate Remains High



Employed
87.5% (2,201) of placed respondents were employed, while **12.5%** (314) of those placed were continuing education or entering the military.

Employed in South Dakota
85.7% (1,887) of those employed were employed in South Dakota.

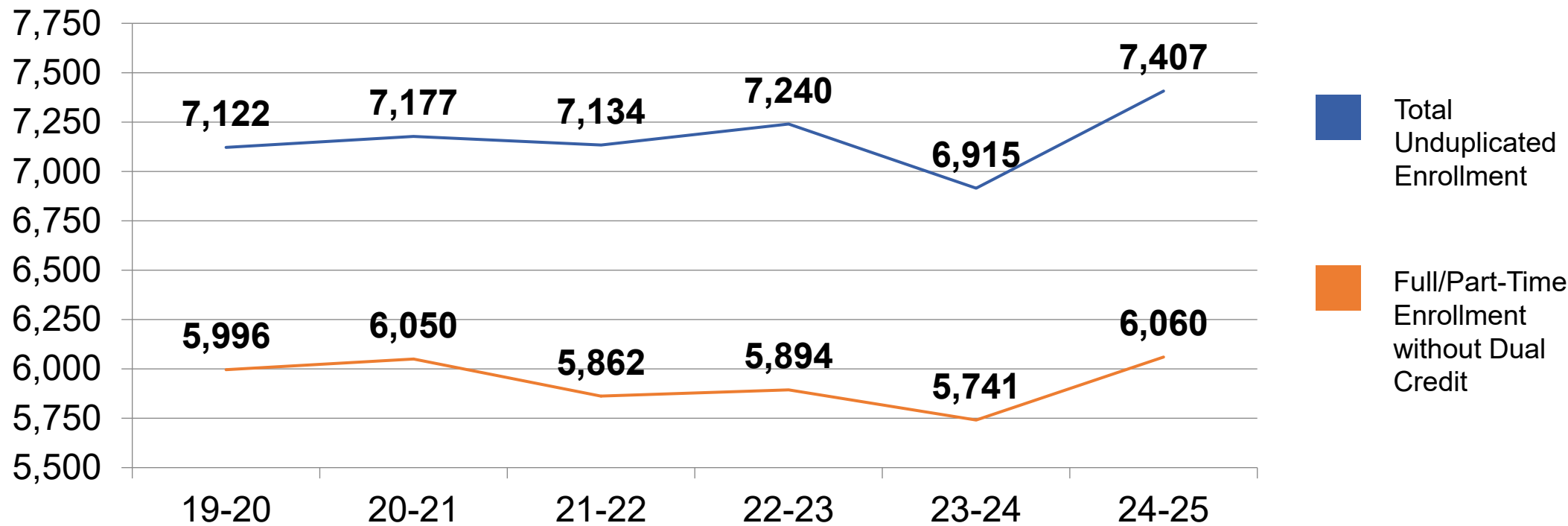
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The Graduate Outcomes Report had a **response rate** of **97.2%**.

Placed respondents are those who identified as **employed**, **continuing education**, or **entering the military**.



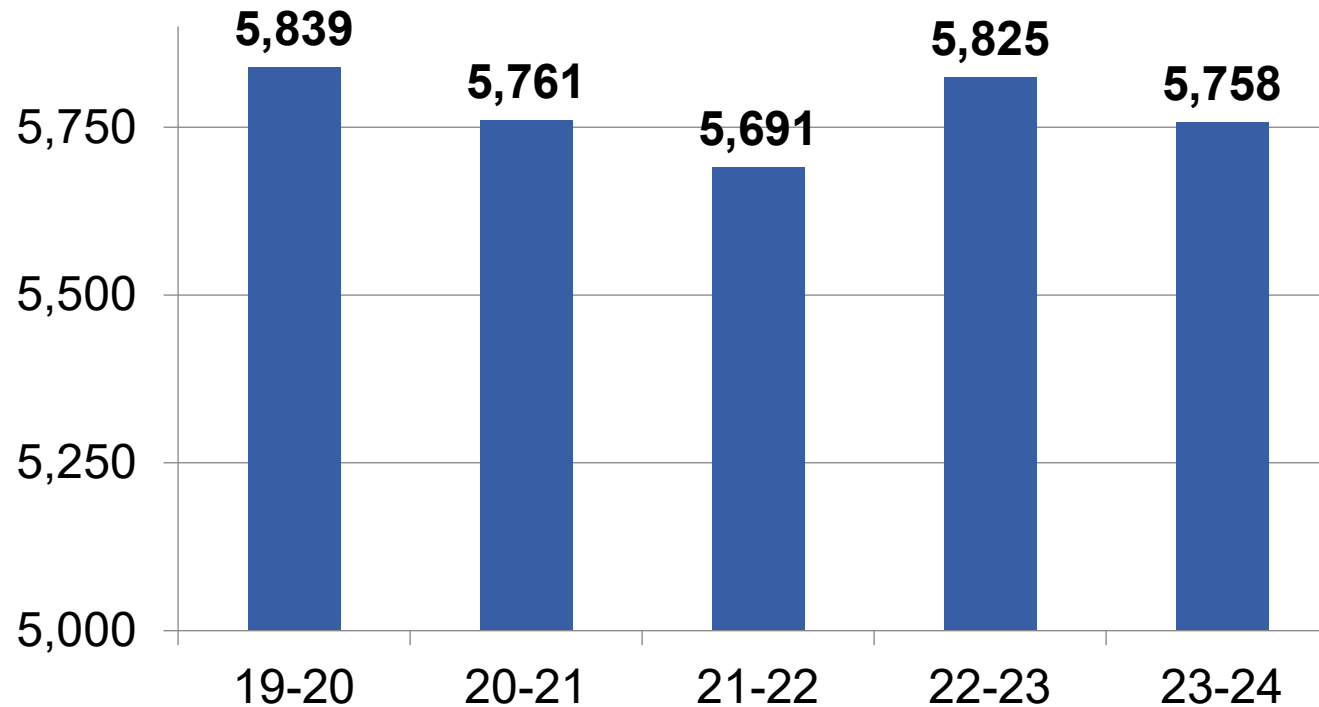
Technical College Enrollment Trends Upward



Since 2019, enrollment in two-year public colleges **nationally** has declined by more than **17%** and by more than **12%** in South Dakota's **seven-state region**.



Student Full-Time Equivalent (FTE) History



The student FTE number is determined by dividing the total number of credits collected in an academic year by **30**, which is the assumed number of credits taken per year by a full-time student pursuing an Associate of Applied Science (AAS) degree (**172,740 credits/30=5,758 FTE**).



Student FTE Breakdown by Institution

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| LATC | 1,995 | 1,962 | 2,006 | 2,047 | 1,952 |
| MTC | 1,088 | 1,092 | 1,120 | 1,135 | 1,098 |
| STC | 1,918 | 1,861 | 1,768 | 1,939 | 1,964 |
| WDTC | 838 | 846 | 797 | 704 | 744 |
| Total | 5,839 | 5,761 | 5,691 | 5,825 | 5,758 |

Due to an increasing number of **part-time** students and those coming into the system having earned **dual-credits**, unduplicated enrollment is becoming a **less reliable predictor** of the FTE number.

The FTE number is used to apply the Per Student Allocation (slide 15).



FY25 Consolidated Budget

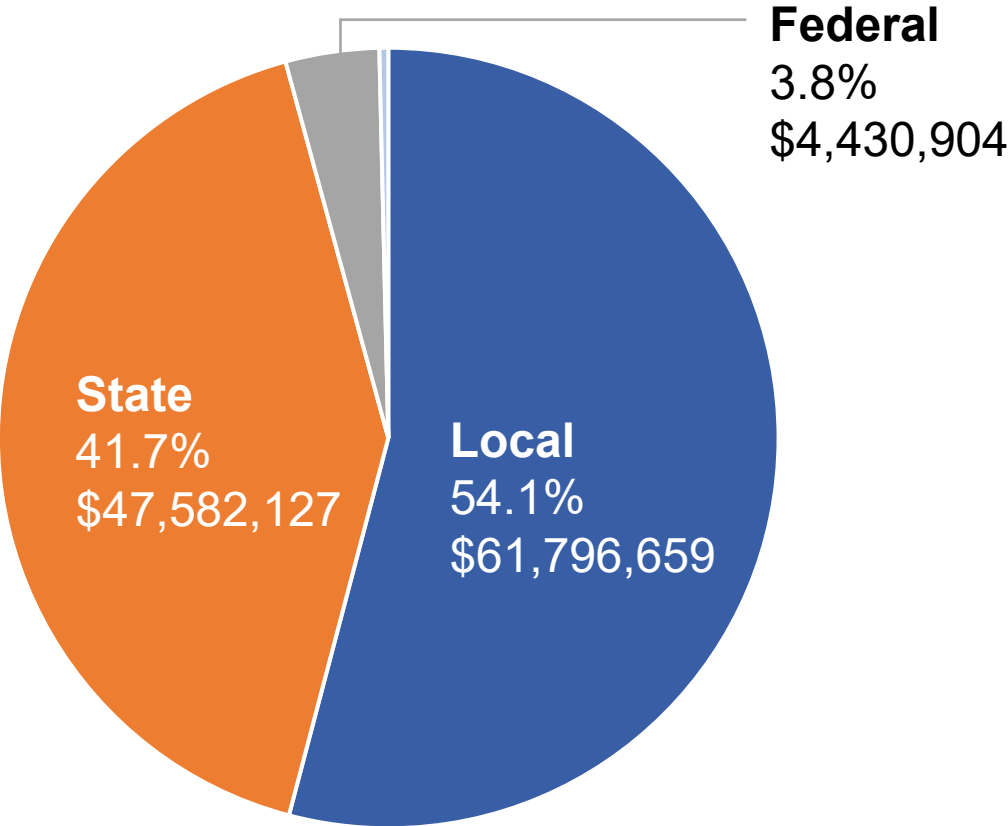
Projected Revenue

Projected Expenditures



FY25 Consolidated Budget

System-Level Projected Revenues



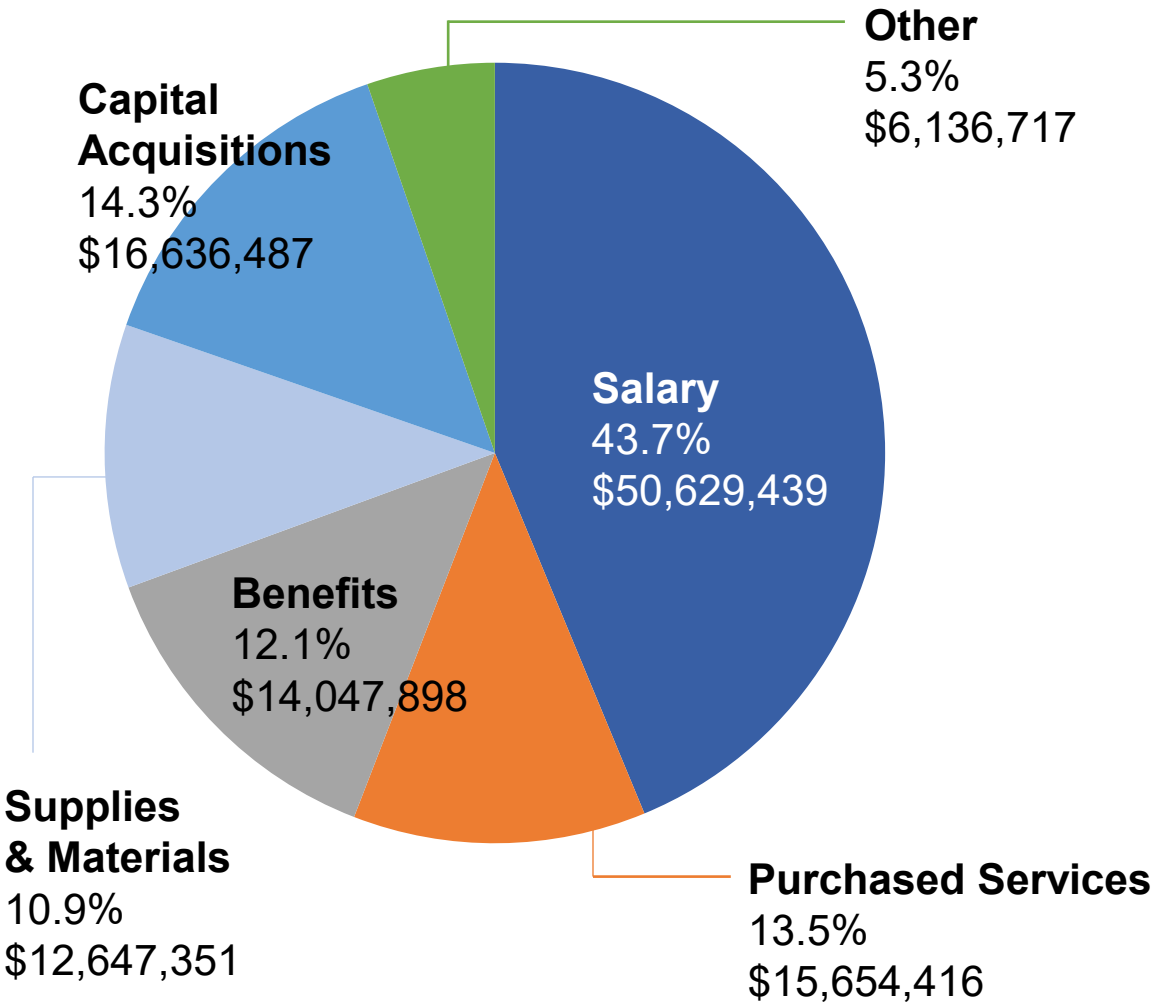
| Description | FY25 |
|-------------|---------------|
| Local | \$61,796,659 |
| State | \$47,582,127 |
| Federal | \$4,430,904 |
| Other | \$417,590 |
| Total | \$114,227,280 |

51.9% of FY25 revenue is generated through **tuition and fees** paid by students.



FY25 Consolidated Budget

System-Level Projected Expenditures



| Description | FY25 |
|----------------------|---------------|
| Salary | \$50,629,439 |
| Benefits | \$14,047,898 |
| Purchased Services | \$15,654,416 |
| Supplies & Materials | \$12,647,351 |
| Capital Acquisitions | \$16,636,487 |
| Other | \$6,136,717 |
| Total | \$115,752,308 |

55.8% of FY25 expenditures across the system are committed to salary and benefits for personnel.



FY26 Budget Request | Ongoing and One-time

**Bond/Lease Payment
Per Student Allocation
Maintenance and Repair
Equipment**



FY26 Budget Request | Annual Debt Service

Bond/Lease Payment

Purpose

The Board of Technical Education manages annual debt service through the South Dakota Health and Educational Facilities Authority (SDHEFA). The state contributes 27% of the total debt service need each year, while the technical colleges contribute the remaining 73% of need. The technical college contribution is generated through a \$36/credit hour facility fee paid by students.

Recommendation

| | |
|-------------------|----------------------------------|
| FY26 Recommended | \$2,019,907 (\$135,647 increase) |
| FY26 Request | \$2,019,907 (\$135,647 increase) |
| FY25 Contribution | \$1,884,260 |

The total debt service need for FY26 is **\$7,481,135**. The FY26 recommended budget includes a **\$135,647** increase to maintain the state’s 27% contribution.

- 1a. Summary South Dakota Board of Technical Education Brief FY26, Item 1, Page 2
- 1b. Detail South Dakota Board of Technical Education Brief FY26, Item 1, Page 3



FY26 Budget Request | Per Student Allocation

Inflationary Rate Increase (PSA)

Purpose

The Per Student Allocation (PSA) supports a wide variety of general expenses required to operate a college, including; personnel, facilities, technology, utilities, safety and security, recruitment efforts, and communications.

Recommendation

| | |
|------------------|-----------------------------|
| FY26 Recommended | \$6,324.04 (1.25% increase) |
| FY26 Request | \$6,433.35 (3% increase) |
| FY25 PSA | \$6,245.97 |

Distribution

The PSA is appropriated based on the full-time equivalent number (FTE) from the previous academic year. FTE is determined by dividing the total credits collected by 30, which is considered a full-time student.

The FY26 budget includes a **\$442,300** increase and a projected FTE number of **5,786**.

1a. Summary South Dakota Board of Technical Education Brief FY26, Item 3, Page 3

1b. Detail South Dakota Board of Technical Education Brief FY26, Item 3, Page 4



FY26 Budget Request | Ongoing Maintenance and Repair

Purpose

Since FY18, the technical college system and the state have partnered to invest in ongoing Maintenance and Repair (M&R) needs. The initial goal was to maintain an annual investment equal to 2% of the total replacement value of all state-owned facilities. The FY26 recommended budget revises the goal to 1.25%.

The FY26 request was designed to make progress toward a 1% (state) to 1% (system) match based on the original 2% goal and a replacement valuation of \$382,298,659. A portion of the system's contribution to M&R funding is generated through a \$6.00/credit hour M&R fee paid by students.

Recommendation

| | |
|------------------------|--|
| FY26 Recommended | \$977,854 (\$824,007 decrease, 1.25% goal) |
| FY26 Request | \$2,289,344 (\$487,483 increase, 2% goal) |
| FY25 M&R Appropriation | \$1,801,861 |

Distribution

M&R funding is distributed according to the square footage of **state-owned** facilities on each campus. A breakdown is provided on slide 17.

1a. Summary South Dakota Board of Technical Education Brief FY26, Item 4, Page 4

1b. Detail South Dakota Board of Technical Education Brief FY26, Item 4, Page 5



FY26 Budget Request | Ongoing Maintenance and Repair

Distribution

M&R funding is distributed according to the square footage of state-owned facilities on each campus. FY25 (actual) and FY26 (projected) distribution totals are outlined below.

| | FY25 | FY26* | Difference | Sq. Ft. |
|-------|--------------------|------------------|-------------------|-------------------------|
| LATC | \$455,897 | \$247,411 | -\$208,486 | 368,805 ft ² |
| MTC | \$383,194 | \$207,956 | -\$175,238 | 309,991 ft ² |
| STC | \$592,250 | \$321,409 | -\$270,841 | 479,110 ft ² |
| WDTC | \$370,519 | \$201,077 | -\$169,442 | 299,737 ft ² |
| Total | \$1,801,860 | \$977,853 | -\$824,007 | |

*Based on the FY26 M&R recommendation and current square footage of state-owned facilities.

1a. Summary South Dakota Board of Technical Education Brief FY26, Item 4, Page 4

1b. Detail South Dakota Board of Technical Education Brief FY26, Item 4, Page 5



FY26 Budget Request | One-Time Equipment

Purpose

In multiple fiscal years since FY21, the system has received one-time equipment funding from the state. The funding came with the expectation that the state’s appropriation covered 67% of need and the institutions contributed 33% of total need.

[HB 1114](#) would direct \$6,735,000 in one-time funding to the Board of Technical Education to meet priority one equipment needs throughout the technical college system.

Recommendation

| FY26 Recommended | not recommended |
|-------------------------|---|
| FY26 Request (Original) | \$9,000,000 (ongoing, applied to the PSA) |
| FY26 Request (HB 1114) | \$6,735,000 (one-time, 67/33 match) |

Distribution

The system proposes the FY26 equipment funding be distributed based on demonstrated need. A breakdown is provided on slide 19.

- 1a. Summary South Dakota Board of Technical Education Brief FY26, Item 5, Page 5
- 1b. Detail South Dakota Board of Technical Education Brief FY26, Item 5, Page 6



FY26 Budget Request | One-Time Equipment

Distribution

The recommended FY26 one-time equipment funding total, distributed based on need identified by the institutions, is broken down in the chart below.

| | State (67%) | Local (33%) | Total Need |
|-------|-------------|-------------|--------------|
| LATC | \$3,753,177 | \$1,848,579 | \$5,601,756 |
| MTC | \$1,384,555 | \$681,945 | \$2,066,500 |
| STC | \$944,664 | \$465,282 | \$1,409,946 |
| WDTC | \$653,250 | \$321,750 | \$975,000 |
| Total | \$6,735,646 | \$3,317,556 | \$10,053,204 |

- 1a. Summary South Dakota Board of Technical Education Brief FY26, Item 5, Page 5
- 1b. Detail South Dakota Board of Technical Education Brief FY26, Item 5, Page 6



Thank you for your continued support of technical education.

Nick Wendell | Executive Director | nick.wendell@state.sd.us

