

## State College Sector

In 2001-02, the state appropriation for the State College System was \$35,710,964. For 2007-08, the appropriation was \$43,109,898. The increase for this six-year period is \$7,398,934 or 20.7%, which is approximately 3.25% a year. The prior five years showed an increase of 28.4%.

Over the past ten years, enrollments have decreased at the State Colleges.

Headcount Enrollments		
Fall 1997	Fall 2007	Difference
8,577	8,494	-1%

Total headcount enrollments for fall 2008 are very preliminary and not verified, but the State Colleges report estimated 2008 headcount enrollment at 8,402. If the 2008 headcount remains stable, the State Colleges might show a 1.1% decrease for the current fall semester. Actual FTE enrollments for 2001-02 were 6,526 and FTE enrollments for 2006-07 were 5,710, a 12.5 decrease.

For 2007-08, Chadron State College's appropriation per FTE student was \$6,934, which is slightly below the mean of its peer group. Peru State College's appropriation per FTE student is \$4,768, a decrease per FTE of almost \$300 per student from the 2004-05 level. Peru's appropriation per FTE is about \$350 per FTE below its peers' average. Wayne State College's appropriation per FTE student in 2007-08 was \$5,903, or about \$2,000 per student below the peer average. (See CCPE, *Tuition , Fees and Financial Aid Report 2008*)

The following chart shows the State College campuses and their level of state appropriations per FTE.

Appropriations per FTE Student			
Institution	2001-02	2004-05	2007-08
Chadron State College	\$5,628	\$5,579	\$6,934
Peru State College	\$5,453	\$5,070	\$4,768
Wayne State College	\$5,002	\$4,779	\$5,903

It should be noted that WSC's appropriation per FTE student is significantly lower than the average of its peers. The Commission believes that, absent factors leading to other conclusions, institutions should be funded at approximately the level of their respective peers.

Each year the Commission evaluates another measure, which it considers a performance and efficiency indicator — state dollars appropriated per degree awarded.

<b>Appropriation per Degree Awarded</b>		
<b>Institution</b>	<b>2001-02</b>	<b>2006-07</b>
Chadron State College	\$32,469	\$33,526
Peru State College	\$21,844	\$20,393
Wayne State College	\$23,399	\$22,931

While Peru and Wayne State decreased in the dollars per degree produced, Chadron State increased in the cost to produce a degree. This is attributed to funding increasing by 12.3% while degrees awarded only increased by 8%.

Expenditures of E&G (Educational and General) dollars per FTE for instruction are provided in the following table.

<b>Instructional E&amp;G Expenditures per FTE</b>		
<b>Institution</b>	<b>2004-05</b>	<b>2006-07</b>
Chadron State College	\$4,333	\$5,382
Peru State College	\$2,936	\$2,874
Wayne State College	\$3,936	\$4,466

Chadron and Wayne State continue to increase spending on instruction per FTE student.

The State Colleges requested items mainly related to their core operating costs. The only items requested outside the continuation requests are a one-time appropriation for security equipment to increase the security of each State College campus and the programmatic costs of opening the new facility at South Sioux City. The Commission moved the requested increase in salaries and benefits to the “New and Expanded Requests” section because the Commission considers the significant request for salaries expanded funding as opposed to continuation.

**Strongly Recommend New General Funds**

State College Request				CCPE Recommendation
		2009-2010	2010-2011	
CSC PSC WSC System Office	Salaries and Benefits	\$1,157,234	\$1,186,166	The Commission strongly recommends state funding for a 2.5% increase in salaries and associated benefits.
CSC PSC WSC	Campus Safety and Security	\$1,000,000	\$0	The Commission strongly recommends funding as a one-time request.
<b>Total Request</b>		<b>\$2,157,234</b>	<b>\$1,186,166</b>	

**Salaries and Related Benefits**

The State Colleges are requesting a 2.5% increase in salaries and related benefits for all faculty and staff. The dollar amount of the increase is \$1,157,234 for 2009-10 and \$1,186,166 for 2010-11. The request is based on DAS Budget instructions, which required all agencies to include a 2.5% salary increase and adjusted associated benefits.

According to the State Colleges, the request is based on the 2008-09 salary base and the request includes related benefit increases for those benefits that are determined as a proportion of salary. The State Colleges also state the request at 2.5% is a very preliminary request. Actual increases will be determined based on salary negotiations to take place in fall 2008. The request will be revised once collective bargaining is complete.

*Outcome:*

- Funding for salaries at the negotiated level will allow the colleges to continue service at the current level.

**Recommendation:**

The Commission strongly recommends funding for the 2.5% increase in all salaries and related benefits.

**Rationale for the Recommendation:**

All three State College campuses have collective bargaining agreements and negotiations begin this fall. At this point, it is not possible to know the outcome of the negotiations.

There is little to analyze due to the fact that DAS Budget has determined the level of salary increases for all state agencies. With inflation already at 4.2% this year and the likelihood of inflation continuing to increase at least for 2009-10, a salary increase of only 2.5% seems difficult to justify. However, the colleges do have other sources of funding such as tuition so if negotiations conclude with salary increases in excess of the 2.5%, the State Colleges can revise their request to a number higher than 2.5% and/or the State Colleges can use tuition to cover some of the additional need.

**The Commission strongly recommends funding for the 2.5% increase in all salaries and related benefits.** The Commission will comment on any adjustment if and when an adjustment is made to the request.

### **Improvements to Campus Safety and Security**

(Chadron State College, Peru State College and Wayne State College)

The State Colleges have requested a one-time appropriation of \$1 million dollars in 2009-10. The funding would be used for security equipment on all three campuses, including electronic building access systems, security cameras, and outdoor speaker systems.

If the request is funded, the colleges will begin Phase 1 of an estimated \$2.2 million project to equip all state buildings on each campus with security equipment. One component of the safety improvements includes security systems for perimeter buildings so campus security can monitor activities on the perimeter of campus that might affect students on campus.

*Outcome:*

- Improve the colleges' ability to respond to threats and incidents on campus.
- Improve abilities to gather and provide critical information to law enforcement in a time critical manner in crisis situations.

**Recommendation:**

The Commission strongly recommends the \$1 million, one-time funding for campus safety and security.

**Rationale for the Recommendation:**

The Commission refers to the importance of safe and secure campuses in its *Comprehensive Statewide Plan*. The *Comprehensive Plan* states:

“Parents and students rank personal safety as a priority.

Fortunately, students on Nebraska college campuses are far more secure than at many campuses in other states. Reports of assaults and violent crime on Nebraska campuses are rare and below national averages. In recent years, many Nebraska institutions have undertaken measures to make their campuses even more secure through better lighting, emergency phones, additional security personnel, etc.”

The Commission strongly supports campus facilities and grounds being well maintained to assure the safety of students. Even though Nebraska campuses are regarded as safe and have fewer violent crimes than the national average, this does not reduce the need for campuses to monitor and guard the safety of students and increase security measures when appropriate.

The Commission agrees with the State Colleges’ statement that campus safety and security has taken on a new sense of urgency in the past few years with incidents that have demanded the attention of colleges and universities across the nation. We can no longer presume our rural colleges are immune to the potential threats of individuals wishing to cause harm. The colleges have improved crisis planning and, in the process, have identified the need for improvements to campus security.

The State Colleges cited several incidents that have occurred on the Chadron State College campus last year. A professor did not show up for class and was missing for months. Having security cameras could have helped police and search crews determine the professor’s movement to the south of the campus. This could have helped direct searchers to the location of the professor. Another incident was the lock down of the Chadron campus when armed gunmen were on campus trying to elude law enforcement. Because no cameras are installed, every room on campus had to be searched by law enforcement. It was not known if the fugitives had forced their way into a residence hall room, had broken into a classroom or had stolen a car and left the area. While the college was fortunate, the incident could have ended up with casualties, as has happened nationally on other college campuses these past two years.

All three campuses have had disgruntled ex-boyfriends threaten to come to campus with the intent to cause harm. In one particular case, an individual was apprehended on his way to campus by state patrol. The individual was armed, intoxicated and all indications were that he was prepared to cause bodily injury to a student.

The colleges state that the requested funding for improved security will complement current initiatives such as the MIR III Warning System, crisis planning and simulation exercises.

Security is a national concern and should prompt educational institutions to review their campus environments to assure students are safe. It is encouraging that the State Colleges are taking this issue seriously, have identified needed improvements to safety and security, and have requested funding for improvements as its number one priority.

**The Commission strongly recommends the \$1 million one-time funding for improvements to State College campus safety and security.**

Security on campus also involves security to revenue bond facilities. Security for the residence halls and other such revenue bond facilities should also be improved and should be funded from revenue bond operating funds.

**Recommend New General Funds**

State College Request				CCPE Recommendation	
		2009-2010	2010-2011		
WSC	WSC College Center at South Sioux City	\$123,524*	\$135,398*	The Commission recommends funding of the request as modified (\$45,000 – second year).	
<b>Total Request</b>		<b>\$123,524</b>	<b>\$135,398</b>		
				<b>\$0</b>	<b>\$45,000</b>

\*Modified by the Commission

Wayne State College (WSC) is requesting \$123,524 in 2009-10 and \$135,398 in 2010-11 for one half of the programmatic costs to open and operate the new joint college center at South Sioux City. WSC and Northeast Community College (NECC) are partners in constructing and operating the new center.

The funding is a request to hire a director the first year of the biennium to assist with construction development, begin enrollment recruitment, and to head up coordination and planning efforts between WSC and NECC. Financial aid, registrar and admissions staff would also be hired during the first year of the biennium to assure enrollment in fall, 2010.

The college anticipates the identified staff would be employed for the last half of the first year of the biennium. Additional staff would be hired in the second year of the biennium. Faculty will be provided by each institution and are not requested in the shared operating budget.

**Outcome:**

- Successful operation of the center that will be measured by a variety of enrollment measures as well as progress toward meeting the higher education needs of the far northeast corner of Nebraska.

**Recommendations:**

The Commission recommends funding one-half of the director's salary for the last year of the biennium (2010-11).

**Rationale for the Recommendation:**

The Commission believes it is a good idea to hire a director for the South Sioux City College Center prior to building and completion of the facility. The director will

be able to assist in the planning process and help determine requirements for the faculty to meet the needs of the community and surrounding area.

The first year request is also for funding to provide one-half of the salary for a registrar, admissions person and a financial aid coordinator. According to WSC, these staff members would be hired the last half of the first year of the biennium.

While the Commission supports WSC funding one-half of the director's salary a reasonable time before the building is constructed, it does not support providing the funding for the first year of the biennium (2009-10). It also does not support funding for additional staff until such time as construction has begun and is moving along to completion.

As of October 2008, NECC and Wayne State have not secured all the funding (federal and private) needed to begin construction of the facility. The state has provided its share of construction costs, but the federal and private funds are still not committed. The proposed building has been decreased about 10% in size due to a lack of non-tax dollar commitments. Until full funding is secured, the project will not move forward.

It is the Commission's professional opinion that the project may begin construction at the earliest in the spring or summer of 2010 if all funding is available. WSC and NECC may have to decrease the size of the building further if non-state tax dollars do not meet the projected funding goal. It is probably not reasonable to presume construction will begin anytime soon.

Consequently, **the Commission recommends state funding for one-half of the director's salary in 2010-11.** This amount would be \$45,000 (half of \$90,000, which includes salary, benefit and operating expenses). The Commission does not recommend any funding for the registrar, admissions person or financial aid coordinator until the 2011-2013 biennium when the construction will most likely be finished and the facility about ready to begin operation.