

Keene State College campus update

September 15, 2017



Wisdom to make a difference.

Keene State College | 229 Main Street | Keene, New Hampshire 03435 | keene.edu

Acknowledgement

- New experience for KSC
- Uncertainty
- Stressful
- Challenging
- Demand for thinking differently
- Culture — a rough patch

Hold steady...please

KSC assets

- Our students
- You
- Our community
- Our alumni
- Our donors
- Our endowment—KEA—60 years strong
7.5m portfolio (+9.0% YTD)

KSC student photos/video

KSC Quality

- US News and World Report, Keene State College **71st place** in Tier I of Regional Universities of the North, climbing.
- Educate to Career ranks the College **86th out of 1195** institutions ranked for the best value.
- Zippia has named Keene State **#1 in the state and 18th** in the country employability.
- Princeton Review's list of best regional colleges.
- First, and only, college or university in the United States to heat a portion of its campus with 100 percent purified waste vegetable oil.
- US Department of Education's Green Ribbon Schools Postsecondary Sustainability Award as one of only nine recipients in the country and the only New Hampshire recipient.
- 2017 Recipient--Washington Center Higher Education and Civic Engagement Award.

KSC Community Engagement

Annual totals:

- 120,000 hours of public service to the Monadnock Region
- 16,400 internship hours for local businesses
- 55 courses that included some kind of service or civic engagement project
- 170 students contributing 5,761 hours of service with local non-profit community partners

Economic Impact

2015-2015 EMSI USNH Impact Assessment-

- College adds **\$72.6 million dollars** in income to the region
- **\$2.7 million dollars** in research funding
- Visitors attending College events increased income to the area by **\$650,000**
- Student spending contributes **\$4.4 million dollars** to the local economy
- Alumni who choose to remain contributed another **\$55.5 million dollars**

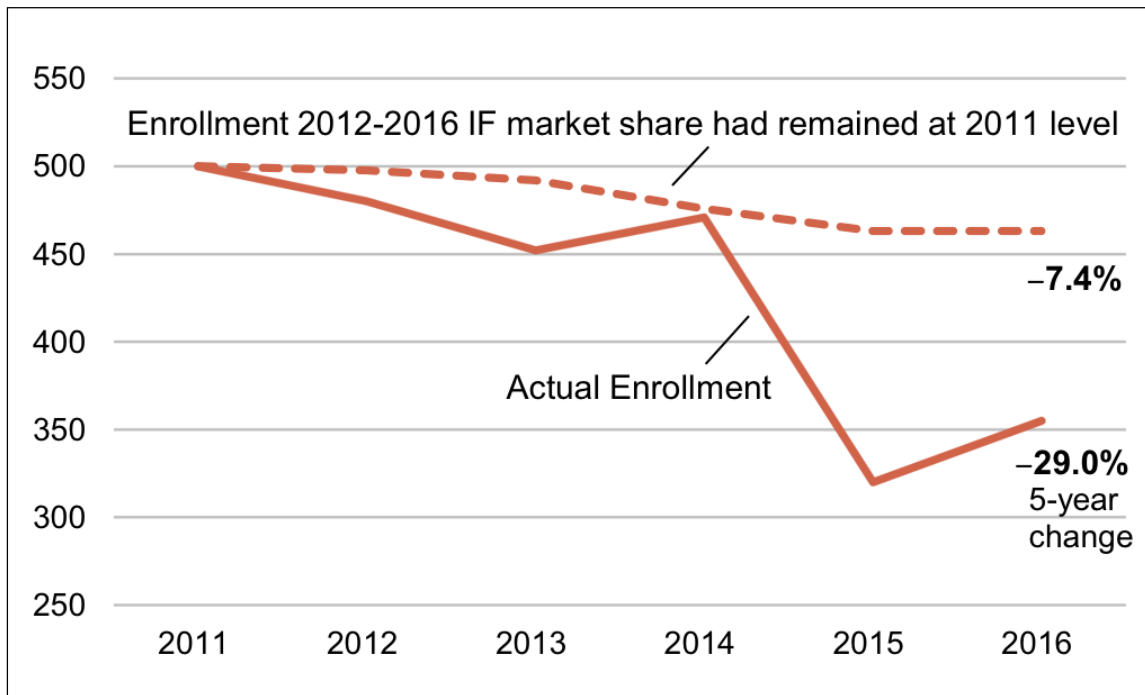
Bottom Line:

Keene State College financial impact to local economy **\$136 million dollars annually**

Immediate Challenges

KSC NH High School Market Share

Actual Compared to Level Market Share



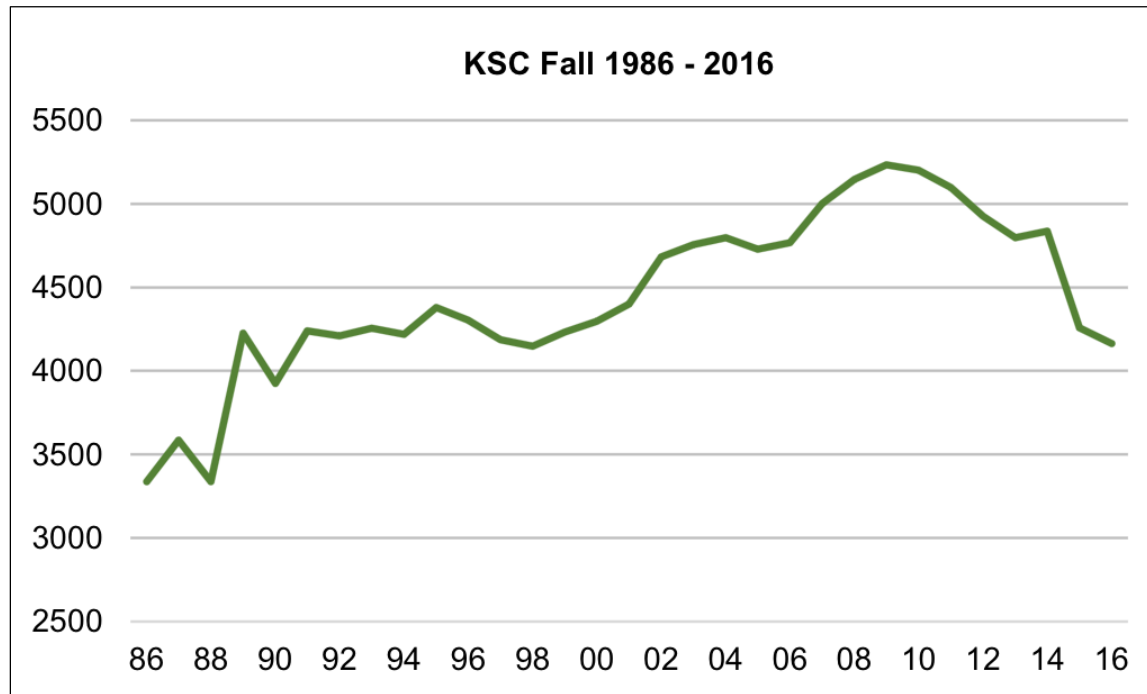
Dotted line holds KSC's 2011 NH high school grad market share level across time to illustrate change in enrollment attributable to declining high school grad supply.

There were 7.4% fewer NH public high school grads in fall 2016 compared to 2011.

Enrollment data from campus Institutional Research Office. Public high school graduate data (normal diploma earners) from NH Dept. of Education. Recent graduate = first-time matriculated freshman who graduated from high school within the 12 months prior to enrolling in college in the fall.

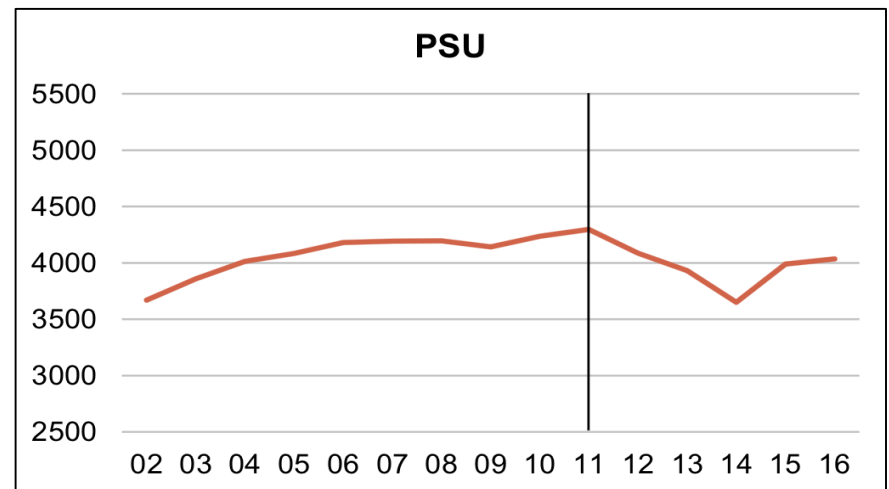
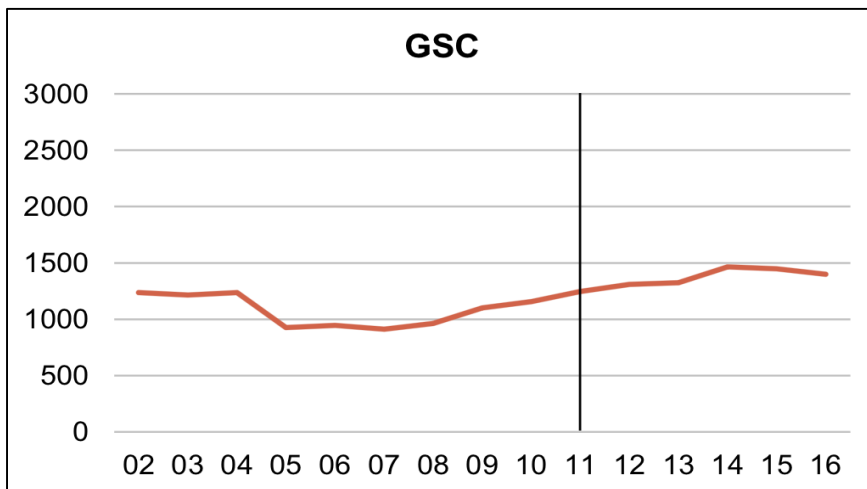
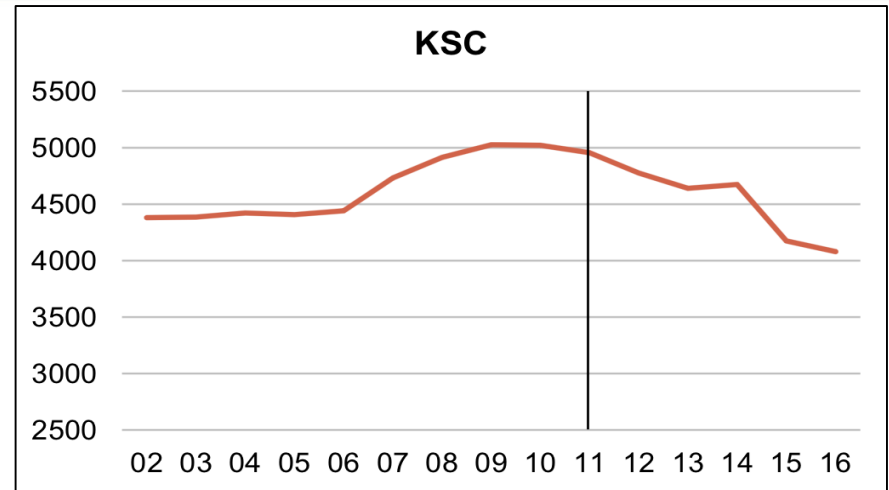
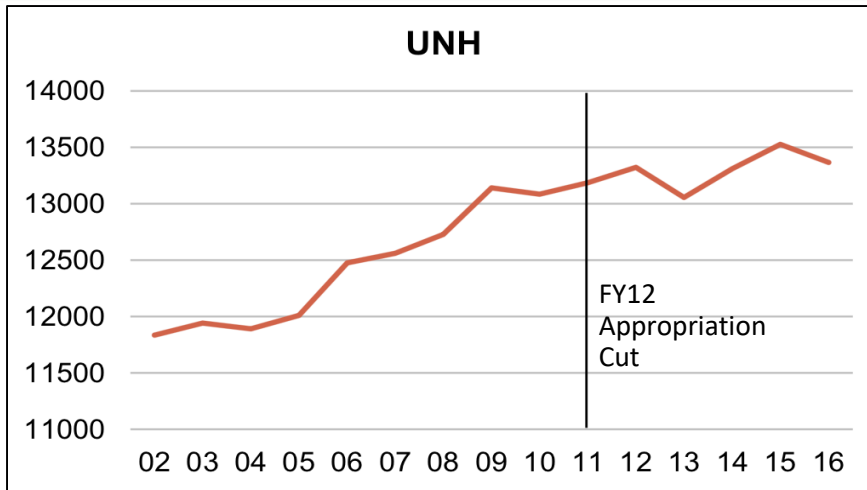
Undergraduate Headcount Enrollment

30-Year Trend



Undergraduate FTE Enrollment, Fall Term

15-Year Trend



Resident and nonresident combined; UNH includes Durham and Manchester

Budget Starting Point

- KSC approved budget had a \$2.4m deficit
- Budget presented was not communicated to departments (\$5m gap)
- Approved budget overstated revenue numbers by about \$2.7m
- \$1m in one-time dollars was used for operating
- There were no active efforts to reduce the gap

Plan for the year

- Phase I (adapt) get to budgeted \$2.4m deficit
 - Manage aggressively to budget
 - Hold focus
 - Make critical investments
 - Enhance revenue where we can
- Phase II (stabilize) develop balanced FY19 budget
 - Organizational structure
 - Recruitment, yield, retention
- Phase III (vitality)
 - Focus on the future--mission, students, and community

Phase 1 Work: Achieving the Target Deficit

- Cutting back consultants
- Renegotiating contracts
- Managing/eliminating open positions
- Managing sections
- Tightening travel and food budgets
- Aligning cuts to supplies budget with program enrollments
- Shuttering an older residence hall
- Restructuring cabinet
- Implementation date = 9/15/17 and 10/15/17

Summary Estimated Budget reductions by category

- Eliminated Funding For Vacant Positions (Salaries & Benefits)
- Restructured senior administrative structure
- Reduced Supplies & Services Expenses Including Professional Services, Travel, General Supplies, etc.
- Reduced Utilities & Other Operating Expenses

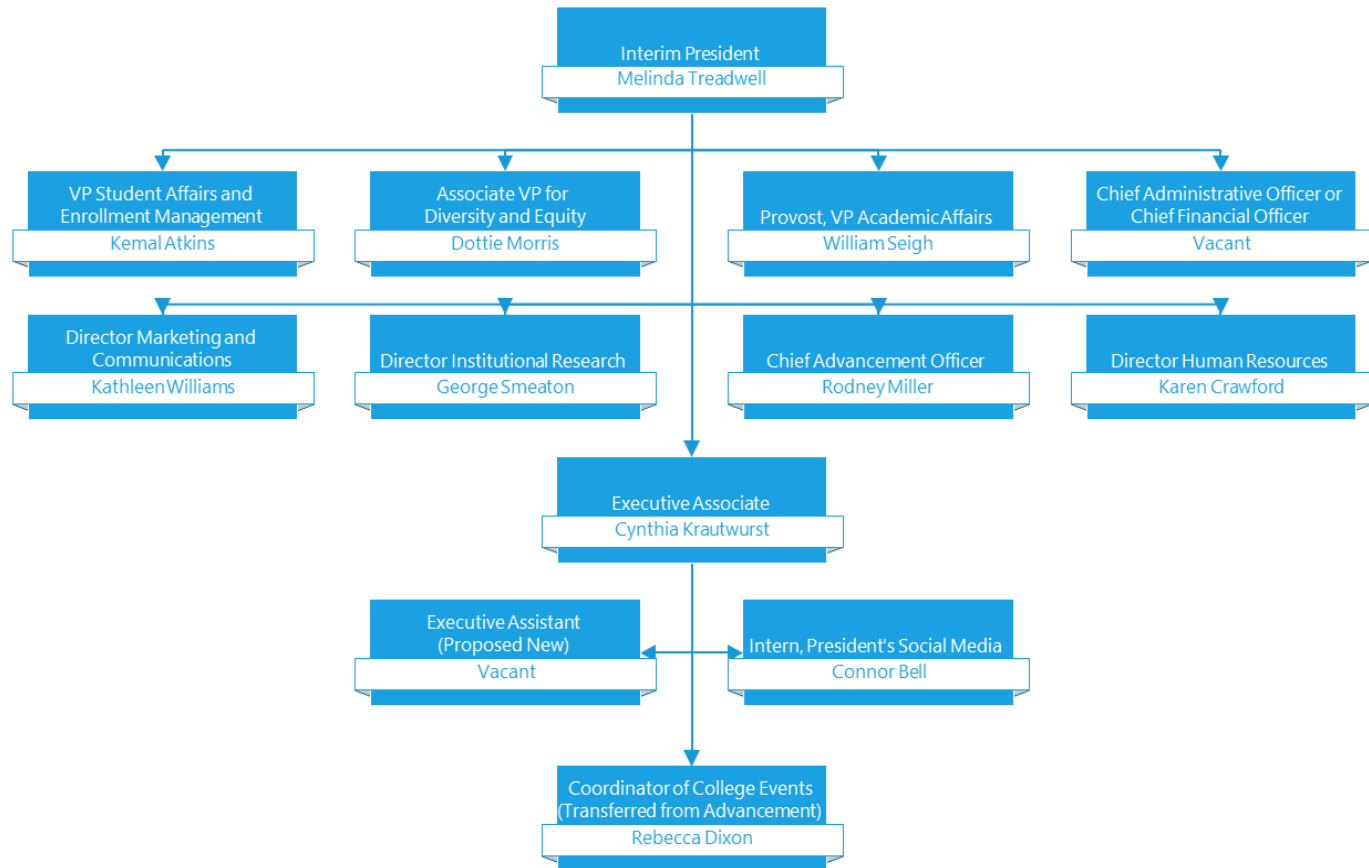
<i>\$ in Millions</i>	Total Budget Reductions
Employee Compensation	\$ 3.8
Supplies and Services	\$ 3.0
Utilities & Interest/Other Operating Expense	\$ 0.7
Total Operating Expenses	\$ 7.5

Summary FY17 and FY18 Budget(s)

	FY17 Actuals	FY18 Budget	FY18 Revised Budget	FY17 Actuals Vs FY18 Revised Budget	FY18 Budget vs FY18 Revised
BOT - Total Operating Revenues	108.2	107.0	104.3	(3.9)	(2.7)
BOT - Total Operating Expenses	110.6	109.4	106.7	3.9	2.8
BOT - Net Operating Income or (Loss) (Operating Margin)	(2.4)	(2.4)	(2.4)	0.0	0.0
BOT - Operating Margin % (Excluding Strategic Investment)	-2.2%	0.0%	-2.3%	0.0%	0.0%

Future KSC President's Office

Restructuring of administration with aggregate savings over 1.0m



Budgets available today

- Manage them--a word about tools and supports
- Cabinet responsibilities
- Seek to limit bureaucracy
- A word--adjunct personnel requests
- Student engagement and work study opportunities

PCards released today

Major risk from my perspective --implemented changes-

- Adjusted initial spending limits to effect historical spending and anticipated need.
- Cards identified as having infrequent use, will remain in suspense (procurement office)
- Little -to- no use cards have been inactivated
- This is an area for aggressive cost containment management
- Additional pcard policy guidance in the near future
- Questions and issues
 - about limits or spending authority? Cabinet leadership
 - about activation, training, etc? Procurement office
- There is an expectation and a commitment for rapid response to ensure support to students, staff and faculty

Phase 2 Work: Long Term Stability

Systems collaboration to cost contain / enhance revenue

- Identify opportunities for centralized efficiencies
- Identify further outsourcing opportunities
- Assess supports and systems
- System partnerships opportunities for revenue enhancement

Phase 2 Work: Long Term Stability

Enrollment strategy and tactics--1st disappearing cabinet task force

By November 1st

- Recommend enrollment “right size” target for KSC
- Identify specific tactical actions to impact FY19
- Identify specific areas of enhanced academic and student affairs collaboration for AY 18/19

By April 1, 2017

- Set recruitment and retention goals to achieve over 2-5 years
 - establish clear academic and student affairs collaboration
 - determine specific advanced tactical needs for long term

Phase 2 Work: Long Term Stability

Budget development and organizational structure--2nd
disappearing cabinet task force

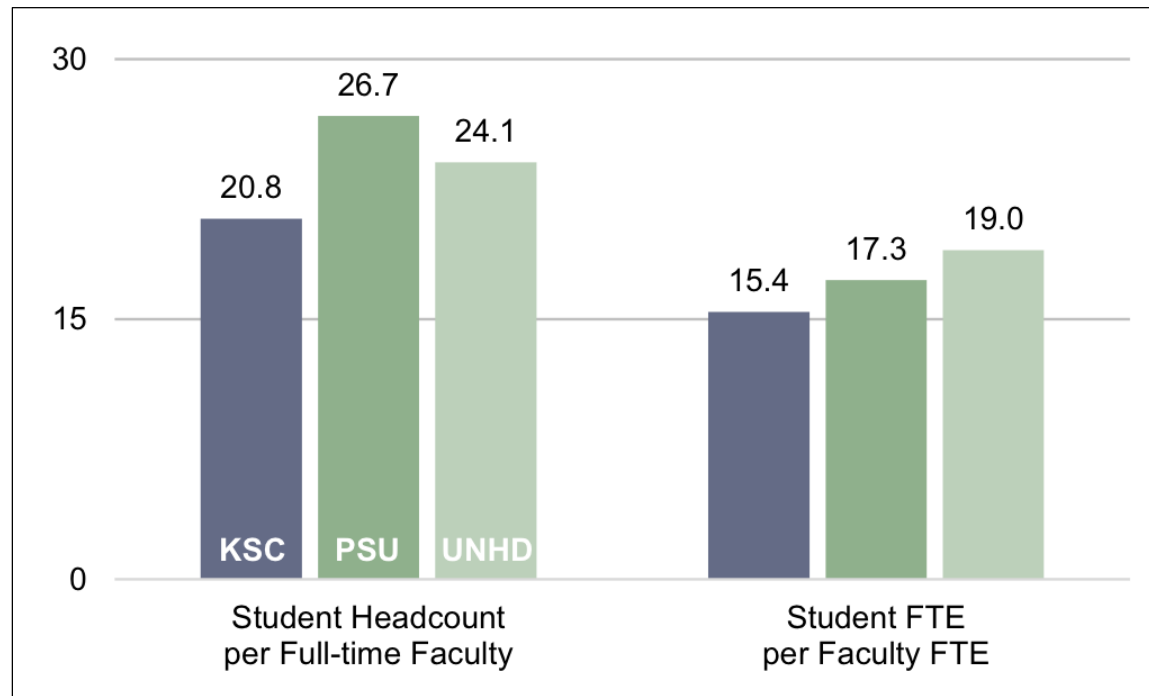
By November 15th

Recommend academic realignment

By February 1st

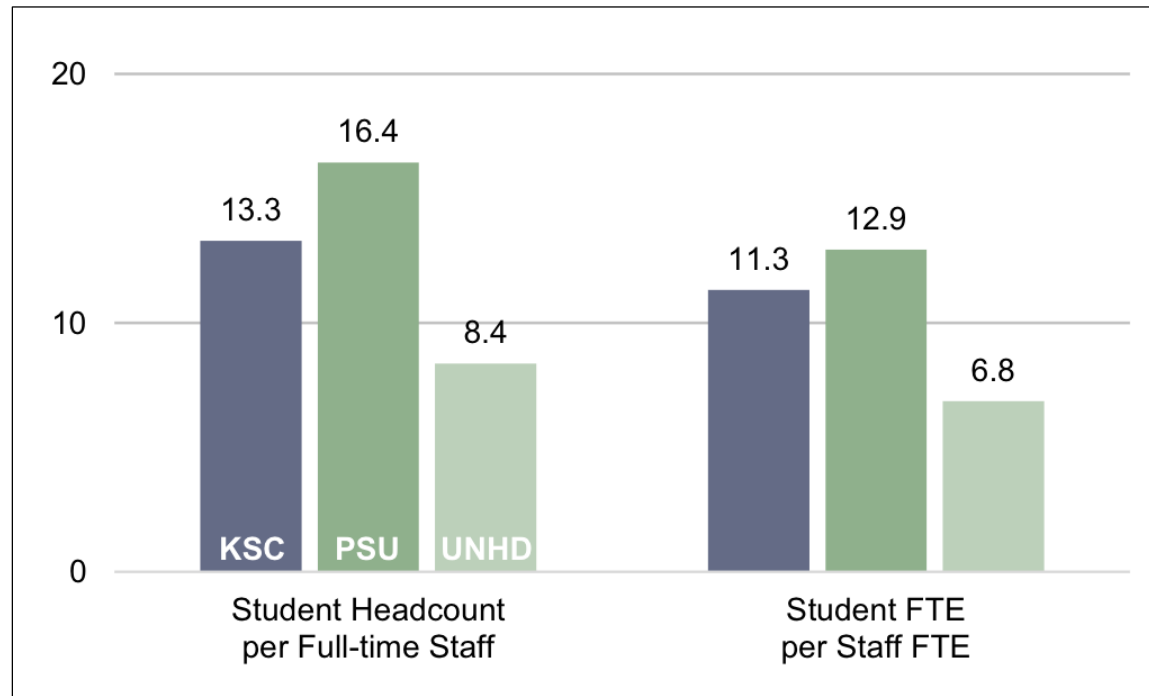
Recommend college-wide staffing and support realignment

Student-Faculty Ratios, Fall 2016



Data from U.S. Department of Education, IPEDS; student FTE as reported; faculty FTE as calculated by IPEDS. Faculty designated as primarily instructional; excludes faculty designated as primarily research or public service. Ratios are based on raw counts and may not reflect official student-faculty ratios involving permissible exclusions.

Student-Staff Ratios, Fall 2016



Note: Staff counts do not include contract workers / out-sourced operations

Data from U.S. Department of Education, IPEDS; student FTE as reported; faculty FTE as calculated by IPEDS. All staff not designated as primarily instructional.

Phase 3 Work: Vitality

Taskforces and campus discussions ongoing this year

- Defining our niche(s)
- Developing our value proposition
- Determining our structure and investment priorities
- Defining our target student demographic and building strategic commitments to attract, support, and graduate these students

This work is our constant commitment -- continuous improvement

My commitments

- Working diligently to enhance communication
- I will focus on our students
- Assurance that voices and creative ideas will be sought and heard
- Championing this campus as we do this internal work
- Community matters -- I won't forget that

My requests

- Be steady
- Think about critical needs and priorities in your work/classrooms when spending college resources
- Ask questions---don't imagine or create the narrative in isolation
- Get engaged---the taskforces and I will need working groups, ad hoc advisory counsel, focus groups, listening sessions...
- Looking forward
- Community matters -- let's not forget that... together

Thank you

Questions?
