

Federal and Other FTE

Issue Brief No. 8 – January 25, 2007

Synopsis: The Board of Regents' FY08 budget request includes a total of 69.3 federal and other funded full-time equivalent employees (FTE). This increase is needed to address growth in grants and contracts, as well as to provide authority to hire staff to meet the instructional needs for self-support enrollments, and to staff student service areas that are funded with student fees and auxiliary areas funded with fees for service.

Progress toward Board of Regents' Policy Goals

Goal #1 - Access: Every qualified South Dakotan shall have access to public postsecondary education.

- Enrollments Continue to Grow – The total student headcount **enrollment is at an all-time high for fall 2006—30,901 students—which is an increase of 13.9 percent** since fall 2000. The regents are providing services to more students in more places than ever before.
- Off-Campus Education Continues Strong Growth – Self-support headcount enrollment, representing distance education as well as Sioux Falls, has grown by 39 percent since fall 2000. Part of this growth is the University Center in Sioux Falls, which now serves 1,928 students.

Goal #2 – Quality: South Dakota public universities and special schools shall provide a quality educational experience.

- Students Perform Above National Norms – Our students score higher on proficiency exams than the national mean. On 17 licensure and certification exams, our students exceeded pass rates for eight out of the 11 areas where national norms were reported.
- Staffing Levels Track Enrollments – It takes qualified faculty and staff to support the student body and deliver a quality educational experience. Additional staffing has been added and is tracking with our enrollments.

Goal #3: State Wealth: South Dakota public universities shall engage in activities designed to enhance the state's long-term economy.

- Total Federal Grant Funding Grows 159 Percent in Six Years – In just the last six years (FY00-06), **federal grant expenditures increased by \$36.49 million or 159 percent (\$22.9 million to \$59.4 million)**. This growth supports the state's economic development and educational enrichment by supporting and broadening research activities. This activity alone has added 193 FTE positions to the system from FY00 to FY06. No general fund tax dollars were used to support this growth.
- Universities Continue to Add to State Wealth – The regents have focused on the Governor's 2010 research initiative and the universities have delivered. Projected federal grant funding continues at a brisk pace, with a total of 56.8 FTEs to be added in FY08. This growth adds dollars to the state economy, is not funded by state taxes, and should not be considered growth in government.
- Federal Grants and Contracts Boon to State Economy – It is estimated that 60 percent of the \$59.4 million in federal grant funds, or \$35.6 million, is spent directly in South Dakota. When

applying an economic multiplier of 2.4, **the value to the state of federal research is \$85.4 million!**

Goal #4: Efficiencies: South Dakota public universities and special schools shall continue to seek means for improving efficiency in the delivery of educational services.

- Students, Not the State, Fund Enrollment Growth – Since the formula was abandoned in FY99, the public university system no longer receives the approximately \$1,800 of state support for each additional student. The Board of Regents now must grow on the margin, with only tuition and fee revenues to support enrollment growth.
- Student-to-Employee Ratio Remains Low – The student-to-employee ratio for the universities remains low, even with the growth in FTE. The added FTE provide services and instruction to the growing student population.

	FY00 Actual	FY06 Actual
University Staffing ⁽¹⁾	3,719	3,944
Student Headcount	26,616	30,720
Students-to-Staff Ratio	7.2 to 1.00	7.8 to 1.00

⁽¹⁾ Excludes Agricultural Experiment Station, Cooperative Extension Service, School for the Deaf, School for the Blind and Visually Impaired, and federal and other grants (other estimated), as these are not tied to university enrollments and services.

FY08 Full-Time Equivalent Employee Request – Federal and Other Funds

The requested 69.3 FTE represents 58.8 federal FTE and other grants-funded FTE and 10.5 FTE funded with self-support and state-support tuition, student fees, room and board, and auxiliary revenues. NO NEW TAX DOLLARS would be used to support any of these requested FTE.

The 10.5 FTE represent additional faculty and support staff to provide services to a growing population of students being served at the universities, by distance education, and at University Center in Sioux Falls:

- BHSU 1.0 FTE Auxiliaries, 1.0 FTE Self-Support
- SDSU 3.0 FTE Self-Support Tuition
- USD 1.5 FTE Student Fees, 3.0 FTE State-Support Tuition
- BOR System Office 1.0 Position for South Dakota Library Network

FY07 to FY08 FTE Change

Summary

FY07 Budgeted	5,419.2
FY08 Projected Need	<u>5,507.5</u>
FTE Change	88.3

Detail

FY07 FTE Budgeted	5,419.2
Added Services and Activities:	
Ph.D. Programs	19.0
Federal & Other Grants Growth	58.8
Staffing Levels:	
Self-Support Tuition	4.0
Auxiliaries	1.0
State-Support Tuition	3.0
Student Fees	1.5
User Fees	1.0
FY08 Need	5,507.5