

**SOUTH DAKOTA BOARD OF REGENTS
PLANNING SESSION
AUGUST 8-10, 2017**

SUBJECT: University Center-Sioux Falls

The attached document highlights several discussion items related to the University Center-Sioux Falls (UC-SF). The outline for the document is as follows:

- A. Summary of Steps to Implement Board Directives
- B. University Center – Sioux Falls: An Assessment of Current Conditions (Submitted by Craig Johnson, UC-SF Executive Director)
- C. Future Works Recommendations
- D. Financial Information

Section A summarizes the wide variety of actions undertaken since August of 2015 to implement the ten specific directives provided by the Board to reshape the UC-SF. Section B is a white paper prepared by Dr. Craig Johnson, the Executive Director of the University Center-Sioux Falls identifying recent success and remaining challenges. Section C presents the eight primary recommendations made by consultants in regards to the UC-SF. Sections D provides the financial information given to the Government Operations & Audit Committee. The information is collectively provided as a starting point for Board discussion and recommendations for further actions.

A. UNIVERSITY CENTER-SIOUX FALLS: SUMMARY OF STEPS TO IMPLEMENT BOARD DIRECTIVES

Steps to Date

The Board of Regents authorized development of a new governance, funding, and operations model at the University Center-Sioux Falls (UC-SF) at their August 2015 retreat. The Board followed up by issuing two sets of guidance to direct those changes. First, in September 2015, a committee of Regents met with UC-SF leadership, the presidents of SDSU, DSU, and USD, and agreed to the following principles:

1. Get Sioux Falls to identify as a “public university city.”
2. Improve “on-ramps” for place bound and non-traditional students to the Board of Regents System.
3. Strengthen cooperative efforts with higher education partners outside of the Regental System.
4. Improve the effectiveness and efficiency of operations and management at UC-SF.

Second, the Board approved additional guidance at their [December 2015 meeting](#) including:

5. The UC-SF will operate under a governance model providing for USD to serve as a strong lead institution with decision-making authority.
6. The financial model for participating universities will spread the fixed costs among participating institutions over a fixed period to encourage financial stability.
7. Participating universities will receive financial incentives based on student participation regardless of the university providing instruction in a course.
8. Students may enroll at any of the participating universities offering programs at the UC-SF.
9. The UC-SF will emphasize transferable yet workplace-ready associate of arts and associate of science degrees. Bachelor’s and graduate programs will remain available as market demand dictates.
10. The Sioux Falls community will be involved in the implementation of the new operations and management model.

Both sets of guidance were ultimately included in the governing MOU for UC-SF approved by the Board at [March-April 2016 meeting](#). The following list catalogs actions taken in response to the directives from the Regents, including items included in the MOU, specific actions, and pending recommendations from the FutureWorks consultants.

1. Get Sioux Falls to identify as a “public university city.”

UC-SF:

- Held inaugural “end of year/graduation celebration” event in April 2017.
- Created promotional videos for new programs for use in social media, website, and community outreach activities.
- Performed community outreach through co-sponsorship of the 605 Summer Classic music festival in June 2017 and hosting a Chamber of Commerce mixer in August 2017.
- Provided stipends of \$750 to faculty who work with employers and external stakeholders in developing course content reflecting community and workforce needs.
- Appeared in *Chamber News* (publication of the Sioux Falls Chamber of Commerce) issue on higher education in Sioux Falls.
- Participated in radio interviews in June 2017 to discuss UC-SF strategic planning effort.

2. Improve “on-ramps” for place bound and non-traditional students to the Board of Regents System.

- MOU establishes a lower tuition rate for students enrolled in 100/200 level courses in certificate or associate degree programs that is competitive with local the local technical institute. The UC-SF tuition rate is \$270/credit hour; the tuition rate at Southeast Technical Institute is \$230/credit hour.
- MOU establishes all programs at UC-SF must have adequate rotation of courses and defined academic maps that ensure students who persist can complete degrees in timely fashion.
- USD launched a BS in Technical Leadership at UC-SF, a program that creates a pathway for graduates of technical institute AAS programs to earn a bachelor’s degree with an additional 60 credit hours.
- UC-SF created a UC Student Support Center responsible for assisting “at risk” students through tutoring, résumé assistance, and other student services.
- FutureWorks report offers recommendation to “Target growth for a New UC to serve substantially more Sioux Falls area residents,” primarily through recruitment of first generation college students and working adults without college degrees.

3. Strengthen cooperative efforts with higher education partners outside of the Regental System.

- Ongoing discussions with Harrisburg School District on offering college credit classes to students in Harrisburg early college program.
- In April 2017, UC-SF joined leaders from other local postsecondary institutions for a discussion on how higher education can aid MidCo and other area employers.
- USD BS in Technical Leadership program at UC-SF originates from discussion with local employers and Southeast Technical Institute, including a press announcement launching the program.
- FutureWorks report notes “There is also considerable opportunity for more . . . collaboration with Southeast Technical Institute.”

4. Improve the effectiveness and efficiency of operations and management at UC-SF.

- MOU establishes USD as lead institution, responsible for “agility and responsiveness, efficiency of operations, and effective decision-making.”
- In March 2017, the Board of Regents made policy changes to expedite the approval process for associate degree programs to improve response to market demands.
- UC-SF reduced course sections offered by 43% between Fall 2016 and Fall 2017, thereby reducing instructional costs.
- UC-SF budget reports indicate that UC finished the fiscal year with operating expenses below the projected FY17 budget.
- Weekly UC-SF enrollment reports sent to campus provosts every Friday.
- UC-SF Executive Director sends monthly update to provosts, presidents, finance vice presidents, Sioux Falls-based regents, and Board staff.

5. The UC-SF will operate under a governance model providing for USD to serve as a strong lead institution with decision-making authority.

- The MOU provides USD (as lead institution) authority including but not limited to selection and supervision of the UC-SF Executive Director, schedules for course delivery, modes of course delivery, selection of general education course offerings, assignment of universities to teach general education and elective courses, developing UC-SF annual operating budget, maintaining facility maintenance, recommending academic program offerings, developing a strategic plan, and recommending off-campus tuition and fees for UC-SF.

- The MOU establishes USD as responsible for administrative functions at UC-SF including but not limited to human resources, information technology services, accounting, budget, purchasing, and payroll.
 - UC-SF filled three vacant positions during Summer 2017, including Student Support Center Assistant, Testing Center Assistant, Senior Secretary for Academic Services.
 - FutureWorks report recommended establishing a “clearer and closer operating partnership” between UC-SF and USD.
- 6. The financial model for participating universities will spread the fixed costs among participating institutions over a fixed period to encourage financial stability.**
- The MOU allocates the annual operating budget among USD, SDSU, and DSU. The intent is to provide a stable financial base and incentivize universities to generate revenue by offering cost effective programs. The allocation model will be reviewed after the conclusion of the third year.
 - UC-SF budget for FY18 did not include any additional money beyond the FY17 budget.
 - Board staff and the three participating universities met and agreed upon financial reporting standards for UC-SF.
 - FutureWorks report offers recommendation to “Implement a new cost and revenue model for the New UC,” including seeking funding streams outside of tuition and state funding.
- 7. Participating universities will receive financial incentives based on student participation regardless of the university providing instruction in a course.**
- The MOU establishes that each collaborating university reimburses the university instructing a course for direct instructional costs proportional to the number of its students enrolled in the course (e.g., if SDSU is teaching a course with ten students and one of those students is a DSU student, DSU would pay one-tenth, or 10 percent, of the direct instructional costs incurred by SDSU). Revenue per student above direct instructional costs is thereby identical for a collaborating university whether the university taught the course or not. Prior to the MOU, the only way for an institution to receive payment was to teach the course.
 - The MOU establishes instructional reimbursement at a maximum of 40% (lower division courses) or 50% (upper division courses). The purpose is to discourage the use of high cost instructors so as to keep instructional costs and the cost per credit hour low.
 - Tuition and fee revenues are allocated to the student’s home university for all courses.

8. Students may enroll at any of the participating universities offering programs at the UC-SF.

- The MOU establishes that USD, SDSU, and DSU may offer certificates, associate degrees, bachelor's degrees, and graduate degrees at UC-SF.
- As of July 15, the total number of credit hours for which students have registered for Fall 2017 semester is at 95% of the totals for the start of the Fall 2016 semester, reflecting a 17% increase in UC enrollment compared to the same point last year.

9. The UC-SF will emphasize transferable yet workplace-ready associate of arts and associate of science degrees. Bachelor's and graduate programs will remain available as market demand dictates.

- The MOU requires that programs offered at UC-SF will reflect the needs of the Sioux Falls market and student demand, drawing on the insights of the Advisory Council and other community and regional sources as appropriate.
- The MOU states that UC-SF programming will emphasize AA and AS programs and such programs will emphasize workforce ready skills and be stackable to related bachelor's programs.
- The UC-SF Coordinating Group (UC-SF Executive Director and provosts from partner universities) requires program proposals to undergo vetting with local industry experts.
- The Board of Regents approved nine new certificates and six new associate degree programs to be offered at UC-SF since the establishment of the MOU. Programs includes certificates in Graphic Design (USD), Laboratory Science (USD), Regulatory Affairs (USD), Web Design (USD), Communication & Leadership (USD), Healthcare & Leadership (USD), Management (USD), Personnel Supervision (USD), and Small Business Entrepreneurship (USD), and associate degrees in Web Development (DSU), Software Development (DSU), Human Development & Family Services (SDSU), Manufacturing Technology (SDSU), Integrated Science (USD), and Graphic & Web Design (USD).
- The FutureWorks report provides an assessment of academic programming in the Sioux Falls region and establishes under-served target sectors, including health care, finance and business, manufacturing, and information and technology.

10. The Sioux Falls community will be involved in the implementation of the new operations and management model. (December 2015, BOR)

- The MOU established a UC-SF Advisory Council consisting of representation from the Sioux Falls business and civic community, partner universities, and Board office staff. The

Advisory Council ensures the community has direct and regular communication with the leadership of the UC-SF.

- Local industry experts participate in vetting new program proposals at UC-SF.
- FutureWorks planning sessions included multiple meetings with UC-SF committees that included representation from the City of Sioux Falls, Forward Sioux Falls, Chamber of Commerce, Sioux Falls Community Foundation, and Sioux Falls Development Foundation.
- FutureWorks report recommends a stronger community advisory board working in partnership with UC-SF.

B. UNIVERSITY CENTER-SIOUX FALLS: AN ASSESSMENT OF CURRENT CONDITIONS

Submitted by Craig Johnson, UC-SF Executive Director (July 2017)

This paper is submitted at the request of Dr. Michael Rush, Executive Director of the South Dakota Board of Regents. It is presented as an individual assessment of the current conditions present at University Center-Sioux Falls (UC), capturing the strengths and positive aspects of the present organizational model and the existing critical challenges to achieving sustainable success. Recommendations for changes and actions to address current challenges are also included at the end.

I. What's working well at UC?

There are improvements in the *relationships between UC and our internal and external partners*. Internally, we have a solid base of communication with UC faculty. I believe we have a better relationship developing with the new SDSU leadership and I am meeting on a monthly basis with Provost Hedge to discuss UC/SDSU issues and opportunities. We are also having success working with deans at DSU on course and faculty issues at UC as well. In addition, we have made progress getting the three partner universities to better understand that UC is a service site as well as an instructional site, especially for BOR online students. I believe key university administrators are beginning to understand that UC contributes more to each institution than just tuition revenue from UC courses. I think they are beginning to recognize that UC is also a supporter and feeder of their online offerings and indirectly contributes to online course revenue, as UC recruits, advises and supports online students in addition to face-to-face students.

The biggest relationship improvements over the past year involve relationships with external stakeholders. As a result of the work we have engaged in with community leaders in connection to the UC redesign and strategic planning effort, we have more engagement with and better understanding of UC in our community leaders. Key leaders seem much more encouraged and interested in helping UC overcome its challenges and better serve the community. In addition, they have a better understanding and new awareness of the need for the community to provide support to UC in a number of ways, including financially. The greatest impact has been in our improved relationships with high school counselors in the region. The combination of finally allowing UC to work directly with the high schools and the development of our community college

initiative has literally opened doors for UC in the area high schools. For example, we have had a very positive response from counselors to our two-year programs, and success with the pilot efforts developed by UC staff to offer UC courses at high school sites as dual enrollment options for their students.

Another positive aspect of our current UC situation is *the new organizational structure and positioning of UC* as a result of the April 2016 MOU that changed key elements in the UC structure and processes. Working directly with Provosts instead of the Continuing Education Directors at the three partner universities has made a big difference – we now are working with university representatives who have much more authority to inform and support UC, and our discussions in the new UC Coordinating Group have helped improve relations with the campuses to some extent. I also believe that simply having the new authority for USD to step in and make a decision when needed has helped leverage discussions with the Provosts to encourage ways to find agreement instead of the past stalemate situations that hindered change efforts at UC. It has also been very helpful to have Jay Perry included in the Coordinating Group meetings. Not only does he bring a very informed and experienced viewpoint to the table, his BOR role also carries weight in our discussions and helps expedite decision-making in some instances, in my opinion.

The greater role for USD is also an improvement in terms of the new UC structure. This change fits well with my reporting line to President Abbott and it has aligned well with key USD administrators, especially in the Provost office, IT and technology, library, and finance areas. Provost Moran has been a key influence in helping us streamline the array of courses and sections at UC to control instructional costs and make improvements in course scheduling. In addition, the new UC financial model has helped us provide financial incentives as well as develop cost controls to remove barriers and encourage the universities to view their academic offerings at UCSF in a more favorable light to some degree.

A third improvement in the UC situation involves our *academic offerings*. We continue to draw on all three partner universities to ensure that their respective program strengths are offered at UCSF. We have developed a new process for community review of proposed programs for UCSF that draws on industry experts, creating opportunities for new community partnerships and ensuring that we have appropriate experts informing program development for UC offerings. For example, our use of industry experts to review the new DSU A.S. program in Software Development helped us recruit a new employer representative for the UC Advisory Council. This process change is also helping us shift the new Advisory Council toward higher-level discussions that are more appropriate to that community partnership. In addition, we have made considerable strides in streamlining our academic offerings, as demonstrated by the fact that we are managing to increase Fall 2017 enrollment in comparison to Fall 2016 while also reducing the number of sections of UC courses by 43% (from 290 down to 166 as of July 28). We are also having success with being more deliberate and strategic in the scheduling and delivery of UC courses, including some progress toward offering more hybrid courses that combine face-to-face and online instruction.

The greatest impact in terms of academic offerings involves the success of our initiative to develop the AA/General Studies program at UCSF. Shifting to a single-school delivery model with USD and developing new approaches to that program and its cohort of students has allowed

us to significantly increase enrollment to a point where the AA/GS program now enrolls the largest number of UC students, likely to be over 100 students in Fall 2017. I also have to acknowledge the breakthrough development by USD to create the new BS degree in Technical Leadership in partnership with UC and Southeast Tech. Not only does this new program provide a tremendous new opportunity to graduates of the AAS programs at Southeast Tech, this initiative also has produced a very positive response from the community that recognizes and appreciates our willingness to work with Southeast Tech in a collaborative manner.

Last, and not least, I would highlight our work over the past year in the area of UC *operations and services* as a key area of strength and improvement. It is very important that the MOU for UC clearly retained the practice of having UC staff act as generic advisors on the front line with prospective students to ensure that we assess their qualifications and explore their interests before identifying a program track with a specific university. This process helps us ensure that all options are explored with each student and we emphasize each student's needs over recruiting interests for any individual institution. We take this role very seriously at UC, and despite fears to the contrary, we are not biased toward encouraging students to enroll at USD over other partner institutions – we simply try to fully inform students of their options and assist them in their decision on where to enroll. In addition, the continuing practice of offering a range of student services at UCSF gives students the opportunity for direct contact with staff experts who can help them and advocate for them, which is critically important to our student population. The value of this resource is demonstrated by the fact that UC staff regularly work with online students on a recurring basis, for even online students have shown that they value the opportunity to meet directly with a staff person to assist them. Especially with our new emphasis on first generation, under-represented, New Americans and at-risk students, it is critically important that we continue to provide face-to-face delivery of student services at the UC site rather than shift to distance delivery of services as a cost-cutting measure at UCSF. Also, one of the most visible student service provided by UC involves our testing center, which largely serves BOR online students. In addition, one of the most critical services provided at UCSF involves our new Student Success Center as a key resource for our new cohort of “community college-type” students who are enrolling in our two-year programs and certificates, especially the open-access AA/General Studies program offered by USD.

Overall, I would also emphasize the vital importance of continuing our UC-based delivery of facilities, IT, marketing, community relations and finance/accounting services. While there may be advocates for managing or delivering these services from a main campus, I think it is critical that we continue to provide these services from UC staff who are on-site at UCSF rather than from a distance. In particular, the UC Accountant position is critical to accurately monitoring the UC budget and expenditures on a regular basis – and it should be noted that in both FY16 and FY17, the UC accounting operation had the best error-free rating within all of USD. We also are seeing the benefits of the presence of a UC marketing position this past year for the first time since 2013.

II. What are the current challenges for UC?

There continue to be a number of challenges for UCSF. These include the following:

1. Lack of trust in many respects between UC and our internal partners. The institutions, while partners at the University Center also compete for students. This makes it a challenge for the UC to be trusted to fairly represent all three institutions. While some of this situation is simply human nature and hard to eliminate, I think the situation would be helped by more concerted efforts to improve communication about UC within each university, and between UC and the universities – which is a responsibility of all of us. In addition, as asserted by DSU and SDSU, UC could do a better job of maintaining communication with those two institutions, so we all play a part in addressing this challenge.
2. There is also a continuing challenge from a varying degree of commitment to UC by each university partner.
3. The above challenges have an impact on decision making at UC, which is still a challenge despite the MOU. Ambiguity and complexity of processes continue to a great degree for UC issues and decisions, with issues often requiring time and energy to determine who needs to be included and who ultimately makes a decision.
4. The above issues are also tied in varying ways to the continued climate of competition among the institutions, especially between SDSU and USD. In addition, DSU and SDSU appear to have trouble understanding how they can continue to be an active presence and program provider at UC with a growing role for USD at UC. There is also a continuing challenge for UC in the competition from online course offerings by each institution, with UC courses often faced with online versions of the same courses each term. While this situation is an issue on the main campus as well, some programs have shown a willingness to stagger their offerings so UC courses and online courses do not directly compete with each other in a given term
5. Last, as indicated by the FutureWorks report, UC continues to be challenged by a financial model that is 100% dependent on tuition revenue. UC is essentially a privately funded operation on public land that is staffed by public employees who are paid with private funds. We need to diversify our revenue streams and get local public funds, state funds and private support to supplement tuition revenue and allow us to find ways to lower tuition costs for UC students, especially for our two-year programs and certificates.

III. Recommendations for Action

From my perspective and experience in my UC role over the past three years, and in consideration of the dialogue with internal and external stakeholders over the past year or so, I

offer the following recommendations for changes to consider in the current UC model and related processes:

1. Commit to following the processes to work through UC issues at the lowest levels possible.
2. Allow the new Community Steering Board to act in an advisory capacity to UC, without requiring representation from each university and the Regents or board office. Trust that I/UC will appropriately share the community board discussions with internal partners and we will appropriately represent internal issues and expectations with the community board. Trust that we will bring internal stakeholders to the meetings as needed for specific issues and discussions.
3. Consistently apply the “student-centered, community-facing” primary value to all UC issues and university proposals and practices to reduce university-centered behavior. Press the need for genuine community-based engagement at UC by the universities. The planning effort clearly asserted that UC should serve the community rather than exist to serve the universities.
4. Empower the UC Executive Director to make more decisions – give UC/USD a chance to show we can get results and turn things around at UC, with less interference or involvement that slows things down. Ensure that we have adequate processes and communication in place to work with internal stakeholders, but let us take the ball and run with it.
5. Begin working to get state/local funding for UC. First, get allowance for the universities to use existing state funds at UC, then work to get additional state/local funding for UC. This step is critical to the long-term success and growth of UC and it is tied to our ability to get local private and public funding for UC as well.
6. The majority of programs we offer at UC should be in direct response to the marketplace and needs/goals of our students, community and state. For the next 3-5 years, we should hesitate to introduce any programs at UCSF that do not clearly address a community need and market niche – and those programs should have the clear support of the Community Steering Board and local employers or organizations. We should also require including certificates in all associate degree programs at UC except in some instances when it simply isn’t possible or doesn’t make sense.
7. We need to increase outreach to under-represented and minority groups in the Sioux Falls area to help them see UC as an option. We need to meet with community groups and leaders and ask the right questions and encourage dialogue to break down barriers so minority/lower income groups realize that UC can serve as an investment in their future. We also need to build the UC Foundation to help decrease the cost of education for these students to encourage enrollment, and we need resources and support to ensure that UC is truly a welcoming and inclusive environment for all.
8. Improve our relationship with local area high schools, especially counselors, to better understand their needs/goals, build trust and develop clear communication so they engage

with UC and know what offerings we have so they will recommend UC to their students and families.

9. Invest time to fully explore the FutureWorks recommendation for a single school model with UC as part of USD or continue to figure out better ways to integrate the offerings of all three institutions at UC-SF.
10. Find a way to lower the UC tuition rate for lower division courses to \$199 per credit or less. Either we address our education and workforce needs now and help everyone in our population raise their skills and education to ensure a sufficient quality of life, or we address it later as crime and poverty levels increase and businesses lose interest in considering or staying in Sioux Falls and South Dakota.
11. Work with the UC Foundation to expand its fundraising effort to increase scholarships and get support for additional activities and resources at UC-SF through a general endowment fund.
12. Provide the financial support needed to develop and expand the UC Student Success Center to respond to student needs and improve retention and completion rates.
13. Develop a community-based career development program at UC to serve UC students as well as support career planning from middle school up through retired adults. This resource will encourage planning for education and better career choices, and increase engagement in higher education, resulting in greater enrollment at UC.

C. FUTUREWORKS RECOMMENDATIONS

The Board received a report titled “[University Center-Sioux Falls Strategic Plan: Redefining Pathways into Postsecondary Education for the Sioux Falls Region](#),” from the consulting firm FutureWorks at the June 2017 meeting. The report included eight primary recommendations from the consultants, presented below with the accompanying page numbers from the report. The recommendations are presented for Board discussion.

1. ***Create a New University Center focused sharply on program offerings with labor market relevance and in high demand fields, and offers greater postsecondary access to Sioux Falls’ diverse population. (p. 15-16)***
 - Develop additional associate and certificate level programming while retaining bachelor’s level programming.
 - UC-SF should focus on education for middle-skill jobs requiring postsecondary education and credentials.
 - Develop and validate programs with employer partners.
 - Articulate degree programs to other programs at participating institutions and Southeast Technical Institute.

- 2. *Develop associate degrees and related academic programming that give students maximum flexibility for careers and pathways to education. (p. 16-17)***
 - Develop and deliver associate level degree programs articulate and transfer, especially in areas of high need in Sioux Falls, including but not limited to healthcare, business and finance, manufacturing, and computers and information technology.

- 3. *Build innovative, collaborative relationships with other postsecondary institutions to serve Sioux Falls education needs and make higher education available and accessible locally. (p. 17-18)***
 - Build more mutually beneficial collaboration with Southeast Technical Institute, including joint programs and robust articulation.

- 4. *Develop a student-centered organization and make student success the organizing principle of programs and services. (p. 18)***
 - Increase educational access for the growing diverse population in the region, including providing services supporting persistence and completion of credentials.
 - Organize as a student-centered entity by revamping student services to provide proactive, comprehensive and integrated academic and career advising.

- 5. *Create a new Community Strategy and Steering Board to guide the New UC. (p. 19)***
 - Create board with representation from Sioux Falls business and civic communities and K-12 education to link services to the Sioux Falls regional economy and education needs.
 - The Strategy and Steering Board should aid in crafting UC-SF as an institution responsive to Sioux Falls' needs. USD and the Board of Regents should develop the roles and responsibilities of the Strategy and Steering Board.

- 6. *Create a clearer and closer operating partnership with the University of South Dakota. (p. 19-20)***
 - Modify the role of USD to be the sole governing authority for UC-SF.
 - Build a clearer and more streamlined platform for collaboration among other Regental institutions, including continued opportunities delivering postsecondary programming.

- 7. *Target growth for a New UC to serve substantially more Sioux Falls area residents. (p. 20-22)***

- Increase enrollment from area high school graduates who do not go to a postsecondary school, first generation college-going students, and working adults without a college degree.

8. *Implement a new tuition, cost, and revenue model for the New UC. (p. 22)*

- Devise a revenue model consistent with national trends for two-year schools.
- The Board of Regents, USD, and the Sioux Falls community should develop a new tuition model, revenue development strategies, and careful cost estimates to achieve required levels of support.

D. FINANCIAL INFORMATION

(Attached)

D. UC-SF FINANCIAL INFORMATION

**University Center - Sioux Falls
Operating Statement for Fiscal Year Ended June 30**

	Actual FY13	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Budget FY18
Revenues						
Tuition Revenue (Net of HEFF)	\$6,372,514	\$6,113,654	\$6,187,677	\$5,342,418	\$4,539,365	\$4,562,062
Rentals	\$272,529	\$254,975	\$273,702	\$263,505	\$288,254	\$288,254
Testing Services	\$7,621	\$6,411	\$5,328	\$85,559	\$47,858	\$47,858
Auxiliary Operations	\$177,955	\$147,721	\$74,629	\$45,275	\$77,894	\$77,894
Total Revenues	\$6,830,619	\$6,522,761	\$6,541,336	\$5,736,757	\$4,953,371	\$4,976,068
Expenses						
Instructional Costs	\$3,008,780	\$2,932,751	\$2,593,047	\$2,389,951	\$1,592,406	\$1,600,368
UCSF Operating Costs	\$3,201,009	\$2,834,679	\$2,536,210	\$2,494,619	\$2,886,908	\$3,061,537
Total Expenses	\$6,209,789	\$5,767,430	\$5,129,256	\$4,884,570	\$4,479,314	\$4,661,905
Contribution to Campus Support Costs	\$620,830	\$755,331	\$1,412,080	\$852,187	\$474,057	\$314,163
Total Expenses Plus Contribution	\$6,830,619	\$6,522,761	\$6,541,336	\$5,736,757	\$4,953,371	\$4,976,068

Footnotes:

1) Basis of Accounting: Cash

2) Explanation and Uses of Campus Support Costs: Costs associated with supporting UC, such as HR, ITS, Finance, etc

3) Explanation of Why No Statement of Financial Position is Provided:

The Sioux Falls Center is not a standalone operation. The Center operation is part of the USD financial statement and instructional revenues and expenses are reported on the DSU, SDSU and USD financial statements. The Center does not maintain fund balances.

Source: As reported by the University of South Dakota

	Actual FY13	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Budget FY18
Enrollment Data						
Student Headcount Served	2,799	2,552	2,102	1,788	1,572	
Full-Time Equivalent Students	981	917	752	612	525	
Credit Hours Generated	29,144	27,330	22,436	18,256	15,662	15,662

Source: Regents Information Systems (end-of-term, self-support hours).