



Dr. Nicholas Neupauer Convocation Speech Fall 2010

8.19.2010

Welcome Back

Is it just me or do the summers go by too quickly? As always, I am excited for another academic year. And this one promises to be a busy one.

I want to cover a number of areas before I turn the stage over. The items I will cover include:

Our process for carrying out the strategic plan;

My goals;

An enrollment breakdown;

Budget;

An update on the MSCHE Periodic Review Report;

A Civil Rights Review of the College;

An update on all of our capital/backfill/renovation projects;

Advance PA advocacy efforts;

The Educational Consortium of the Upper Alleghenies (ECUA);

The BC3 Education Foundation.

Strategic Plan 2010-2011

Summer and fall of the last year, culminated in a new vision with new goals and four new strategic initiatives. I discussed these in the January, shortly after the Trustees approved.

Let's go back a few years to the MSCHE visit and where we were with the strategic plan. We started from scratch. And in a short period of time, we accomplished a great deal with our strategic initiatives. Some of those initiatives represented where we were at that time – assessment and master planning as example.

Fast forward several years later – as a maturing institution – and we are well into the point that instead of creating initiatives to do such tasks as assessment and planning, we are actually assessing with measurable benchmarks.

An important note, the Middle States report stressed in three recommendations to the College that we needed to do a better job of assessing with measurable benchmarks.

These four initiatives will drive this institution through 2015 and beyond.

I believe these initiatives are more daring. They were created by analyzing data that came from various stakeholders who provided both quantitative and qualitative data.

We are using a much different approach than last time. Rather than large committees that worked in silos – through no fault of their own but just by the last strategic planning methodology – this new approach will embed the tasks within unit IEPS and, mostly, individual performance plans. The new approach will use smaller, workable committees that will help track data and even assist with getting such information.

Again, here are the four strategic initiatives: Regionalization, Beautification, Academic Development and Student Centeredness.

So we are all on the same page, here are my goals I have already shared with the Trustees. These will be approved at our next board meeting.

Direct the College in pursuing its new 2010-2015 Strategic Initiatives.

Serve as the College's lead spokesperson, using a variety of media and/or platforms to accomplish this role.

Lead the College through its five-year Periodic Review Report from the Middle States Commission on Higher Education.

Maintain sound fiscal condition of the College during these unique economic times.

Enrollment

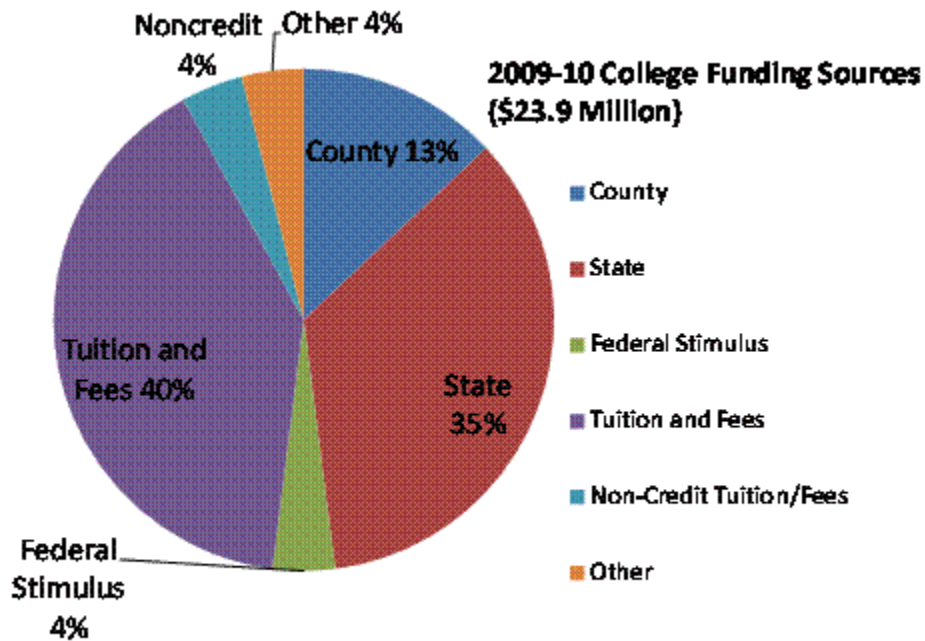
Last year we were not only the fastest growing community college in the Commonwealth, we were the fastest growing public institution in Pennsylvania. This year, when compared with the same date in 2009, our headcount is up 5.7 percent and credits sold is increasing by 6 percent.

In Butler County, we are up 6.9 percent; Lawrence County, we have an increase of 4.3 percent; and Mercer County, we are increasing by 34.1 percent.

Budget

As you certainly know, the news is not good.

As you may remember at previous Convocations and even Faculty organizations, this is a breakdown of

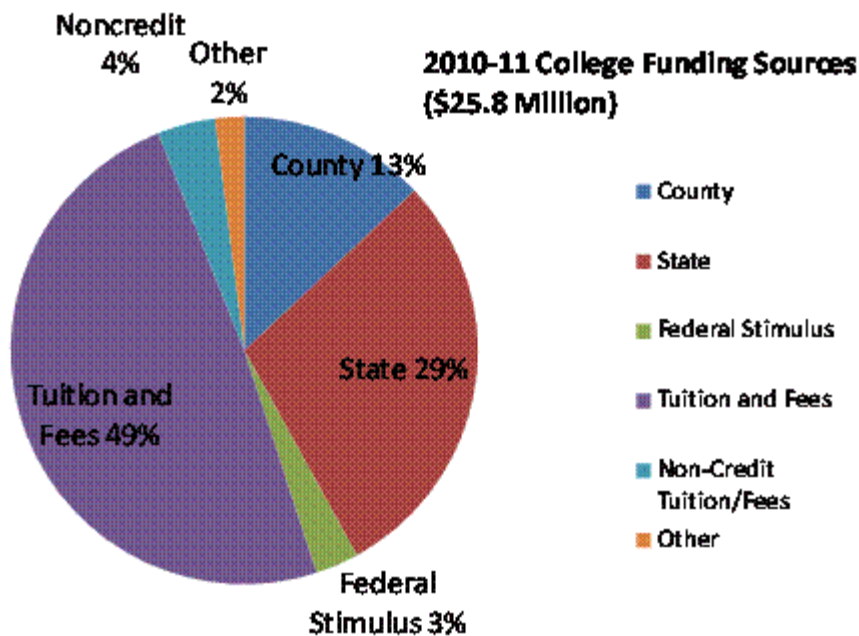


our revenue.

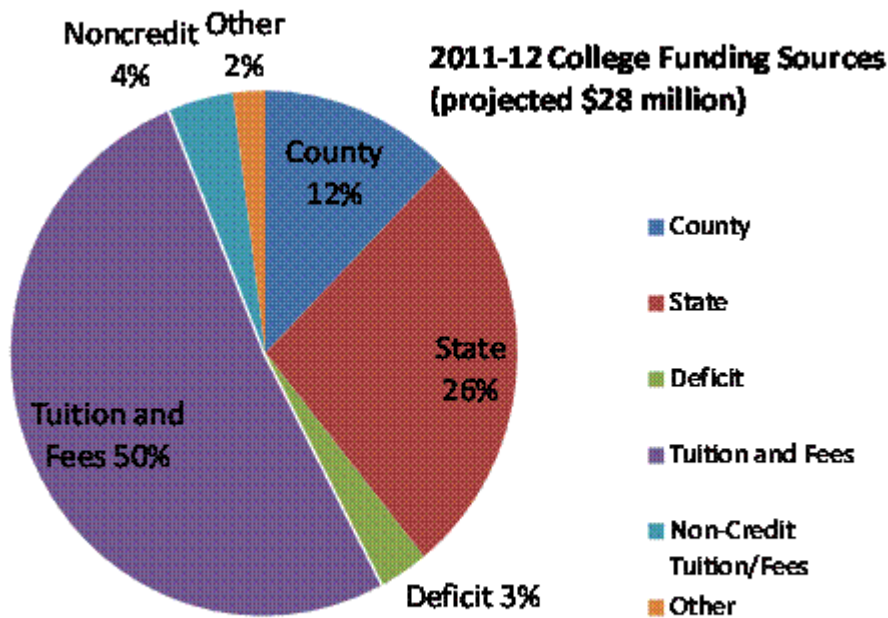
There are three points to reiterate. First, the greatest risk we faced was an over-reliance in state funds. Two, what has kept us afloat with shrinking operating percentages from our local sponsor is the non-sponsored double-tuition we charge out-of-county students. And three, huge enrollment spikes helped bring in more revenue than what was originally projected in our budget process.

Interestingly, these streams of revenue are at risk.

I already mentioned enrollment. As for the state, it used Federal Medicaid funds to balance this year's budget. When Congress failed to approved the total amount of \$850,000,000, just \$600,000,000 was approved. Our state officials are meeting to discuss how the \$250,000,000 shortfall will be addressed. The other concern pertaining to our state allocation deals with the Federal Stimulus money. During the last two years, the PA Community Colleges received \$21.5 million in Federal Stimulus money as part of our allocation. For BC3, that means \$770,000 – or 3 percent of our operating budget. That stimulus money goes away next year.



As I have referenced previously, we have been proactive in cost cutting measures and revenue generation. However, there comes a saturation point. This lack of stimulus money in next year's budget could be that point. Enrollment increases, double-tuition, cost-cutting measures and increases in tuition will not be able to make up such a shortfall.



You may or may not know, that our Trustees took a proactive step in this direction by granting administrators and professional technical employees up to 1 percent lesser in pay raises received by all

of the collective bargaining units (faculty, secretaries, maintenance, shipping and receiving, custodial and campus police).

I stand by the fact that we continue to be proactive in addressing budget issues, but the coming months should prove to test all of us even more.

As for the County, we did, of course, support our Commissioners in its law suit against the County Controller. To settle out-of-court, we agreed to go forward with a Request for Proposal (RFP) to analyze our out-of-county overhead. In other words, this whole situation will come up again. We stand confident with our integrity, business model and transparency. If needed, we will continue to keep you all abreast of occurrences related to this situation.

Middle States

Hard to believe, but this is a year where we are due for another Middle States formality – our five-year Periodic Review Report. Dr. Kearney has assembled a team of faculty and administrators to write the report. Please pay attention to campus-wide updates throughout this academic year.

Civil Rights Audit

Please note that the Bureau of Career and Technical Education, Pennsylvania Department of Education, will be conducting a Civil Rights Review of the College on September 28 – 29, 2010. Jerilynn Millvan will be conducting the on-site review. Our College was selected for a review during 2010-2011 to ensure that the College is in full compliance with guidelines as it relates to Title VI, Title IX, and Section 504.

Capital/Backfill/Renovation

Building D now the Humanities & Education Building
Six new classrooms, office suite & restrooms

Armstrong Lodge

Building evaluations complete regarding renovation or demolition; next step to be determined.

Former Bookstore

Converted into Children's Creative Learning Center
Passed state inspection and ready to open.

LindenPointe Expansion

Project on-target; new portion of the building will be ready for occupancy by the end of the year.

Cranberry Center

Replaced sidewalk; painted exterior of building

Public Safety Training Facility

Refurbished burn building; completed site drainage improvements; new construction soon to house fall protection apparatus; expanding training site by six acres.

Tree Analysis on Main Campus

Analysis complete and developed a plan to prioritize & remove trees of concern.

Advance PA

This is a statewide advocacy initiative for elected officials to better understand Pennsylvania's community colleges. Last year, our state's community colleges increased enrollment by 20,000 students. Please go to www.advancepa.net to show your support by signing an on-line petition.

Educational Consortium of the Upper Alleghenies

Regional vision.

Statewide clout.

Business model – no cost to BC3 first two years.

Use existing Lifelong Learning Councils and Career and Tech Centers.

Distance Education – including ITV.

BC3 Education Foundation, Inc.

Seventy-five students will receive scholarship for the 2010-11 academic year. Over \$131,000 will be awarded to these academically distinguished students.

Among the student who will receive scholarship are 20 students from Butler County who will receive the Academic Honors scholarship that covers full tuition and fees for students from Butler County high schools who are in the top 10% of their high school graduating classes.

During times of tight budgets it is particularly gratifying to acknowledge that friends of the College (some of whom are sitting in this room) are dedicated beyond expectations to helping our students succeed, and do so by contributing to the BC3 Education Foundation to support student scholarships. You can see that it is making a difference.