

Yavapai COLLEGE



Enrollment Forecast For 2011-2012

The Office of Administrative Services

The Office of Institutional Research

Spring 2011

**2011-2012 FTSE and Headcount Projections for the Economic Estimates
Commission
March 1, 2011**

Introduction

The State of Arizona mandates that community colleges submit full-time student equivalency (FTSE) projections annually to the Economic Estimates Commission (EEC). The estimated FTSE submitted to the State is used to determine Yavapai College's expenditure limitation.

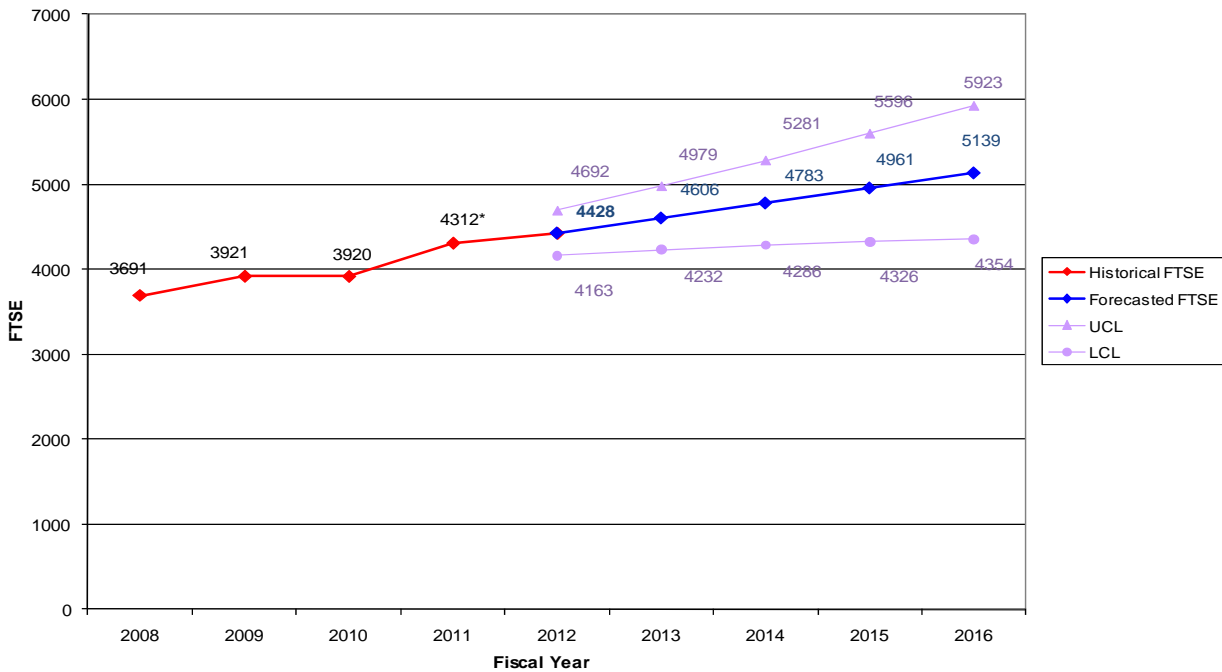
Methods

Selected administrators, faculty and staff were contacted regarding perceptions of enrollment factors and growth issues. Feedback from this group was integrated into the model and the final projections.

FTSE and fall headcount were forecasted using nonseasonal exponential smoothing models.

Forecast

Yavapai College Annual FTSE Forecast



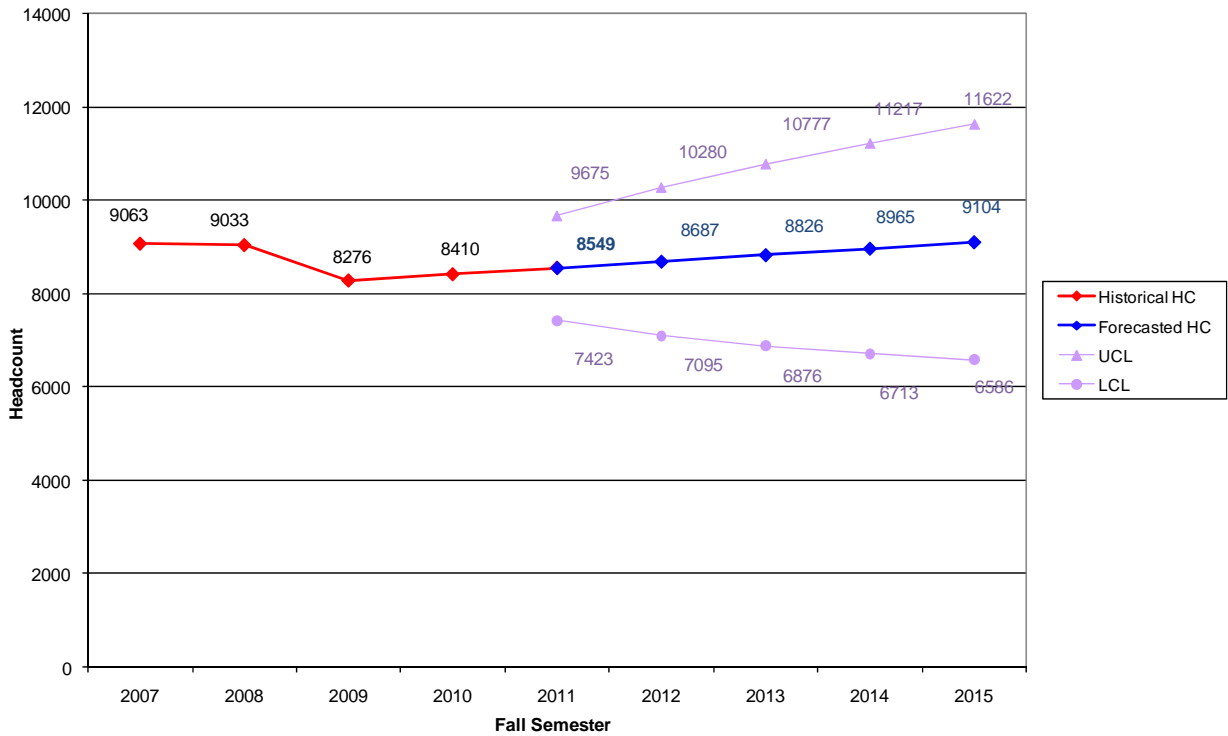
Fiscal year 2012 FTSE is forecasted at **4,428**. 95% confidence intervals are included to indicate the amount of variation in the FTSE forecasts.

2011-12 Projections

Forecasted		
FTSE		
FY11-12		
Fall		3641.1
Spring		3763.7
Summer		367.2
Short		298.2
OEOE		60
Annualized Estimate		4427.8

Headcount Projections Fall 2011

Yavapai College Fall Census Headcount Forecast



Fall 2011 headcount is forecasted at 8,549. 95% confidence intervals are included to indicate the amount of variation in the headcount forecasts.

Assumptions

A. Population

The United States Census Bureau ¹ projected Yavapai County's 2009 population being 215,686. By comparison, the decennial census count on April 1, 2010 for Arizona is 4.2% lower than the Census Bureau population latest estimates which were for July 1, 2009. County breakouts from the 2010 census are not available at this time, but a downward adjustment of 4% would estimate the 2009 population at 207,058. Based on in- and out-migration, birth and mortality, and building permit trends for Yavapai County we are estimating growth at 1% for 2010 and .5% for 2011. Institutional Research's estimated 2010 population is 210,174.

B. Tuition/Fee Structure

At the time of this forecast, a decision on increasing tuition was still under discussion. If tuition is raised, it is expected to be four dollars or less per credit hour. Using the scenario of a four dollar increase, it is expected to have little to no impact on access to higher education. The college's practice of setting aside a proportion of tuition for financial aid continues to serve the institution well. Continuing increases in Arizona's university tuition should continue to make Yavapai College an inviting and cost-effective alternative.

C. High School Graduates and Local School Information

Between 1999 and 2010 the number of high school graduates in Yavapai County has increased 50% or on average about 4% a year.

Graduation Year	Yavapai County High School Graduates
1999	1,171
2000	1,125
2001	1,225
2002	1,183
2003	1,269
2004	1,337
2005	1,305
2006	1,429
2007	1,554
2008	1,657
2009	1,678
2010	1,759

Population projections indicate that the number of high school graduates in Yavapai County will flatten as current economic conditions and the downturn in the housing market impact families' ability to move to Yavapai County.

Similarly, a number of schools in Yavapai County are losing enrollment due to families moving out of the area because of the current economic conditions and rising unemployment. The full impact on high school enrollment is not known at this time.

Yavapai College consistently has enrolled about 30% of Yavapai County high school graduates and this figure is expected to rise as more graduates attend community colleges rather than State universities due to rising university tuition prices and high unemployment.

D. Dual Enrollment and Joint Technical Education District

Dual Enrollment is expected to grow minimally in 2010-11. The new Joint Technical Education District (JTED) that was voter approved in 2008 is expected to provide growth in dual enrollment for next year.

E. Adult Basic Education

Adult Basic Education estimates flat to minimal growth in Adult Education (AED) for-credit courses and Adult Basic Education (ABE) clock hour courses.

F. Summer School

Decisions regarding higher pay for full-time faculty during the summer semester are undecided at the time of this report. YC will continue its current eight-week summer schedule for 2011-12. Summer FTSE is expected to stay flat.

G. Public Services

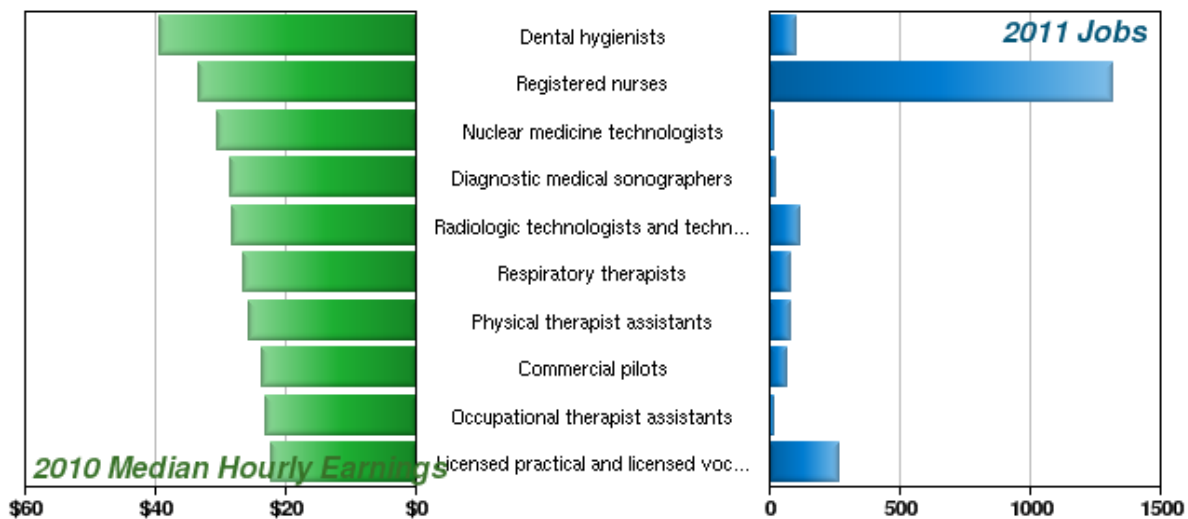
Public Safety is one of the most expensive budgets for municipalities; however, current cuts for police and fire do not look likely and should allow for flat to modest growth in 2011-12.

H. Occupational Outlook

Highest Ranked Occupations

Medical occupations dominate the largest and fastest growing jobs in Yavapai County in terms of earnings and growth. YC has programs directly related to eight of the ten largest occupations. Occupational trends in combination with the economic recession will have a positive impact on enrollment in Allied Health programs.

Highest Ranked Occupations Requiring Postsecondary Training to an Associate's Degree



Source: EMSI, Yavapai County, spring 2011

I. Nursing

Beginning in fall 2011, nursing cohorts will be reduced with a two-year goal of reducing the Nursing Program by 50%. The reduction for fall 2011 will result in the loss of about 19 FTSE. Unknown at this time is the impact that the nursing reduction will have on associated general education courses.

J. Allied Health

Allied Health (AHS) should expect modest to high enrollment growth as more students seek careers in the Health Care industry, and the college has asked Interact to market Medical Coding, Medical Assistant and Phlebotomy programs.

Modest growth is expected for Radiological Technician (RAD).

K. Career and Technical Education Center (CTEC)

Occupational enrollment as a whole is expected to hold flat in 2011-12. The economic downturn continues to negatively impact many CTE programs. Computer Numerical Controls, Industrial Plant Technician, Helicopter and Viticulture should experience modest growth. Due to State budget cuts, Emergency Medical Technician and Fire Science cohorts will be reduced.

L. Proposition 300 Implementation

The passing of Proposition 300 requires Arizona public colleges to verify residency status. Since the passing of this proposition there has been a significant decline in Adult Basic Education and English as a Second Language enrollment. Most of the decline over the past two years is likely attributable to the legislative change; however, the continued decline may also be impacted by the housing decline and labor shortages due to the current recession.

M. Economic Outlook

The economic outlook in Arizona for 2011-12 continues to be grim. The Eller College of Management reports that the recession was over in 2010, but recovery for Arizona hit a “soft Patch” in 2nd half 2010. Arizona’s economy is one of the hardest hit.²

- Headwinds have slowed recovery
 - National Factors: elimination of federal tax incentives in 2nd half 2010
 - Arizona Factors:
 - enormous inventory of vacant housing;
 - mobility remains at the lowest level in 60 years: credit squeeze and inability to sell house
 - Half of AZ homeowners are “upside-down”
 - Household formation near zero; households doubling up due to poor economy and high unemployment
- AZ ranks 4th in fiscal severity (NV, IL, NJ are worse)
- AZ state budget ending June 2011 expected shortfall: \$825 million
- FY 2012 state deficit of \$1.2 billion
- AZ Unemployment: 9.4% (Dec 10); Prescott Unemployment : 9.7% and US Unemployment rate 9.4%

Building permits have reached the bottom and the sales of existing homes are up; however, the still high amount of foreclosures will continue to contribute to a declining net in-migration for Yavapai County.

The State of Arizona will again experience a shortfall of revenue and the record 12 year decline in funding to Arizona community colleges will continue into a 13th year.

As a result of the economic environment YC should continue to see new traditional age enrollment from students who would typically choose a public Arizona University, but because of tuition costs and proposed university enrollment caps will migrate to a community college.

How Accurate Are We?

In 2004-05, we began producing enrollment forecasts using the methodology detailed in this report. Below are results indicating the accuracy of our forecasts.

Year	Forecasted FTSE	Actual FTSE	Error
2005-06	3,342	3,351	-0.003
2006-07	3,540	3,617	-0.020
2007-08	3,799	3,691	0.029
2008-09	3,838	3,921	0.022
2009-10	3,984	3,920	-0.016

Sources:

¹United States Census Bureau, Quick Facts, 2009 Yavapai County population estimate.

²Universtiy of Arizona, Eller College of Management, 2011/2012 Economic Forecast Luncheon. Marshal J. Vest, Director, Economic and Business Research Center and Gerald J. Swanson, Professor of Economics, Paul R. Portney Professor in Economics.