PimaCountyCommunityCollegeDistrict

Governing Board's Finance and Audit Committee
Meeting Notice and Agenda*
Friday, February 18, 2022
9:00am
Virtual Meeting#

General Matters		
1. Call to Order	Scott Odom	9:00am
Action Items		
2. Approval of Minutes from December 10, 2021	Scott Odom	9:05am
Reports and Feedback		
3. Arizona Auditor General a. Fiscal Year 2021 Audit Reports	Katherine Edwards Decker, Rene Carrasco	9:10am
4. Enterprise Risk Management Report	David Parker	9:40am
5. Partnership with Catholic University	Morgan Phillips, Tom Davis, Keiran Roche	10:00am
6. CFO Update a. Revenue Bonds b. Public Safety Personnel Retirement System - Fiscal Year 2023 Contributions c. Arizona State Retirement System d. Fiscal Year 2023 Budget Development e. Fiscal Year 2022 Capital Project Plan Update, Second Quarterly Report f. Fitch Ratings g. Strategy, Analytics, and Research - New Dashboards	David Bea	10:20am
Effectiveness Discussion		
Information Items		
7. Future Agenda Items a. Marketing b. Workforce Update c. Adult Education d. Office of Dispute Resolution e. Space Usage f. Fiscal Year 2023 Budget Development		
Adjournment		

Next Meeting
April 15, 2022
Zoom Webinar

***Option to recess into executive session** – Pursuant to A.R.S. 38-431.03(A)(2) the Committee may vote to go into executive session for discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law. Pursuant to A.R.S. 38-431.03(A)(3) the Committee may vote to go into executive session for discussion or consultation with legal counsel for the College.

Additional Information – Additional information about the above agenda items is available for review on the College's website.

The Committee reserves the right to change the order of agenda items.

To request a reasonable accommodation for individuals with disabilities, a minimum of five (5) business days before the event is requested. Contact Phone: (520) 206-4539 Fax: (520) 206-4567.

Members of the Committee may participate by telephone, video, or internet conferencing.

#VIRTUAL MEETING
Following the guidance of public health officials, the College has closed its facilities to the public and allows only restricted access for essential personnel to promote social distancing and limit the spread of the coronavirus. Accordingly, the Finance and Audit Committee will conduct this meeting through remote technology only. Members of the public interested in following the proceedings may do so via Zoom webinar.

Please click the link below to join the webinar:
https://pima.zoom.us/s/91363457156

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Webinar ID: 913 6345 7156
Passcode: 014788

PimaCountyCommunityCollegeDistrict

Governing Board's Finance and Audit Committee
Friday, December 10, 2021
9:00am
Virtual Meeting - Zoom Webinar

Meeting Minutes

In Attendance:
Scott Odom (Chair), David Bea (Ex-Officio), Ben Tuchi, Daniel Soza (Ex-Officio), Agnes Maina (Ex-Officio), Maria Garcia, Laura Ward, Kathleen Witt, Jesus Manzanedo, Ken Marcus, Keri Hill (Recorder)

Not in Attendance:
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Guests:
John Utter, RBC Global Asset Management; Jose Saldamando, Internal Auditor; Jeff Silvyn, General Counsel; Bruce Moses, Vice Chancellor

General Matters

1. **Call to Order**
   Chair Odom called the meeting to order at 9:01am, noting a quorum was met.

Action Items

2. **Approval of Minutes from October 29, 2021**
   Chair Odom asked if the Committee had any changes to the minutes. With no changes, a motion was made to approve the minutes.

   Motion No. 202112-01: Approve Minutes from October 29, 2021
   First: Maria Garcia
   Second: Ben Tuchi
   Vote: Motion passed unanimously (Odom, Tuchi, Garcia, Ward, Witt, Manzanedo, Marcus voting in favor)
   Motion Carried.

Reports and Feedback

3. **Investment Update (John Utter)**
   Mr. Utter from RBC Global Asset Management joined to provide an update on the College's investment portfolio. He began with the Summary of Combined Portfolio Characteristics, reviewing the distribution and duration of the portfolios. Related to the 1-3 Year Portfolio, Mr. Utter discussed the strategies utilized to generate income, and regarding inflation, he stated that the Federal Reserve is soon likely to taper current strategies.

Related to the Ultra Short Portfolio, the income return is positive and the yield has increased since October of this year.

Mr. Utter continued with an overview of activity at the Federal Reserve, stating that Powell will remain the Chair. The U.S. Economy is improving unemployment, with 5.8M jobs added year-to-date, but much remains uncertain. The Credit Market Environment is showing strong corporate earnings.

The overall outlook remains positive for 2022, with considerations for reduced globalization and geopolitical challenges. RBC is breaking out components of inflation to categorize permanent factors versus those related to the pandemic.

Mr. Tuchi asked about the U.S. business cycle scorecard, as the allocation at the start of the cycle is an outlier. Mr. Utter described the scorecard's attempt to represent the brief recession at the start of the pandemic and the quick snapback to a stronger economy.

4. Internal Audit Update (Jose Saldamando, Jeff Silvyn)

Mr. Saldamando thanked Ms. Ward for recently joining this Committee, as he has known her for several years. He introduced the December 2021 audit report, beginning with the general department update. The Capital Projects and Information Technology audits are in the planning stages and will be co-sourced with Heinfeld Meech, a local accounting firm. Mr. Saldamando also met with key stakeholders related to the distribution and awareness of the Student Code of Conduct Policy.

The Security and Access Control Work Group is defining and recommending standards for College access controls, and Mr. Saldamando is continuing work with the Strategy, Analytics and Research (STAR) department related to various College-wide projects.

Moving on to the Audit Recap, there are 58 findings closed and nine findings open related to the Automotive, 2020 Center for International Education and Global Engagement, Health Insurance Portability and Accountability Act (HIPAA), Information Technology (IT), Key Controls, Clery Act Compliance, and Procurement & Contracts audits. The IT change management finding by the Arizona Auditor General has been closed. Mr. Saldamando provided an update on the current audit plan and the status of the projects.

Ms. Garcia asked if there will be an audit on the federal Higher Education Emergency Relief Funds (HEERF), as she would like a more current report on the allocations and the total funds. Ms. Maina stated that the Auditor General audited the HEERF grants for fiscal year 2021, and she recommended Mr. Saldamando touch base with the lead auditor. Mr. Manzanedo requested that the report be provided by another area, and not through the audit department, to maintain impartiality.

Ms. Ward recently reviewed the annual audit plan, and she had a question about the categories for items reported as complaints or whistleblowers, as one of the categories is "Other". Mr. Saldamando described the Office of Dispute Resolution and how they respond to the reports; the Office of Dispute Resolution will be invited to a future meeting.

Chair Odom thanked Mr. Saldamando for his report.

5. Enterprise Risk Management Update (David Parker)

Mr. Parker introduced the Enterprise Risk Management (ERM) and Compliance Report. He provided an update on the development of the ERM program, as the College has in recent years been more risk-averse.

Various risk assessment tools from other entities have been reviewed as Mr. Parker seeks to develop them for the College, and there is great collaboration as these tools are shared between institutions. The recent response to the Federal Contractor Executive Order provided an opportunity to utilize the new ERM tools, which identified issues and management considerations that needed to be addressed.

The next steps include an orientation in February for ERM workgroup members.

Ms. Witt asked for an example of what was found when the model was utilized. Mr. Parker shared the matrix and noted some of the steps that should have been taken earlier in the process.

Mr. Odom asked if the College had a risk appetite statement. Mr. Parker shared an early draft, which includes risk-averse to risk- (opportunity) seeking, as well as the level of authority needed to execute and the purpose for seeking the risk. The ERM workgroup will finalize the risk statement this Spring. Mr. Silvyn noted that part of the College's interest in ERM was driven by the large difference in appetite for risk across the College, as some departments have a high tolerance for risk while others have zero. The new ERM framework will create balance and provide a system to evaluate risk across the College, rather than within an individual unit.

Chair Odom thanked Mr. Parker for his work.

6. Higher Learning Commission (Bruce Moses)

Dr. Moses stated that the Higher Learning Commission (HLC) will be conducting a Focused Visit on Criterion 2.C. this Spring. The visit will comprise two peer reviewers, and an agenda is expected approximately four weeks prior to the visit.

Criterion 2.C. states the following: *The governing board of the institution is autonomous to make decisions in the best interest of the institution in compliance with board policies and to ensure the institution's integrity.*

Mr. Manzanedo asked for more information about the complaint. Two complaints, one by a former employee and one by a community group, were filed with the HLC. Based on the complaints and the response by the College, the HLC is seeking to ensure that Criterion 2.C. is being met.

Ms. Garcia asked if it is possible that the HLC will be looking at all areas of the College during the visit, including those not addressed during the last visit. From Dr. Moses' experience, the visit is focused on 2.C. but it will open up for other items to be presented to the peer reviewers during their visit.

Dr. Moses will be in touch with Dr. Bea and Mr. Silvyn after the agenda is received, and this Committee will be notified if their participation is required.

7. CFO Update (David Bea)

Dr. Bea began with an update on the revenue bonds and the status of current projects, as well as the Aviation Technology Center expansion, which is largely funded by appropriations by the State of Arizona. The Center of Excellence for Public Safety and Security is in the early development stages and may require additional funds for completion. There are several cost escalation issues with the projects; they have been manageable to date, and this Committee will be kept apprised.

On November 29, 2021, the Governing Board held a Study Session on the Fiscal Year 2023 Budget Outlook. Full time student equivalents (FTSE) are down, and enrollment will be a focus of this year's conversation related to allocations of personnel and financial resources.

Ms. Garcia mentioned that the Educational and Facilities Master Plans are based on higher enrollments. With many students moving online or hybrid, the College has a large footprint that is still expanding and she is concerned it will run out of resources. Dr. Bea stated that the size of the infrastructure needs to be aligned with FTSE, and three scenarios will be created, including the possibility of taking offline or repurposing a campus. Further, the Master Plans are being re-evaluated to better align with current enrollment, and there will be consideration to parsing out the types of space (occupational vs. traditional classroom) to get a better idea of the usage. The College has strong reserves, which are primarily being allocated for the Center of Excellence for Health Professions.

Ms. Witt asked how space usage is calculated and if there is a breakdown of cost per FTSE. Dr. Bea described the metrics that are annually assembled, and Ms. Garcia asked this Committee to consider these factors as conversations related to the possibility of raising the tax levy occur. The College has not raised the levy the last two years, and the Board has not expressed interest in any large tuition increases.

Dr. Bea discussed the expenditure priorities for fiscal year 2023, and the classification and compensation study will be a major component. He continued with some of the priorities of the study, which include improving mechanisms for staff pay given the current distribution of staff employees at Step 1 of their classification scale.

New dashboards are available through STAR on a variety of areas, including personnel statistics.

The federal vaccine mandate is being implemented at the College, which is a federal contractor. Work is continuing on compiling the information despite the recent stay of the order. Approximately 80% of employees have so far complied via reporting their vaccination or through one of the exemption methods.

Chair Odom asked if there were any additional comments or questions. In looking at the future agenda items, he noted that monitoring the financial status of the College and enrollment will be significant, as well as a better understanding of space usage.

Ms. Ward asked if the Marketing update would include the new facilities, including Aviation. Marketing will be invited to a future meeting to provide an update.

Information Items

8. Future Agenda Items

a. Workforce Update
b. Marketing
c. Arizona Auditor General (February)
d. Partnership with Catholic University (February)
e. Public Safety Personnel Retirement System - Fiscal Year 2023 Contributions (February)
f. Adult Education
g. Office of Dispute Resolution
h. Space Usage

Adjournment

The meeting adjourned at 11:02am.

Next Meeting:

February 18, 2022
Virtual Meeting - Zoom Webinar

Enterprise Risk Management and Compliance Report
December 2021

Pima Community College's Enterprise Risk Management (ERM) framework is primarily ISO 31000 based, complemented by principles from the COSO standard.	**Our objective is to integrate risk assessment and risk awareness into everyday decision-making, understanding that risk is the effect of uncertainty upon objectives. Risk includes both opportunity and consequence, as the effect can be both positive and negative. This requires decision makers to have a clear understanding of our strategic and key tactical objectives.**

ERM Program Development Update

The ERM Workgroup members are excited about the work ahead. Along with one faculty representative identified by the Faculty Senate, the team includes:

Member	**Title**
Agnes Maina	Director, Financial Services
Brian Stewart	Campus Vice President
David Arellano	Dean of Enrollment Management
David Parker	Director, ERM & Compliance
Don Martin	Academic Dean
Jack Satterfield	Assistant Vice Chancellor for IT, Acting
Joyce Jaden	Director, Maintenance & Security Ops
Libby Howell	Exec Director, Community & Gov't Rel
Norma Navarro-Castellanos	Exec Dir, Financial Aid & Scholarships
Ozlem Kacira	Director, Reporting & Analytics
Roxandra Acosta	Director, Human Resources
Seth Shippee	Deputy General Counsel

The workgroup's orientation training through NCSU occurs this week (2/16 & 2/18). The full workgroup will meet monthly, also coordinating work of subgroups and teams. Model tools will provide the team with a starting point.

A vacant risk manager position is being evaluated for classification and compensation, moving then to recruitment.

Operational/Insurance Risk Update

PCC consolidated its property insurance program into The Trust during last year's renewal along with most of its liability insurance programs. The Trust is a *group self-insurance* program (public entity pool) that includes about 240 Arizona K-12 districts and all Arizona community college districts except Maricopa. The Trust had to change some of its reinsurance partners last year to maintain coverage and limits and may have additional challenges this year. The Trust provided basic cyber coverage to members at no cost in the past. This coverage may no longer be available to us unless we purchase it along with higher limits.

PCC purchases separate cyber, fiduciary, and workers' compensation insurance through the commercial marketplace.

The insurance marketplace is still challenging, but most lines of coverage, with the exception of cyber, are not nearly as disrupted as last year. Cyber insurance remains the most challenging line of coverage and our IT department has prioritized a number of security improvements that are not only PCC's priorities, but are critical to maintaining cyber insurance coverage. Some security upgrades may be unpopular but are critical to insurance underwriters. So far, we have been able to maintain our desired coverage and limits. As long as our security protections, controls, and education efforts continue on track, we should be able to accomplish our insurance objectives at renewal.

While cost construction inflation impacts new construction, it also increases the replacement cost for our buildings, increasing total premium even if the rate remains flat. Current indications for renewal are 10% - 12% increases for The Trust (all coverages except cyber), 10% for cyber (assuming we complete additional committed upgrades), 5% - 8% for fiduciary, and nominal or flat for workers' compensation.

		Estimate Range	
	Current	**Low**	**High**
The Trust	627,608	690,369	702,921
Cyber	155,164	170,681	170,681
Fiduciary	39,500	41,475	42,660
WC	244,608	244,608	251,946
Total	1,066,880	1,147,133	1,168,208

Compliance Program Update

We remain in the early framework research phase. The Director has been reviewing higher education compliance programs and URMIA's Compliance Community, comprised of higher education compliance programs across the nation, is an excellent resource for us. The Director is attending the *Society of Corporate Compliance and Ethics'* Compliance and Ethics Academy in March.

THE CATHOLIC UNIVERSITY OF AMERICA
Tucson

What are we trying to accomplish?

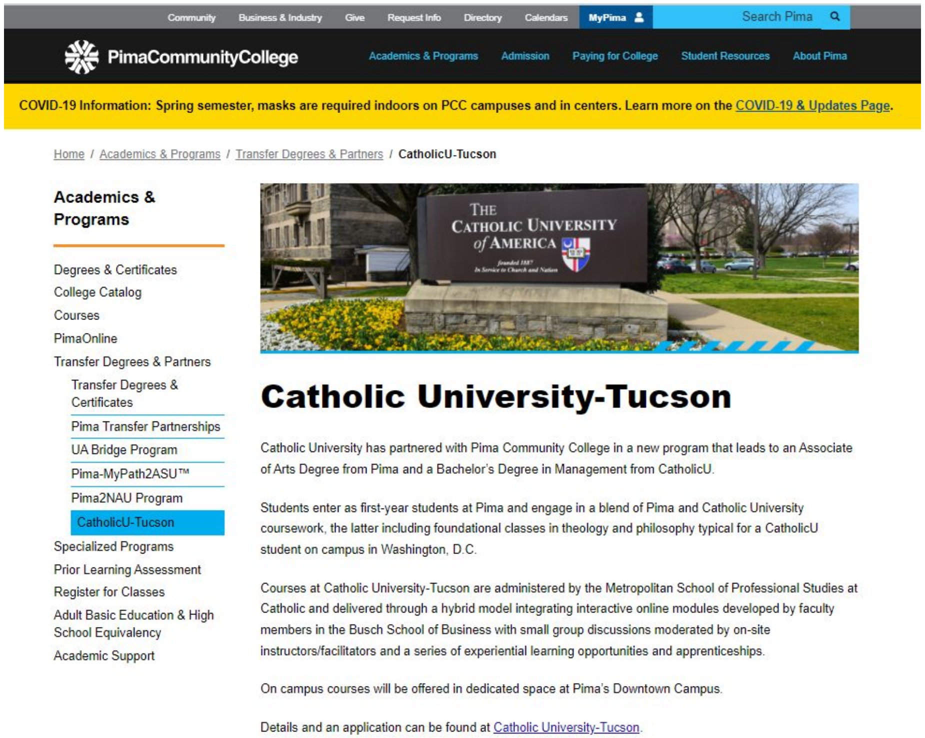
1. Provide a novel affordable undergraduate business degree program for a new generation of learners from Tucson, especially those from the large and growing Hispanic population in the area.

2. Evaluate the Tucson model as a vehicle for potential future expansion into additional high-impact cities across the country, especially into those cities identified to date in the Southwest and West.

3. Evaluate the lessons learned from the Tucson experience and reverse integrate the best practices into existing and new programs on the Washington, DC campus (including executive/continuing education).

4. Identify other gaps in the broader Tucson "educational market" and prioritize the opportunities.

Catholic University-Tucson & Pima Community College



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PimaCommunityCollege

Academics & Programs | Admission | Paying for College | Student Resources | About Pima

COVID-19 Information: Spring semester, masks are required indoors on PCC campuses and in centers. Learn more on the COVID-19 & Updates Page.

Home / Academics & Programs / Transfer Degrees & Partners / CatholicU-Tucson

Academics & Programs

- Degrees & Certificates
- College Catalog
- Courses
- PimaOnline
- Transfer Degrees & Partners
  - Transfer Degrees & Certificates
  - Pima Transfer Partnerships
  - UA Bridge Program
  - Pima-MyPath2ASU™
  - Pima2NAU Program
  - CatholicU-Tucson
- Specialized Programs
- Prior Learning Assessment
- Register for Classes
- Adult Basic Education & High School Equivalency
- Academic Support

THE CATHOLIC UNIVERSITY of AMERICA

Catholic University-Tucson

Catholic University has partnered with Pima Community College in a new program that leads to an Associate of Arts Degree from Pima and a Bachelor's Degree in Management from CatholicU.

Students enter as first-year students at Pima and engage in a blend of Pima and Catholic University coursework, the latter including foundational classes in theology and philosophy typical for a CatholicU student on campus in Washington, D.C.

Courses at Catholic University-Tucson are administered by the Metropolitan School of Professional Studies at Catholic and delivered through a hybrid model integrating interactive online modules developed by faculty members in the Busch School of Business with small group discussions moderated by on-site instructors/facilitators and a series of experiential learning opportunities and apprenticeships.

On campus courses will be offered in dedicated space at Pima's Downtown Campus.

Details and an application can be found at Catholic University-Tucson.

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DEUS LUX MEA EST

Accomplishments To Date

Project Team: Dedicated Positions Established (Metropolitan School of Professional Studies, Directors - Operational Affairs), Tucson-Based Program Four Full-time Positions (Program Director, Program Coordinator, Recruitment Coordinator, Recruitment Specialist)

National Expert Partners Help Launched (Extension Engine, Education Design Lab, Education Design Lab - continuing work with Pima Community College)

Community Engagement: Interacted With 500+ Members To Date, Multiple Research Sessions Conducted To Co-Create Tucson-Focused Program

Key Supporters: Mayor, Bishop, Pima CC Leadership, School, Civic & Business Leaders, Raised close to $2.2 million locally from Tucson

Accreditation & License: AZ Business License Secured, AZ Educational License Approved (August 22, 2019), Middle States Accreditation Change, Tucson Approved FAFSA Location (February, 2022). Pima CC MOU Executed, General Studies Concurrent In-Effect, 2+2 ABUS Consortium in-progress

Program Development: Innovative Curriculum Created (BA - Management), Hybrid Learning Model Designed, Local Employer Working Group Established

26 students enrolled in the Program (as of January, 2022)

International Visa Available at Tucson Branch Location

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Original Concurrent Degree with Pima Community College

Tucson Degree with PCC Courses within First Two Years

- Courses in blue are taught by Pima Community College

Summer Preliminary Online Prep Orientation

	Fall	Spring
Freshman	MGT 118 *Foundation and Tools for Vocation of Business (3 credits)* SRES 171 *Human Advantage & the Future of Work (3 credits)* MTH 151 *College Algebra (4 credits)* WRT101S *English Comp (3 credits)* ART 105 *Exploring Art and Visual Culture (3 credits)*	MGT 123 *Foundations of Business (3 credits)* CIS 120 *Computer Applications for Business (4 credits)* MTH 212 *Topics in Calculus (3 credits)* WRT 102 *English Comp 2 (3 credits)* PHIL 301 *Reasoning and Argumentation (3 credits)*
Sophomore	SRES 101 *Foundations of Economic Thought 1 (3 credits)* BUS 205 *Statistics for Business and Economics (3 credits)* ACCT 205 *Introductory Accounting (3 credits)* AST105IN *Life in the Universe* (4 credits science) MGT 250 *Business Communications (3 credits)*	SRES 102 *Foundations of Economic Thought 2 (3 credits)* MGT 240 Management of Information *(3 credits)* ACCT 206 *Managerial Accounting (3 credits)* LIT 231 *Introduction to Shakespeare (3 credits)* *Elective (CUA approved only 3 credits)*

Junior	PHIL 201 ***The Classical Mind*** *(3 credits)* TRS 201 ***Foundations of Theology I: Scriptures and Jesus Christ*** *(3 credits)* MKT 345 *Marketing Management (3 credits)* MSO 313 Contemporary American Politics *(3 credits)* MGT 495A ***Intermediate Guided Internship*** *(3 credits)*	PHIL 202 ***The Modern Mind*** *(3 credits)* TRS 202 ***The Church and the Human Person*** *(3 credits)* FIN 226 ***Financial Management*** *(3 credits)* MGT 321 or 322 or 371 ***Business Law*** *(3 credits)* MGT 495B ***Intermediate Guided Internship*** *(3 credits)*
Senior	MGT 310 ***Leadership & Organization*** *(3 credits)* Elective TRS 335 *Christian Marriage and Family Life (3 credits)* MGT 390 *International Business (3 credits)* MGT 495C ***Senior Guided Internship*** *(3 credits)*	MGT 365 *Quantitative Methods for Business III (3 credits)* MGT 311 *Organizational Behavior (3 credits)* MGT 475 *Business Strategy (3 credits)* MGT 301 *Ethics in Business and Economics (3 credits)* MID 499 **Capstone/Senior Seminar** *(3 credits)*

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2+2 ABUS PCC

In-progress

PCC Course	Credits	PCC Requirement	Catholic University Requirement
WRT 101/WRT 101s	3	English Composition I	MHU 151: Rhetoric and Composition
WRT 102	3	English Composition II	MHU 152: Composition and Research
ART 105 or other Art course	3	Fine Arts	Fine Arts
LIT 280 or other LIT course	3	Humanities	Literature
BIO 100IN or other 4 credit lab science course	4	Biological and Physical Science	Natural Science
BIO 109IN or other 4 credit lab science course	4	Biological and Physical Science	Elective
MAT 212	3	Mathematics	MATH 110 or MATH 111
HIS 122 or POS 201 or any History or Political Science course meeting SBS requirement	3	Social and Behavioral Science	History/Politics
ACC 211	3	ACC 211 - Financial Accounting	ACCT 205: Accounting I
ACC 212	3	ACC 212 - Managerial Accounting	ACCT 206: Accounting II
BUS 148	3	BUS 148 - Ethincs in the Workplace	MMGT 301: Ethics in Business and Econ
BUS 205	3	BUS 205 - Statistical Methods in Economics and Business	MBU 370: Statistics
BUS 220	3	BUS 220 - Legal Environment of Business	MMGT 321: Business Law 1
CIS 120	4	CIS 120 - Computer Applications for Business	MIS 105: Microcomputer Applications
ECN 201	3	ECN 201 - Microeconomic Principles	MMGT 101: Foundations of Economic Thought I
ECN 202	3	ECN 202 - Macroeconomic Principles	MMGT 102: Foundations of Economic Thought II
MAT 151	4	MTH 151 - College Algebra	Elective
BUS 277	4	BUS 277 - Analytical Methods in Business	MMGT 365: Quantitative Methods in Decision Making
WRT 254	3	WRT 254: Advanced Professional Communications	MMGT 250: Business Communications
	62		

Connected To Tucson

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PimaCommunityCollege

Revenue Bond Projects - Inception to Date

FY=22 Period=14

FUND	FUND_DESC	Revenues	Personnel	Other Expenditures	Transfers	Fund Balance
581999	Rev Bonds Control Fund	67,836,424	0	(443,102)	(35,474,480)	31,918,842
5R8000	**RVB PROJ - Control**	**67,836,424**	**0**	**(443,102)**	**(35,474,480)**	**31,918,842**
581001	RVB Proj -Advanced Mfg.New Bldg	0	0	(14,815,839)	13,431,170	(1,384,669)
5R8001	**RVB PROJ - Applied Tech- Building**	**0**	**0**	**(14,815,839)**	**13,431,170**	**(1,384,669)**
581003	RVB Proj - Transportation New Bldg	0	0	(13,494,650)	13,526,900	32,250
5R8002	**RVB PROJ - AppTech COE AE WFD SS**	**0**	**0**	**(13,494,650)**	**13,526,900**	**32,250**
581005	RVB Proj - ST Bldg Renovations	0	0	(86,584)	94,016	7,432
5R8003	**RVB PROJ - AppTech Weld,Mach,Engr,M**	**0**	**0**	**(86,584)**	**94,016**	**7,432**
581007	RVB Proj - AppTech Makerspace CAD	0	0	(1,787)	1,787	0
5R8004	**RVB PROJ - AppTech Makerspace CAD**	**0**	**0**	**(1,787)**	**1,787**	**0**
581011	RVB Proj -DC Copper RE	0	0	(1,373,263)	1,373,263	0
581009	RVB Proj -DC Frontier RE	0	0	(1,361,845)	1,361,845	0
581037	RVB Proj -DC CoE Program Space Renv	0	0	(439,381)	439,381	0
581036	RVB Proj -DC RE Infrastructure Dev	0	0	(366,822)	366,567	(255)
581034	RVB Proj -DC 333 W Drachman (FT2)	0	0	(1,712,800)	1,712,800	0
581032	RVB Proj -DC Historic Assessment	0	0	(178,396)	178,055	(342)
5R8005	**RVB -DC Campus Expansion & Developm**	**0**	**0**	**(5,432,507)**	**5,431,911**	**(596)**
581013	RVB Proj -PSI ESI	0	0	(49,277)	49,277	0
5R8007	**RVB PROJ -PSEI EMSI**	**0**	**0**	**(49,277)**	**49,277**	**0**
581015	RVB Proj -Science Labs	0	0	(3,120,706)	2,413,458	(707,248)
5R8008	**RVB PROJ -Science Labs**	**0**	**0**	**(3,120,706)**	**2,413,458**	**(707,248)**
581017	RVB Proj -Allied Health COE	0	0	(20,032)	20,092	60
5R8009	**RVB PROJ -Allied Health COE**	**0**	**0**	**(20,032)**	**20,092**	**60**
581019	RVB Proj -EC Bookstore/Food Svc	0	0	(49,443)	49,443	0
5R8010	**RVB PROJ -EC Bookstore/Food Svc**	**0**	**0**	**(49,443)**	**49,443**	**0**
581021	RVB Proj -DC Bookstore/Food Svc	0	0	(446,916)	446,916	0
5R8011	**RVB PROJ -DC Bookstore/Food Svc**	**0**	**0**	**(446,916)**	**446,916**	**0**
581023	RVB Proj -NW Bookstore/Food Svc	0	0	(3,642)	3,642	0
5R8012	**RVB PROJ -NW Bookstore/Food Svc**	**0**	**0**	**(3,642)**	**3,642**	**0**
581025	RVB Proj -WC Campus Store	0	0	0	0	0
5R8013	**RVB PROJ -WC Bookstore/Food Svc**	**0**	**0**	**0**	**0**	**0**
581027	RVB Proj -DV Cafe	0	0	0	0	0
5R8014	**RVB PROJ -DV Bookstore/Food Svc**	**0**	**0**	**0**	**0**	**0**

Revenue Bond Projects - Inception to Date

FY=22 Period=14

FUND	FUND_DESC	Revenues	Personnel	Other Expenditures	Transfers	Fund Balance
500005	"Revenue Bonds" Revenue	0	0	0	0	0
5RVBND	**Revenue Bond Funded Projects**	**0**	**0**	**0**	**0**	**0**
		67,836,424	**0**	**(37,964,485)**	**(5,870)**	**29,866,070**

PimaCommunityCollege

Agenda Item Details

Meeting	Mar 09, 2022 - Regular Governing Board Meeting
Category	4. CONSENT AGENDA GROUPING (5 min.)
Subject	Fiscal Year 2022-2023 Public Safety Personnel Retirement System Funding Policy
Access	Public
Type	Action (Consent)
Fiscal Impact	Yes
Budgeted	Yes
Recommended Action	The Chancellor recommends the Governing Board adopt the Pima Community College Public Safety Personnel Retirement System Pension Funding Policy. The funding ratio goal is 100% (fully funded) by June 30, 2036 at an annual cost of $1,300,000 for the next four years and the remaining liabilities amortized over the remaining nine years.
Goals	Accreditation-Criterion 5: Resources, Planning, and Institutional Effectiveness Accreditation-Criterion 2: Integrity: Ethical and Responsible Conduct

Public Content

Contact Person:
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Contributing Authors:
Agnes Maina, Director
Keri Hill, Executive Assistant

Justification:

College Police employees participate in the Public Safety Personnel Retirement System (PSPRS), which serves as their pension plan. PSPRS has changed requirements for participating entities, requiring an acknowledgement of any unfunded pension liability and publication to the entity's website of the strategy (or "Pension Funding Policy") to fund the liability.

In 2020, College Administration worked with the Finance and Audit Committee to develop a funding strategy. A recommendation was made to reach a funding level of 75% by fiscal year 2026, requiring an annual allocation of about $1.3M to the College's liability for PSPRS. The 75% target is on par with funding levels for the Arizona State Retirement System, and PSPRS would be fully funded by June 30, 2036. The Governing Board adopted the funding policy on March 10, 2021.

The June 30, 2021 actuarial valuation indicates the College has a funded ratio of 57.3%, with $5,892,230 unfunded. The funding level improvement is mainly attributed to favorable market conditions. The additional contributions made in fiscal year 2022 will not be reflected in the actuarial assumptions and funding level calculations until January 2023.

Employee benefits are a significant component of the College's budget development cycle, and annually the College and the Finance and Audit Committee will review the PSPRS funding strategy in preparation for presentation to the Governing Board.

Financial Considerations:

For Fiscal Year 2023, the College will allocate an additional $1.3M to funding the liability for PSPRS. The passage of Proposition 481 and Proposition 207 provides the College with the budget capacity to fund the liability at this rate.

FY23 PCC PSPRS Funding Policy.pdf (183 KB)

Administrative Content

Executive Content

Our adopted rules of Parliamentary Procedure, Robert's Rules, provide for a consent agenda listing several items for approval of the Board by a single motion. Most of the items listed under the consent agenda have gone through Board subcommittee review and recommendation. Documentation concerning these items has been provided to all board members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any board member.

Pima Community College
Public Safety Personnel Retirement System
Pension Funding Policy

Revision: Jan. 2022 for FY23

The intent of this policy is to clearly communicate the Pima Community College Governing Board's pension funding objectives and its commitment to our employees and the sound financial management of the Pima Community College and to comply with new statutory requirements of Laws 2018, Chapter 112.

Several terms are used throughout this policy:

Unfunded Actuarial Accrued Liability (UAAL) – Is the difference between trust assets and the estimated future cost of pensions earned by employees. This UAAL results from actual results (interest earnings, member mortality, disability rates, etc.) being different from the assumptions used in previous actuarial valuations.

Annual Required Contribution (ARC) – Is the annual amount required to pay into the pension funds, as determined through annual actuarial valuations. It is comprised of two primary components: normal pension cost – which is the estimated cost of pension benefits earned by employees in the current year; and, amortization of UAAL – which is the cost needed to cover the unfunded portion of pensions earned by employees in previous years. The UAAL is collected over a period of time referred to as the amortization period. The ARC is a percentage of the current payroll.

Funded Ratio – Is a ratio of fund assets to actuarial accrued liability. The higher the ratio the better funded the pension is with 100% being fully funded.

Intergenerational equity – Ensures that no generation is burdened by substantially more or less pension costs than past or future generations.

The Pima Community College's police employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS).

Public Safety Personnel Retirement System (PSPRS)

PSPRS is administered as an agent multiple-employer pension plan. An agent multiple-employer plan has two main functions: 1) to commingle assets of all plans under its administration, thus achieving economy of scale for more cost efficient investments, and invest those assets for the benefit of all members under its administration and 2) serve as the statewide uniform administrator for the distribution of benefits.

Under an agent multiple-employer plan each agency participating in the plan has an individual trust fund reflecting that agencies' assets and liabilities. Under this plan all contributions are deposited to and distributions are made from that fund's assets, each fund has its own funded ratio and contribution rate, and each fund has a unique annual actuarial valuation. The Pima Community College has one trust fund for police employees.

The Governing Board formally accepts the assets, liabilities, and current funding ratio of the Pima Community College's PSPRS trust funds from the June 30, 2021 actuarial valuation, which are detailed below.

Trust Fund Year	Assets	Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio%
2020	$7,240,318	$13,933,956	$6,693,638	52.0
2021*	$7,895,898	$13,788,128	$5,892,230	57.3

** Additional ARC payments started in FY22 and will not be reflected in actuarial valuations reports till January 2023.*

PSPRS Funding Goal

Pensions that are less than fully funded place the cost of service provided in earlier periods (amortization of UAAL) on the current taxpayers. Fully funded pension plans are the best way to achieve taxpayer and member intergenerational equity. Most funds in PSPRS are significantly underfunded and falling well short of the goal of intergenerational equity.

The Pima Community College Governing Board PSPRS funding ratio goal is 100% (fully funded) by June 30, 2036.

Board established this goal for the following reasons:

- The PSPRS trust funds represent only the Pima Community College's liability
- A fully funded pension is the best way to achieve taxpayer and member intergenerational equity

The Governing Board plans to take the following action to achieve this goal:

- Maintain ARC payment from operating revenues – Board is committed to maintaining the full ARC payment (normal cost and UAAL amortization) from operating funds. The estimated combined ARC for FY23 is $574,888 or 42.83% and will be able to be paid from general operating funds without diminishing Pima Community College services.
- Continue Additional payments above the ARC of $1.3M before June 20, 2023.
- Annually evaluate prior year performance and determine additional payments for FY24, FY25 and FY26.

Based on these actions the Governing Board plans to achieve its goal of 100% funding by June 30, 2036, in accordance with the amortization timeline set forth by the PSPRS June 30, 2021 Actuarial Valuation.

PimaCommunityCollege

Agenda Item Details

Meeting	Feb 02, 2022 - Regular Governing Board Meeting
Category	3. INFORMATION ITEMS (5 min.)
Subject	3.2 Fiscal Year 2022 Capital Project Plan Update, Second Quarterly Report
Access	Public
Type	Information
Goals	Accreditation-Criterion 5: Resources, Planning, and Institutional Effectiveness

Public Content

Contact Person:
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Keri Hill, Executive Assistant

Information:

The College's annual capital budget planning process identifies equipment replacement and facilities projects that exceed $5,000 and meet the College's mission, strategic priorities, and needs. Capital project requests are reviewed for alignment with Program Review Outcomes, the Strategic Plan, and the Educational and Facilities Master Plans.

On May 12, 2021, the Governing Board approved the Capital Budget Plan for fiscal year 2022. The plan included $47.9M of budget capacity to make significant investments in information technology, COVID-19 remediation, deferred maintenance, academic equipment, and Centers of Excellence. At the time of the plan adoption, the College received a large grant award through the Higher Education Emergency Relief Funds (HEERF), and a proposal had been submitted to the state for appropriations. The Capital Budget Plan enabled the College to have the budget capacity to expend these funds.

The College committed to reviewing the approved capital projects and providing quarterly reports on the Capital Budget Plan to the Finance and Audit Committee and the Governing Board.

Capital Budget Plan Review Process:

After the start of the fiscal year, employees from Finance, Facilities, and Information Technology discussed the Capital Budget Plan. The group discussed the capacity to complete projects within the current fiscal year, projects that qualified for the HEERF grants, STEM projects, projects that had a change in scope or were discontinued, and projects to fulfill Prop 481 initiatives. A summary of changes is provided below:

<u>Capital Projects Deferred to a Future Fiscal Year</u>

- Learning Center Renovation C217 - $31,000
- ABECC Testing Room - $77,000
- Applied Tech Freezer ST Building - $30,000
- Arts Makerspace Digital Fab Lab - $240,000

<u>Capital Projects Funded from Higher Education Emergency Relief Funds (HEERF)</u>

- Adult Education Laptops - $454,000

- *Deferred Maintenance - Environment Sustainability - $1,192,400

Capital Projects Funded from FY22 STEM Appropriations

- IT CoE Uninterruptible Power Supplies Equipment - $370,000
- Automotive Vehicle Purchase $128,000
- Aviation Furnishings - $1,142,000
- Aviation Twin Engine Aircraft - $230,000
- Aviation Turbine Engine - $242,000

Capital Projects with Changes in Scope or Discontinued

- Arts 3D Printers - $240,000. Discontinued due to extensive HVAC replacements needed that exceeded the value of the printers. No costs were incurred.

Strategic Capital Projects to Fund in Support of Prop 481 Initiatives

- DV Childcare Renovations -$400,000 - Full scope of the project was determined after the capital budget was approved.

Capital Projects Funded from Prop 207 Appropriations

- West Campus Remodel Exterior L Building, $935,000
- West Campus Science Labs Bldg F, $300,000
- West Campus Center of Excellence for Health Professions Renovations, Ongoing

Administrative Content

Executive Content

FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms Pima County Community College District, AZ's IDR at 'AA' and Rev Bonds at 'AA-'

Wed 12 Jan, 2022 - 11:13 AM ET

Fitch Ratings - Austin - 12 Jan 2022: Fitch Ratings has affirmed the following ratings of Pima County Community College District (the district), AZ:

--Issuer Default Rating (IDR) at 'AA';

--Approximately $51 million in outstanding revenue bonds, series 2019 at 'AA-'.

The Rating Outlook is Stable.

SECURITY

The outstanding series 2019 revenue bonds are payable from a gross revenue pledge of and first lien on the district's tuition and fees, rental and contract revenues, interest earnings, and other certain operating revenues.

ANALYTICAL CONCLUSION

IDR ANALYTICAL CONCLUSION

The 'AA' IDR reflects Fitch's expectation of the highest level of operating flexibility and anticipated financial resilience to be maintained by the district through future economic cycles. This expectation is based on the district's solid expenditure flexibility, satisfactory revenue-raising ability and a high reserve cushion, balanced against Fitch's expectation of weak long-term revenue growth prospects. Fitch expects the long-term liability burden to remain low as regional capital and debt needs should remain balanced against further population and income gains.

DEDICATED TAX ANALYTICAL CONCLUSION

Fitch maintains the 'AA-' pledged revenue bond rating and Stable Outlook despite significant, one-year revenue loss given the robust resiliency cushion of the debt structure that is expected to be preserved. Fitch expects stagnant post-pandemic growth prospects for pledged revenues, absent policy action. Underpinning the lower 'AA-' rating is the narrower base and largely downward volatility of pledged revenues in recent years. However, Fitch recognizes the district's ability and mandate to increase or add new pledged revenues if needed; management expects to internally maintain debt service coverage at a threshold well above the 2.0x ABT. Residual revenues, net of debt service, fund general operations, therefore, the rating is capped at the district's 'AA' IDR.

Economic Resource Base

Pima County has a population of roughly one million and is home to Tucson, Arizona's second largest city. The county's diverse economy features higher education, healthcare, government, technology, tourism and manufacturing as primary anchors. The top 10 taxpayers represent retail, healthcare, utility and mining sectors and comprise a modest 7% of total fiscal 2021 taxable value.

KEY RATING DRIVERS

Revenue Framework: 'a'

Fitch believes the district's revenue growth prospects remain largely flat and below inflation, improving from a historical downward trajectory. This is based on Fitch's expectation of further moderate tax base expansion (property taxes provide at least half of the district's total operating revenue) and some enrollment traction post-pandemic due to the future expansion of workforce programs tied to local employers. The district's ability to independently increase operating revenues is satisfactory.

Expenditure Framework: 'aa'

The natural pace of spending will likely exceed the flat revenue growth projected over time. The district retains solid expenditure flexibility, even after right-sizing in recent years to a declining enrollment trend, due to its ability to further adjust academic programs and labor costs. Expenditure flexibility is also bolstered by modest fixed carrying costs.

Long-Term Liability Burden: 'aaa'

The long-term liability burden is estimated at a low 3% of 2020 resident personal income. Further growth in county population and income levels should remain largely aligned with potential increases in overlapping local government debt, which is the predominant driver of the liability burden.

Operating Performance: 'aaa'

Fitch anticipates the district will maintain the highest level of operating flexibility due to its satisfactory revenue-raising ability, substantial reserve cushion and solid expenditure flexibility. Fitch believes the district is well positioned to address challenges posed by future cyclical downturns.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--For the IDR and pledged revenue bonds: A material and sustained improvement in the district's revenue growth prospects, particularly from a stabilized to modestly growing enrollment trend.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

For the pledged revenue bonds:

--Further, unaddressed pledged revenues declines that materially diminish the current 'aaa' debt service resilience cushion.

For the IDR:

--Material and sustained district tax base declines that would further weaken the district's revenue growth prospects;

--A material and sustained change to its currently solid expenditure flexibility that diminishes the district's high inherent budget flexibility;

--Material erosion of the district's currently high level of financial resilience. This could come in the form of large draws on the district's unrestricted cash and investments to levels inconsistent with the 'aaa' reserve safety margin.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

CURRENT DEVELOPMENTS

District Budgetary Update

After modest enrollment decline in fiscal 2020, Pima County Community College saw fiscal 2021 full-time equivalent students (FTEs) enrollment fall sharply by an atypical 17% to 11,488, largely induced by the pandemic. This outcome was despite the district's shift to provide mostly virtual or otherwise hybrid (a mix of virtual and in-person education) classes over much of the fiscal year as did many other community colleges. Fitch believes this rapid loss of enrollment is likely a one-time occurrence as it is an outlier to the district's flat to modestly declining enrollment trend in recent years that generally runs counter-cyclical to local economic conditions.

Net tuition/fee revenue has historically comprised about 14%-16% of total revenues, but the actual tuition/fee revenue loss of $6.2 million in fiscal 2021 yoy saw that trimmed to 11%. To counter the year's revenue loss, the district eliminated or delayed budgetary spending (total spending declined about 4% yoy in fiscal 2021) and utilized a portion (about $9 million) of its federal stimulus dollars received as revenue replacement. Moderate growth in local property taxes and state funding also buffered general operating performance. In total, these measures generated a strong 11.7% operating margin and preserved a robust $180.5 million unrestricted cash and investments position, equal to approximately 97% of spending at audited fiscal 2021 YE (June 30), well above Fitch's 'aaa' reserve safety margin. Overall, the district's revenue decline in fiscal 2021 was lower than the revenue losses suggested in the baseline and downside scenarios by the Fitch Analytical Stress Test (FAST) model, which was adjusted to reflect GDP parameters consistent with Fitch's global coronavirus forecast assumptions.

Nonetheless, the slimmer revenue stream that underpins the district's outstanding pledged revenue bonds is largely comprised of net tuition/fee revenues at about 80%, and this revenue stream took a significant hit in fiscal 2021 from the year's enrollment loss. Pledged revenues dropped by nearly 30% YoY to total approximately $23 million in fiscal 2021. This revenue loss exceeded Fitch's prior expectations and the 20% assumed stress modeled. However, the strong resiliency of the bonds' debt service cushion, due in part to management's prior decision to keep relatively modest leverage levels, allowed the district to withstand the significant loss and retain ample debt service coverage.

For fiscal 2022, the district's roughly $411 million, all-funds budget reflects a sizable yoy increase, primarily from a larger capital (plant fund) budget that focuses on completing certain priority projects. These capital projects, inclusive of planned 2019 bond construction and the aviation facility, will be funded with a mix of unexpended bond proceeds, federal stimulus dollars, and pay-go funding from operational reserves. Fall 2021 semester enrollment was down by a relatively modest 5% as compared with the prior fall 2020 semester, but initial numbers for the current spring 2022 semester reflect some modest yoy stabilization. Operations are running largely in line with budget, and management indicates plans to pull-back some pay-go capital funding and utilize about $6 million in federal stimulus funds to offset any budgeted revenue loss.

Fitch believes the district is well prepared to withstand a period of stress due to its history of maintaining high levels of unrestricted cash/investments (net of bond proceeds and other restricted funds). While recognizing local governments may utilize a portion of their reserve cushion in a period of fiscal stress, Fitch expects the district will continue to maintain the highest level of financial resilience and prudently manage its spending to preserve a financial cushion consistent with the current 'aaa' resilience assessment.

CREDIT PROFILE

The district serves the residents of Pima County, Arizona (IDR AA+). The district operates multiple comprehensive campuses throughout its taxing jurisdiction of the county. County population has expanded by roughly 6% since 2010, comparable with the U.S, but below the state's rate of growth.

District revenues are primarily influenced by local trends, including enrollment and taxable assessed valuation (TAV). Full-time equivalent students (FTEs) peaked in fiscal 2011 during the depths of the Great Recession, but since then a trend of enrollment decline has persisted.

Countywide assessed valuations (AV) have continued to grow at a steady, moderate pace post-recession beginning in fiscal 2015, and continuing that trend, AV grew further by nearly 5% in fiscal 2021 to roughly $9 billion. District management expects additional near-term tax base growth based on current residential construction activity and appreciation of existing properties.

Major southern Arizona employers include the University of Arizona, Raytheon Missile Systems, Davis-Monthan Air Force Base, state and local government, Wal-Mart Stores Inc., Tucson Unified School District, U.S. Customs & Border Protection/U.S. Border Patrol, Freeport-McMoRan Copper and UA Healthcare. Economic recovery is evident from the peak of job losses during the pandemic in a reduced yoy county unemployment rate of 3.2% in November 2021 from 6.4% the year prior.

PLEDGED REVENUE KEY RATING DRIVERS

Flat Growth Prospects for Pledged Revenues: Fitch anticipates essentially flat future pledged revenue growth post-pandemic, aided by expected enrollment stability from the expansion of the district's workforce, vocational, and technical programs.

Sound Resilience: Pledged revenues are highly resilient and provide a strong debt service cushion even after the significant fiscal 2021 revenue loss. Fitch recognizes the district's ability and mandate to increase or add new pledged revenues if needed; management expects to internally maintain debt service coverage at a threshold well above the 2.0x ABT. District management currently has no plans to further leverage the pledged revenues.

PLEDGED REVENUE GROWTH PROSPECTS

Although a more modest portion of the district's overall operating revenues, tuition and fees provide the majority of pledged revenues at roughly 80%. Steady enrollment loss since counter-cyclically peaking during the Great Recession has led to a trend of modest to moderate annual declines in pledged revenues. The sharp 17% FTE student enrollment loss that occurred in fiscal 2021 appears to Fitch to be an outlier; the 10-year revenue CAGR hovered under -1% in the two preceding fiscal years. Also, the estimated $29.3 million in fiscal 2022 pledged revenues at year-end reflects a respectable one-year rebound with a roughly 4.5% yoy gain.

Given the district's enrollment history and despite some modest pledged revenue growth over fiscals 2019-2020, Fitch believes natural pledged revenue growth prospects (absent management action to periodically increase tuition and fees) remain stagnant. This is underpinned by Fitch' expectation of potential for stability and perhaps some strengthening in enrollment given the district's expanding technical and skill training workforce contracts with local employers in a growing local economy.

RESILIENCY OF PLEDGED REVENUES

To evaluate the sensitivity of the pledged revenue stream to cyclical decline, Fitch considers both a revenue sensitivity scenario and the largest decline in pledged revenues over the period covered by the revenue sensitivity analysis. Fiscal 2021 pledged revenues that totaled approximately $28 million reflect a 30% yoy decline, although Fitch believes this significant decline due to the rapid loss of enrollment over the pandemic is not likely to be repeated.

Nonetheless, Fitch estimates the fiscal 2021 pledged revenues could decline by about 85% before reaching 1.0x coverage of current maximum annual debt service (MADS; $4.35 million in 2022). This cushion is 2.8x the now largest historical cumulative revenue decline of 30% realized in fiscal 2021.

Enhancing the 'aaa' resilience assessment is Fitch's recognition of the district's ability and mandate to increase or add new pledged revenues if needed. Management expects to internally keep a higher debt service coverage cushion at a 4.0x threshold, well above the 2.0x ABT, which aligns with the support residual revenues provide to operations and management's lack of further leverage plans currently.

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
Pima County Community College District (AZ)	LT IDR	AA Rating Outlook Stable	Affirmed	AA Rating Outlook Stable
Pima County Community College District (AZ) /Combined Fee Revenues/1 LT	LT	AA- Rating Outlook Stable	Affirmed	AA- Rating Outlook Stable
Pima County Community College District (AZ) /Issuer Default Rating/1 LT	LT	AA Rating Outlook Stable	Affirmed	AA Rating Outlook Stable

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

U.S. Public Finance Tax-Supported Rating Criteria (pub. 04 May 2021) (including rating assumption sensitivity)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

FAST Econometric API - Fitch Analytical Stress Test Model, v3.0.0 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Pima County Community College District (AZ)	EU Endorsed, UK Endorsed

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US Public Finance   Infrastructure and Project Finance   North America   United States