



# Financial Overview and Budget Discussion

Pima Administrative Council

September 30, 2021

Presented by: Dr. David Bea

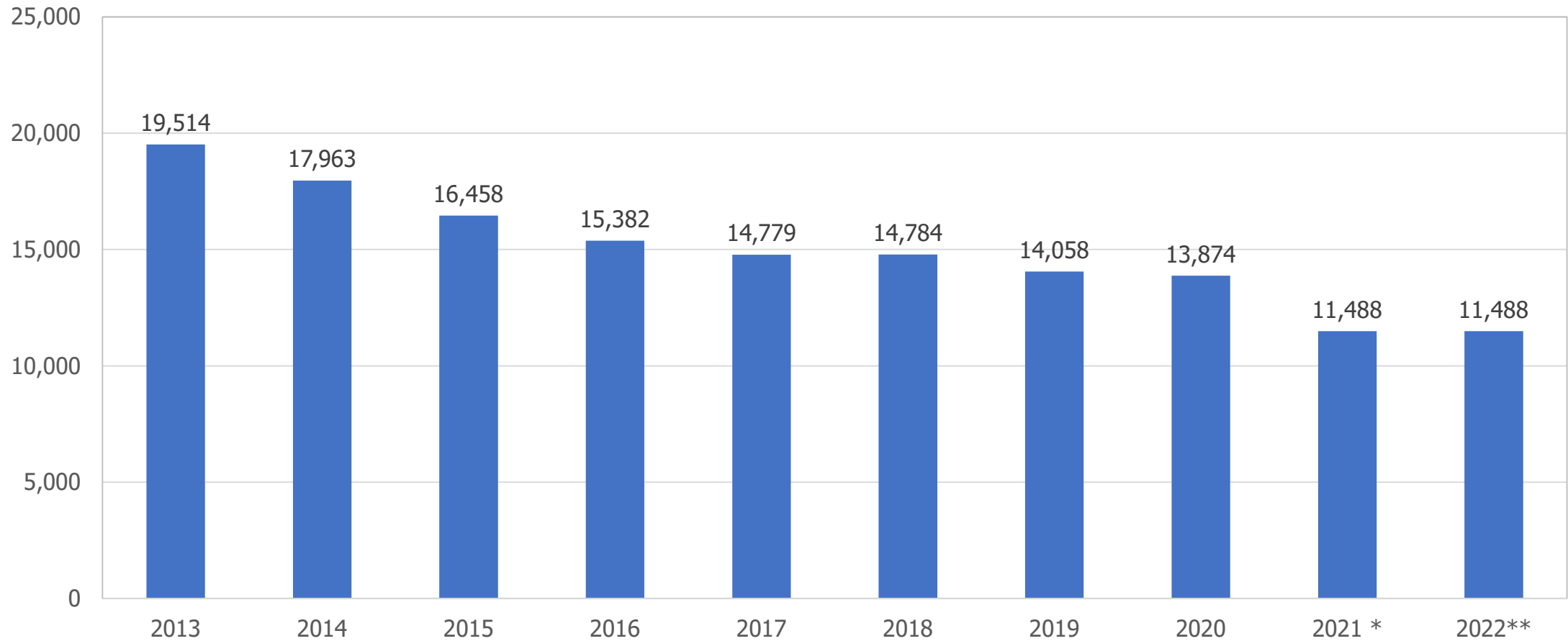


PimaCommunityCollege

# Financial Overview

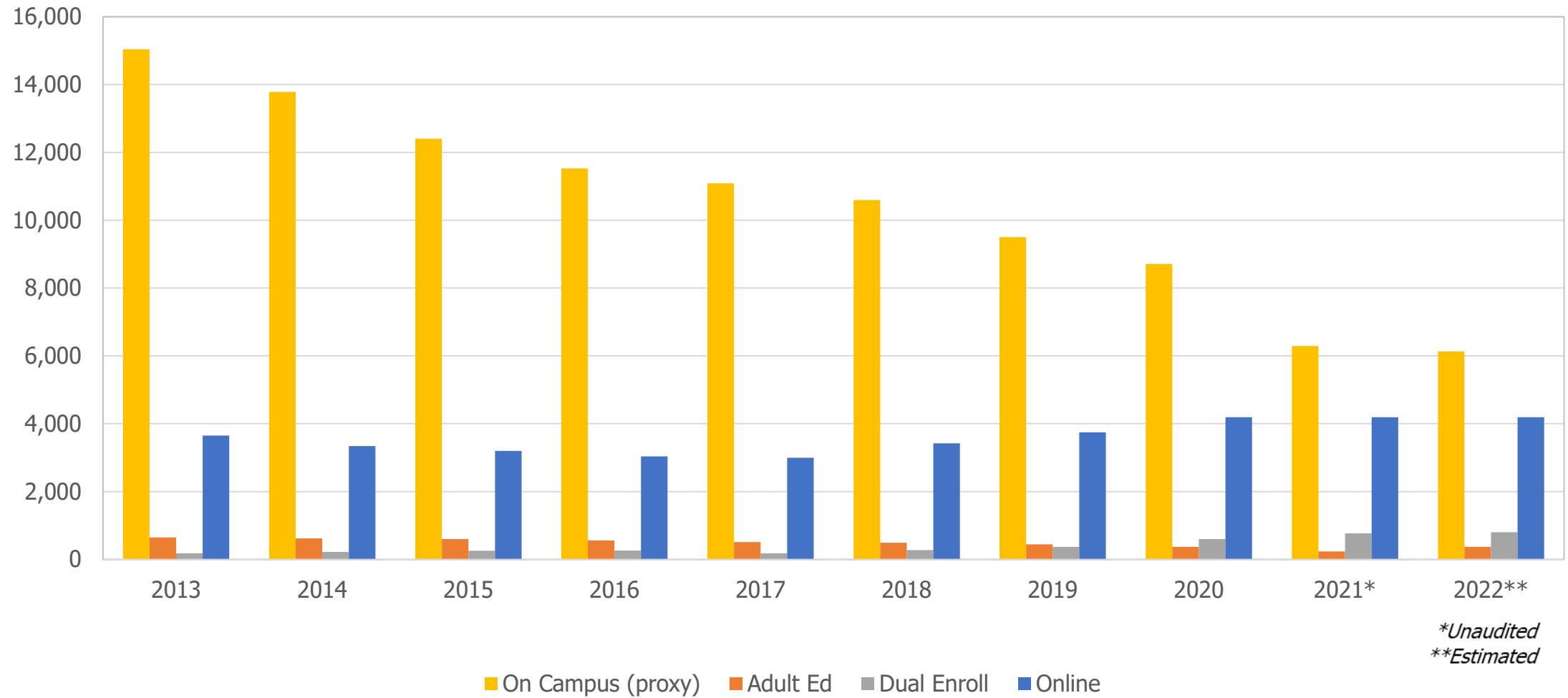
- Good News
  - Prop 481
  - Prop 207
  - Tax Levy Capacity
  - State Aid
  - Federal Support
- Bad News
  - Enrollment
  - Tuition
  - Onsite Revenue
  - Continued Inefficiencies
    - Staffing
    - Scheduling
    - Infrastructure

# FTSE, FY 2013 – FY 2022

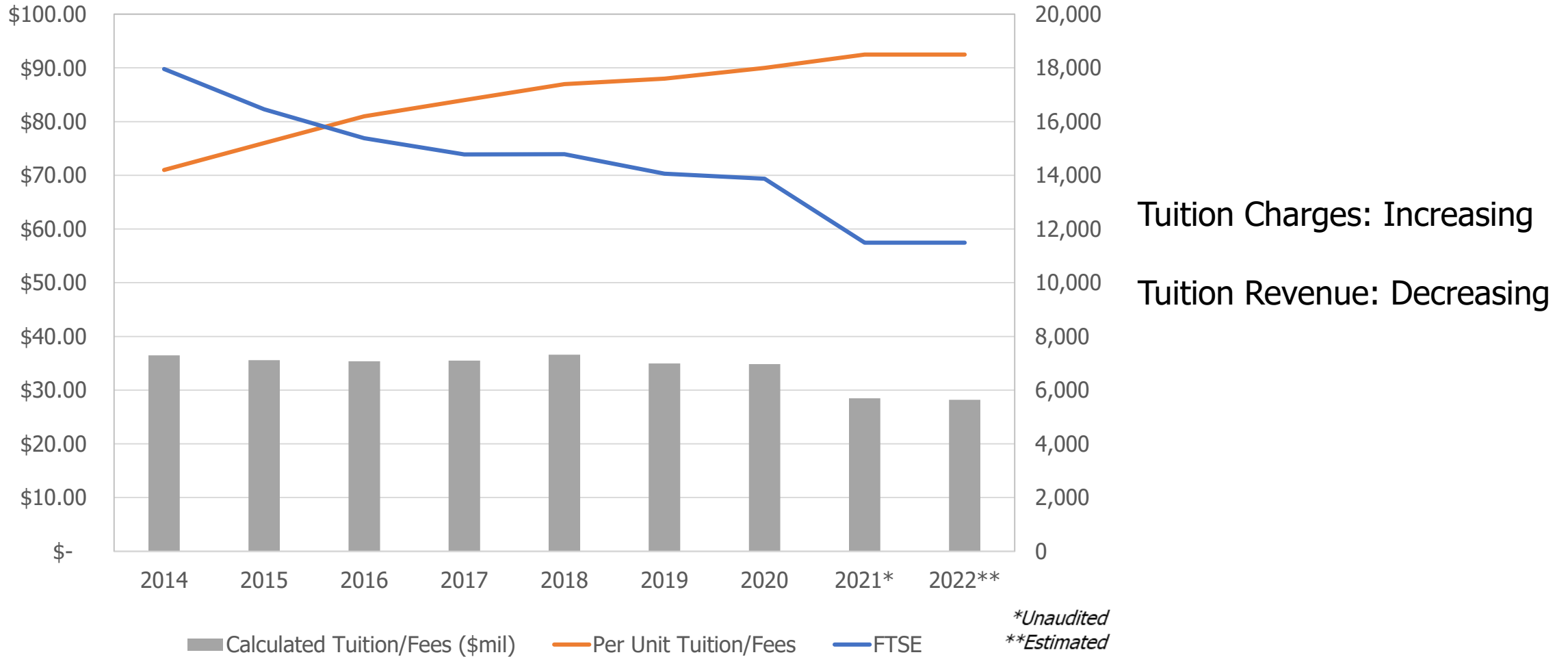


*\*Unaudited*  
*\*\*Estimated*

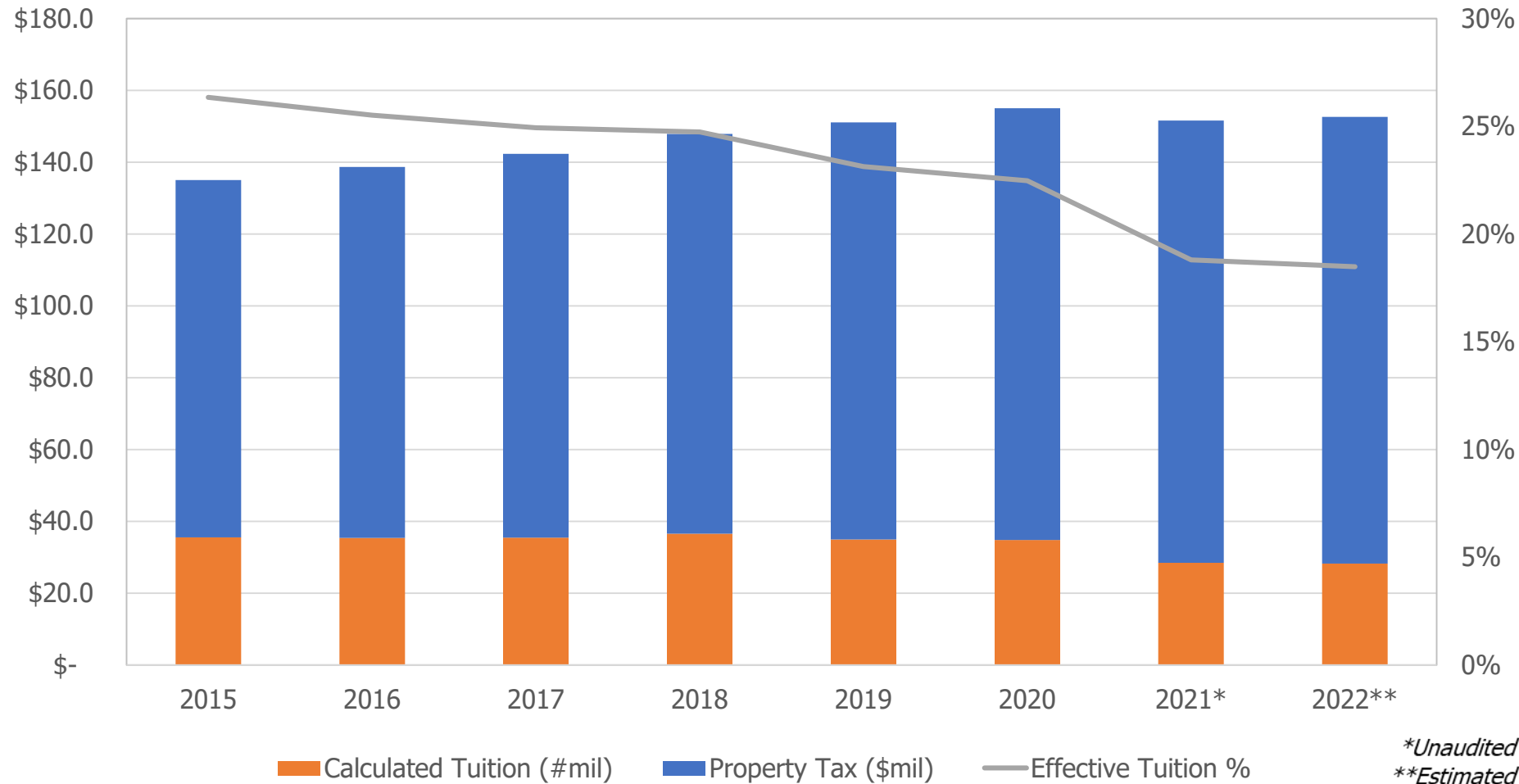
# FTSE by Delivery Method, FY 2013 – FY 2022



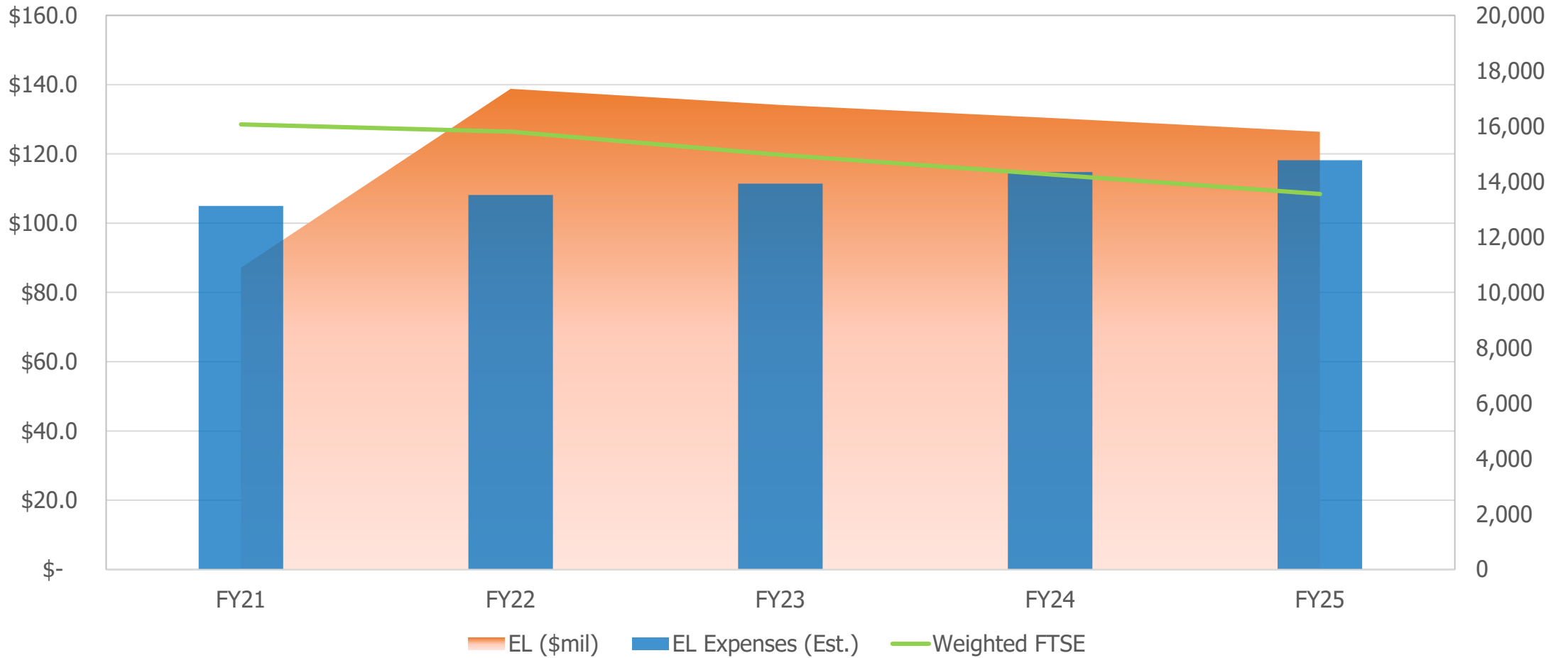
# Declining FTSE = Declining Revenues



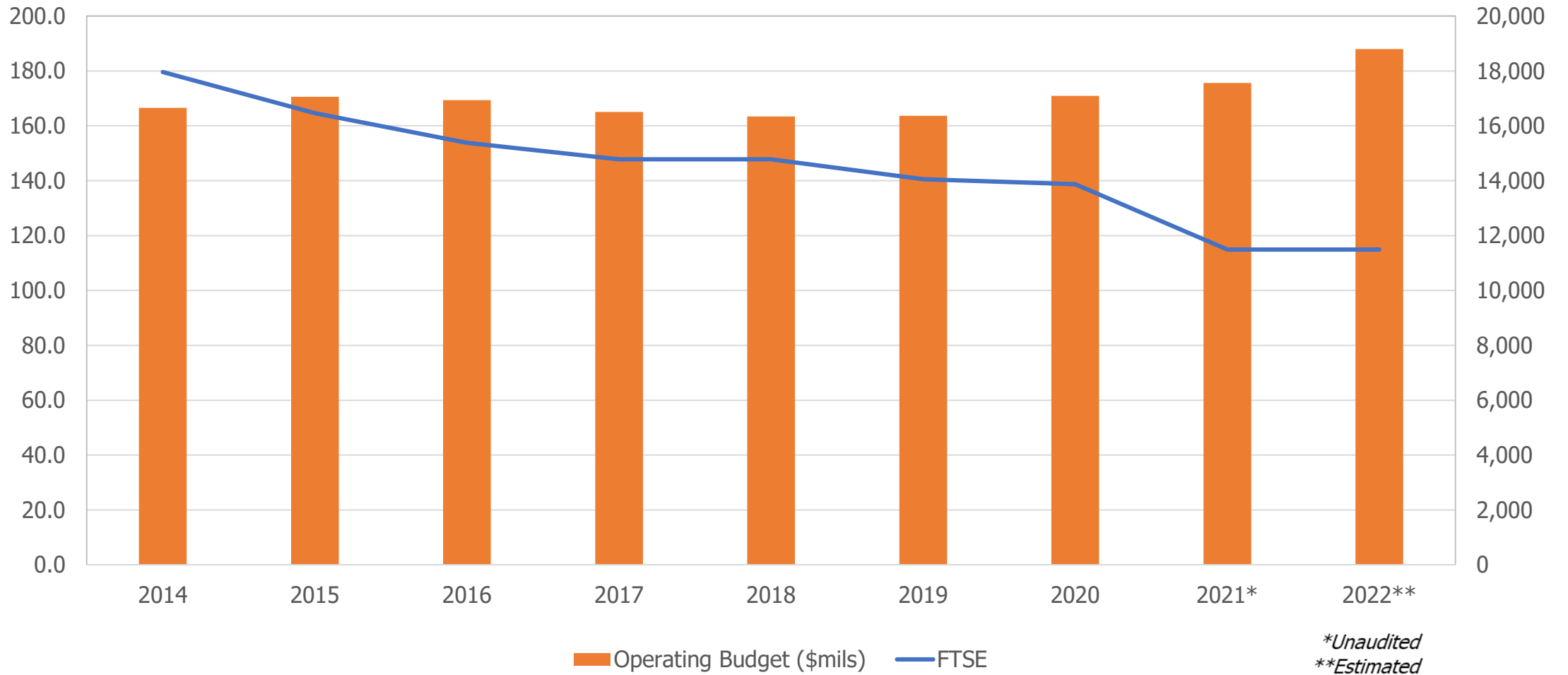
# Primary Revenue Sources/Two-Legged Stool?



# Expenditure Limitation (EL) Projection (Flat enrollment, 3% expenditure growth)

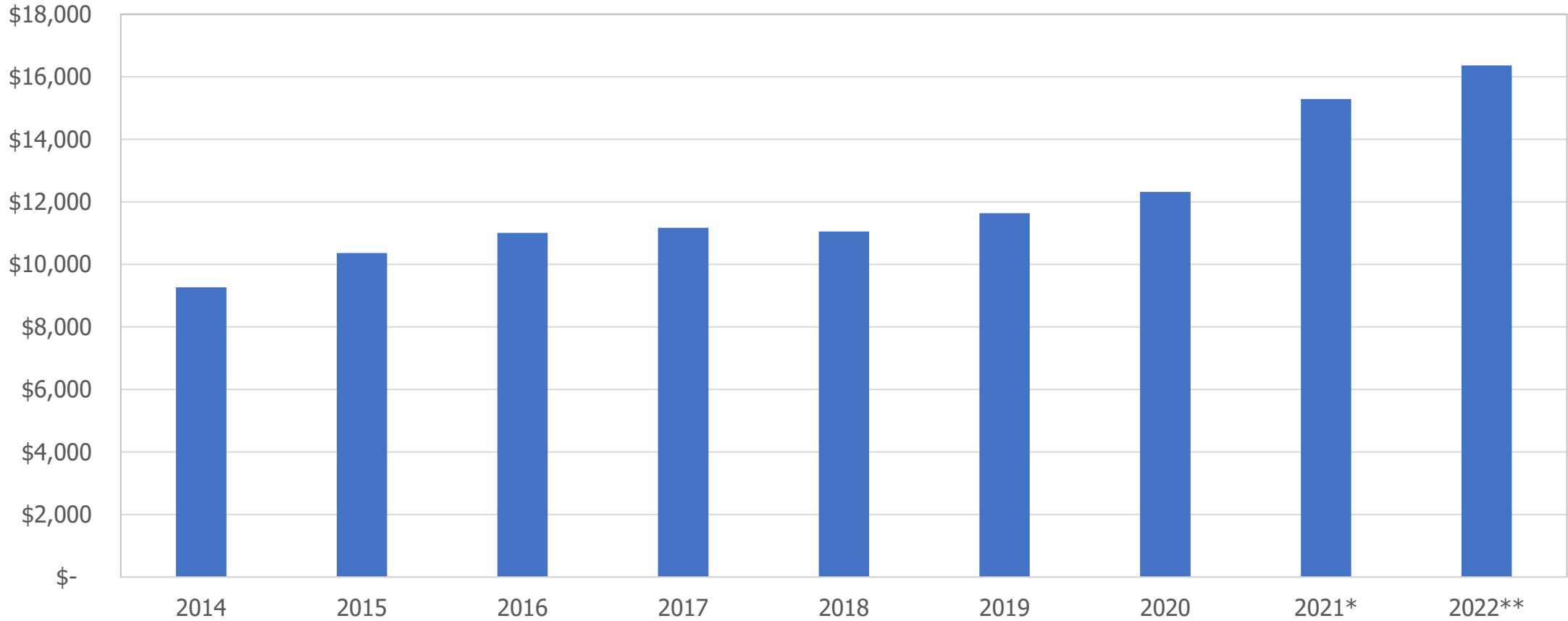


# Operating Budget vs. FTSE



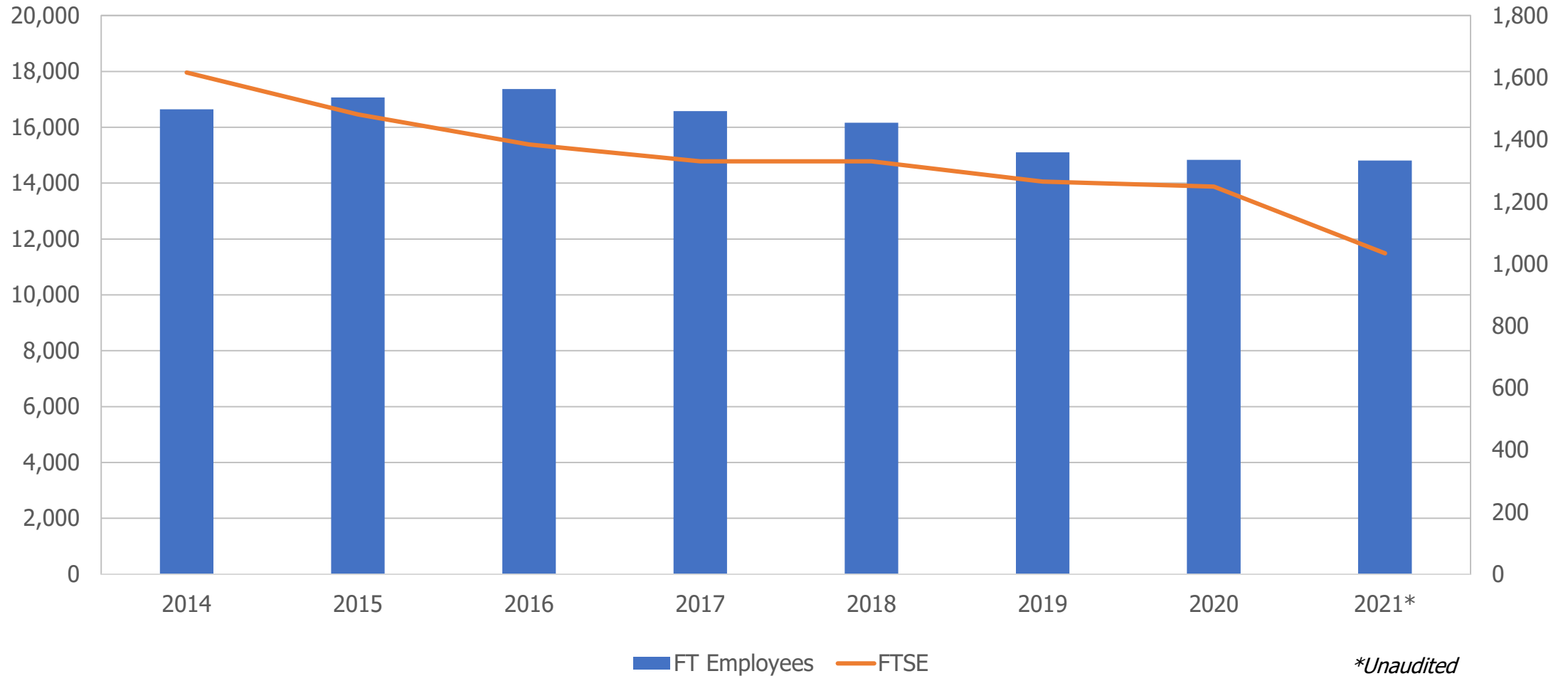


# General and Designated Funds Budget per FTSE



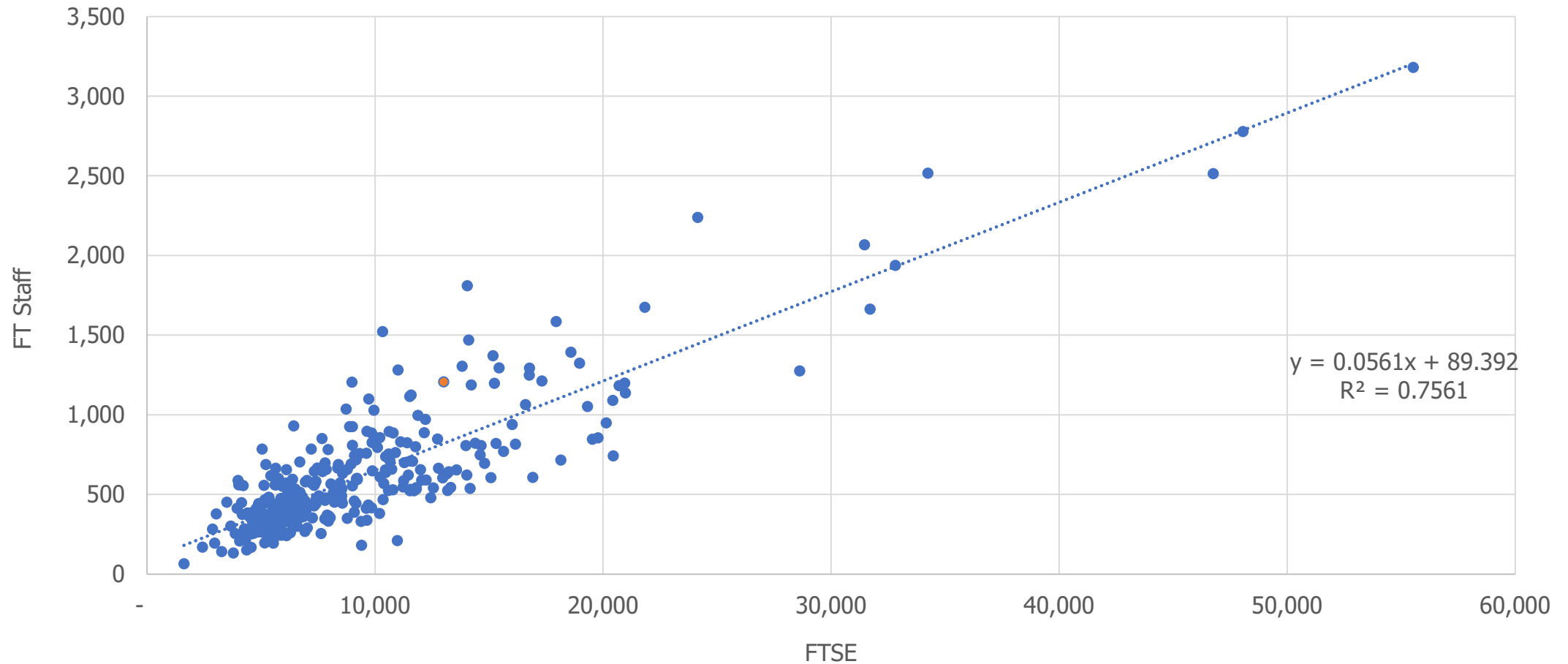
*\*Unaudited*  
*\*\*Estimated*

# FTSE vs. Full Time Employees



# Benchmarking Staffing

2018-19 IPEDS Full Time Staffing vs. Full Time Equivalent Students (334 2-year Colleges)



# Benchmarking Staffing - Summary

- 2019 Full Time Staffing Data
  - Average Ratio: 16.3 FTSE per staff
  - PCC Ratio: 10.8 FTSE per staff
    - 293<sup>rd</sup> of 334
  - ~400 higher than Regression line
  - ~530 higher than Regression line for current enrollment level

# Expense Requests

**Bowen's Law: "No limit to the amount of money an institution could spend for seemingly fruitful educational needs"**

- Class/Comp
  - Labor market challenges/Hard to fill positions
  - Expectations
- Digital Fluency
  - Hot spots/student technology
  - Integrated classroom technology (HyFlex, rapidly/constantly changing technology, etc.)
- Food Pantry
- New Program Support
- Childcare
- Bus Passes
- Free Performances
- Athletics
- Free Success Support Courses
- Increased Advisors
- Elimination of Deletions for Non-Payment
- Sustainability/Environmental Impact/Energy
  - EV charging stations
  - Fountains
- Current Educational Technology
- Program Review/Elimination
- Classroom Funding
  - Course fill rates
  - Class caps
  - Release time
- Low Tuition
- Food Service



# Next Steps and Discussion

- Communications
- Timeline
- Data
- Cost Savings and Opportunities for Reallocation

# Communications

- Leadership Groups
  - ELT: 8/31; 9/21; 10/4; monthly
  - Deputies: 9/14
  - PAC: 9/30
- Governance and Other Committees
  - Staff Meetings
  - Staff Council (monthly)
  - Faculty Senate
  - AERC
  - Governing Board Study Sessions
  - Finance and Audit Committee
- Budget Forums (typically January/February)

# Timeline

- September and October
  - Preliminary conversations
- November
  - Class/comp data received
  - Budget calendar presented to Governing Board
- December
  - Study Session (outlook and metrics)
- January
  - Presentation of the Comprehensive Annual Financial Report to the Governing Board
- February
  - Property tax information received from County
  - Budget Forums
  - Course fees presented to Governing Board
  - Governing Board Study Session (tentative)
- March
  - Tuition & Service Fees to Governing Board
- April
  - Salary discussions
  - Employee benefits to the Governing Board
- May
  - Preliminary budget to Governing Board
- June
  - Public Hearing and Special Meeting to adopt the budget and set property tax rates and levies





# Data

- Typical

- Enrollment
- Arizona community college tuition, property tax, and salary info
- Financial metrics
- Classroom funding model
- Positions
  - Administrator (Director)
  - Faculty (Staff Instructor)
  - Staff

- Additional

- Class/comp
- Vacancies
- Division/Academic Ratios
  - Class caps/fill rates
- Staffing Ratios
  - Full time faculty to FTSE (50:1)
  - IPEDS
  - Arizona community college data
  - Management/FTSE;  
Management/Employees



# Cost Savings and Opportunities for Reallocation

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**/// Keep striving.**