

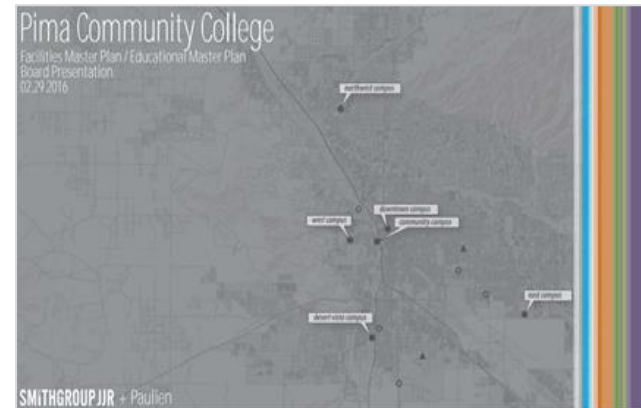
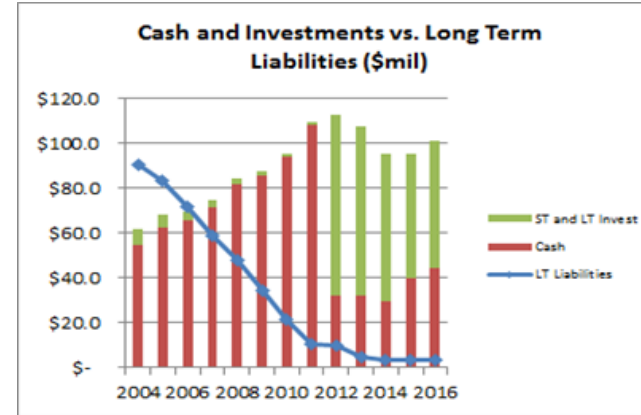
PCC Budget Development: An Overview for Department Heads and Coordinators

August 9, 2017

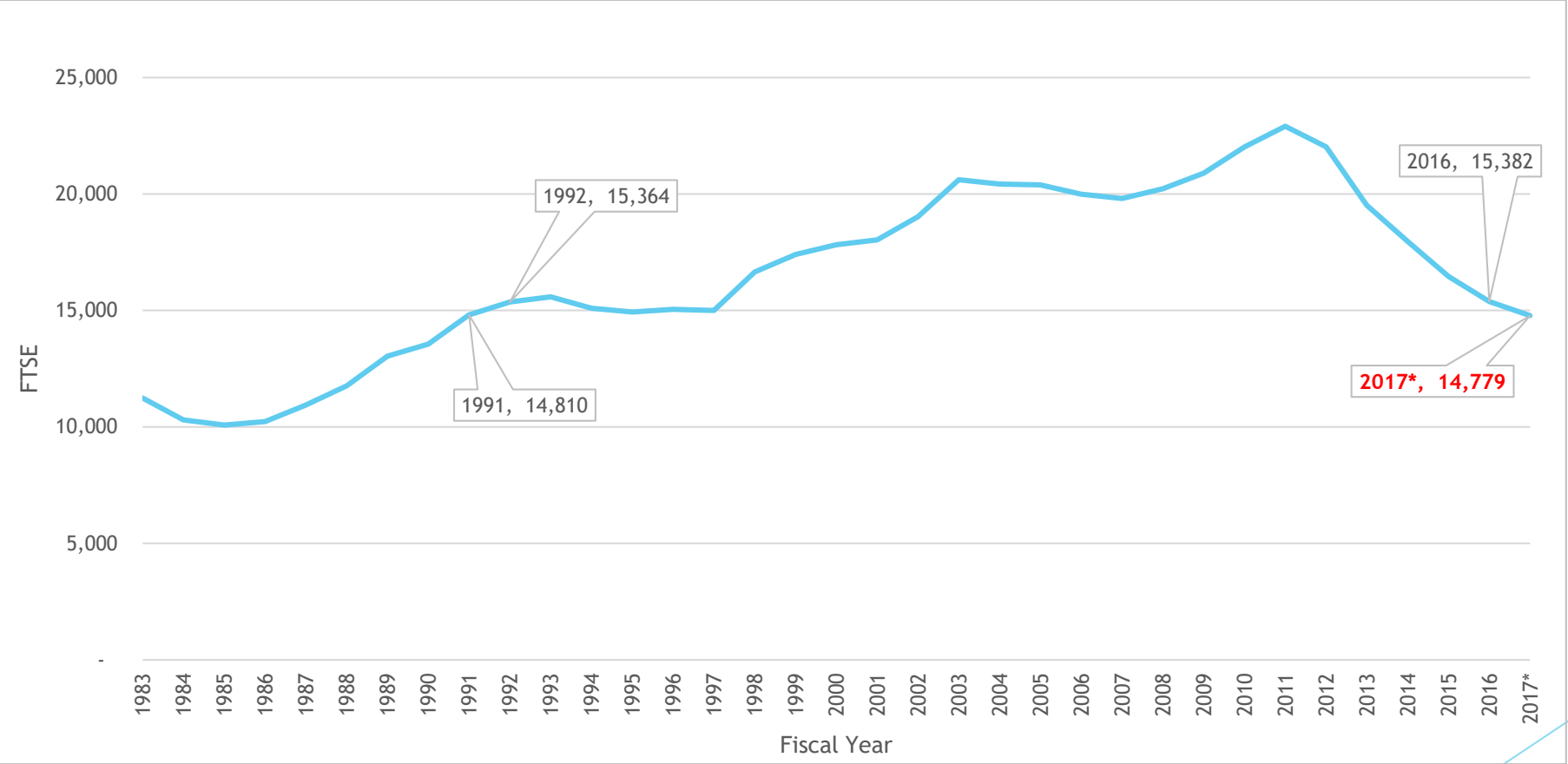
Presenter: Dr. David Bea

Foundational Elements

- Stewardship and Financial Health
 - Indicators
 - [Financial and Operational Health Metrics](#)
 - Enrollment Trends
- College Business Model
 - [Expenditure Limitation](#)
 - Revenue Source Realities
 - Competition
 - Cost Drivers
- Future Needs
 - [Educational Master Plan](#) and Strategic Reinvestment
- Other Organizational Challenges

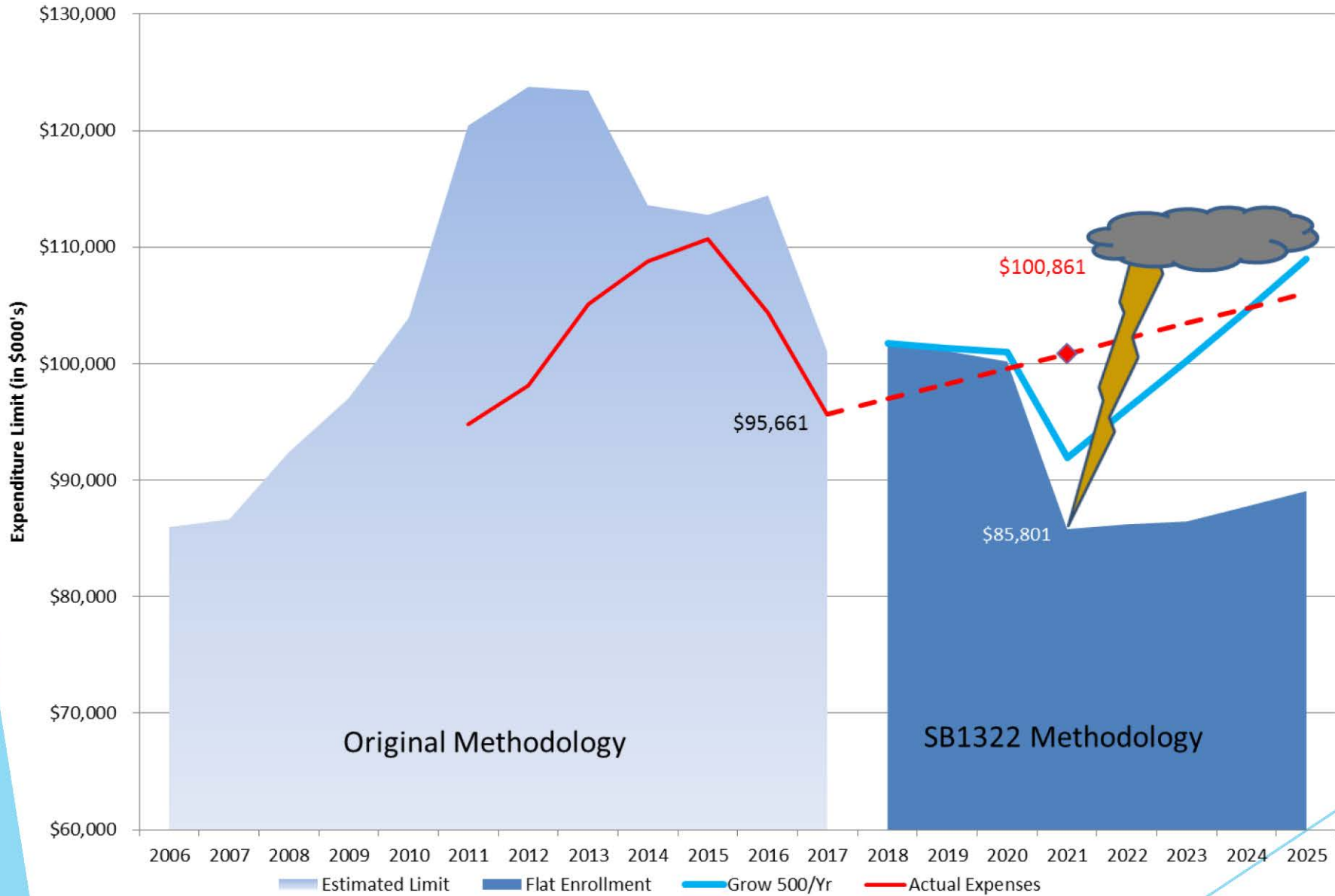


Enrollment Trends - PCC FTSE



*Unaudited FTSE

Expenditure Limitation Projections



Budgeting is a Balance of...

- Tuition and fees
- Personnel
 - Benefits
 - Salaries
 - Staffing targets
- Contractual services
 - Debt service
 - Utilities
 - IT software, licensing, and maintenance
 - Property insurance and general liability



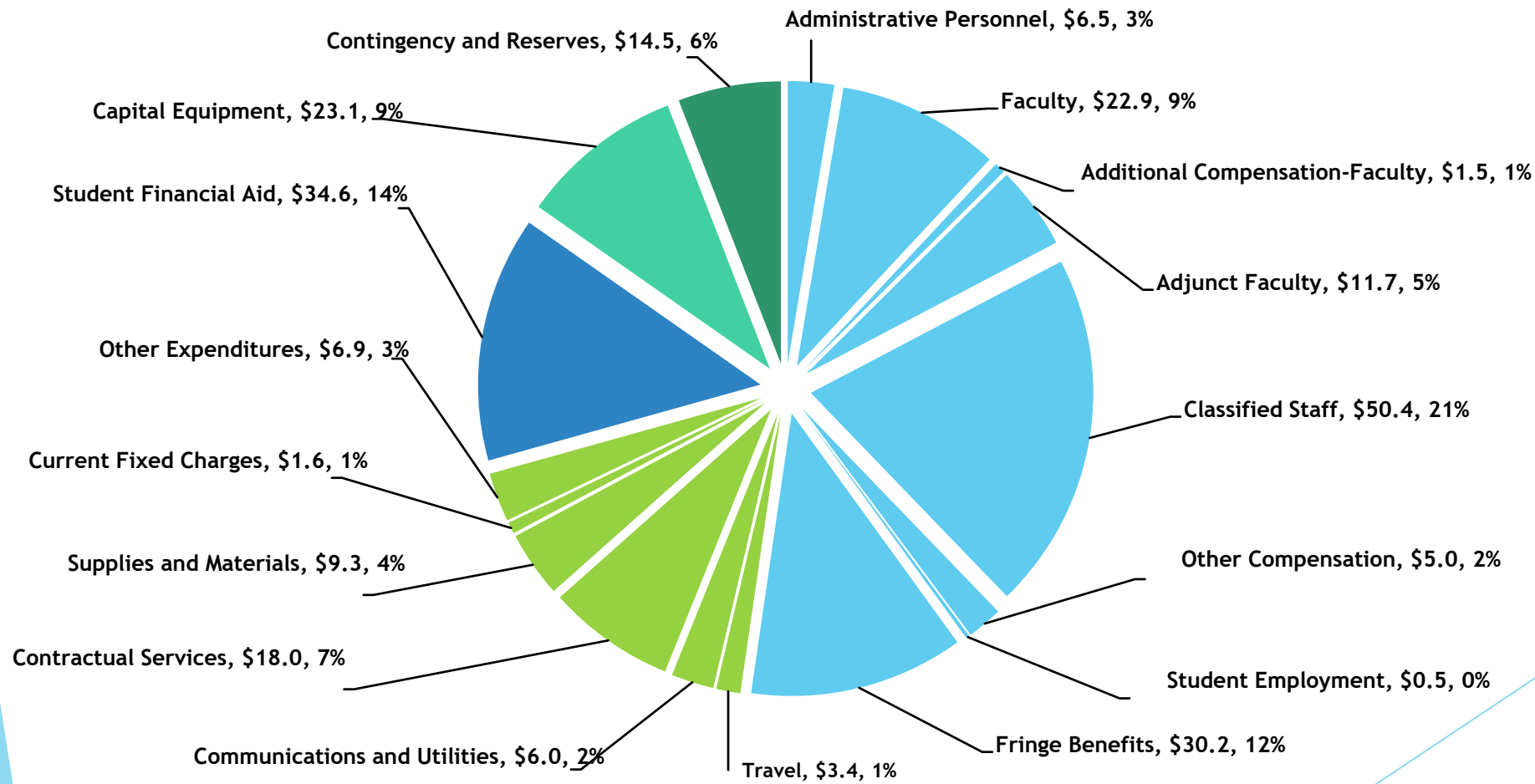
Budget Development Activities

- Information sessions with students, faculty, staff, and the community
- Feedback mechanisms through surveys
- Series of Governing Board decisions to define budget parameters
- Unit budget development
- Process will begin earlier for Fiscal Year 2018-2019

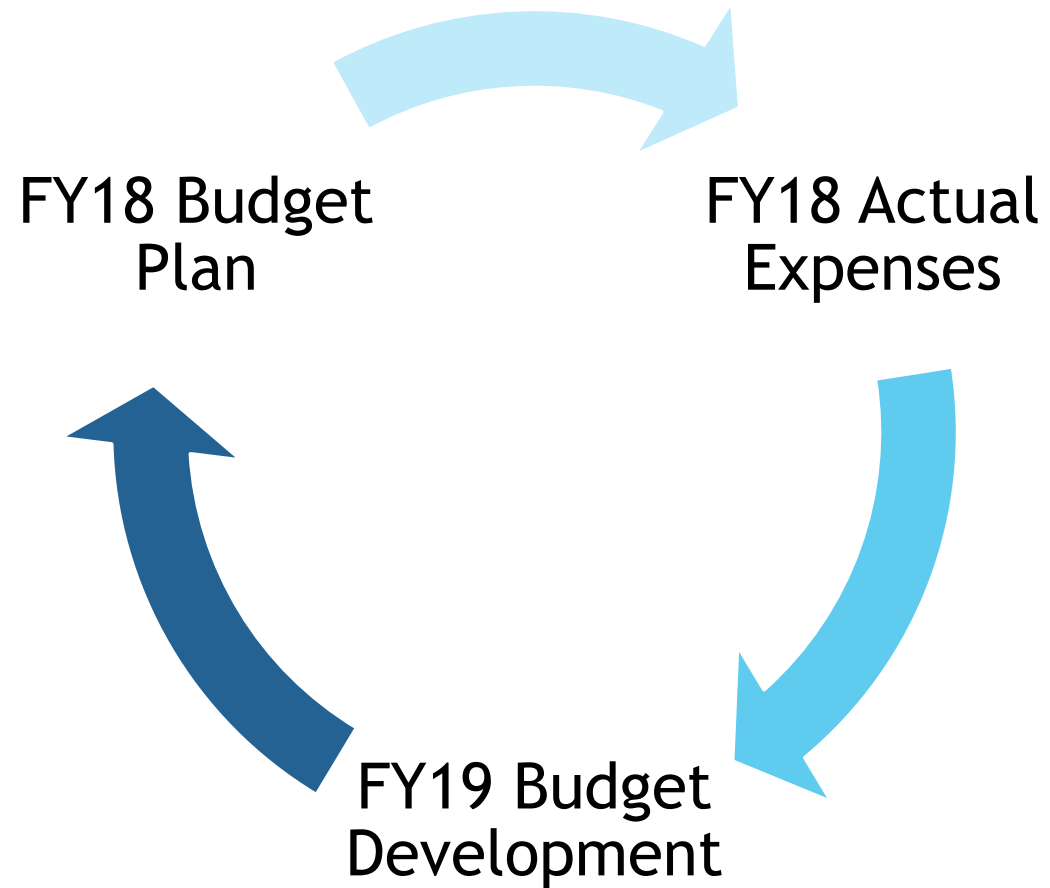
FY 2018 Budget Expenditure Priorities

- Employee Benefits: No increase or decrease expected
- Contractual Obligations: \$1.4 million increase
- Wages: 2.5% increase to salaries and wages
- Marketing and Enrollment Initiatives: \$0.5 million increase
- Debt Service
 - Lease Financing: \$1.7 million increase for IT and various capital project equipment
 - Implementation of the Educational and Facilities Master Plans: \$3.6 million increase for debt service (based on \$45.0 million in revenue bonds)
- Operational/Position Reductions
 - Closure of Existing Vacant Positions: \$6.3 million decrease

FY 2017-2018 Budget Expenditures, \$246.1 million (all funds, in \$ millions)



Planning Cycle



Reorganization and the Budget

- Reorganization allows for College-wide management of funds
- Designated funds created for each Division
- Funding allocated based on a three year weighted average of expenditures
- Dean of each Division is responsible for managing their own budgets through oversight of:
 - Course scheduling
 - Daily operations
 - Personnel
 - Wages and fringe benefits
 - Adjunct Faculty Funding Allocation



Adjunct Faculty Funding Allocation

- Also known as AFFA
- Used to fund adjunct faculty compensation for each Academic Division
 - Cost per load hour (increased to \$820 beginning in FY18)
 - 9% fringe benefits
- Evaluated annually based on FTSE and costs from previous Fiscal Year

Resources

Presentations

- [Fiscal Year 2017-2018 Budget Adoption and Truth in Taxation](#)
- [College Budget](#)
- [Expenditure Limitation](#)
- [Business Acumen](#)

Training

- Extensive training on AFFA and Division budgets will be scheduled soon

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to dark navy blue. These shapes are primarily located on the left and right sides of the frame, creating a modern, dynamic feel. The central area is a plain white space.

Questions?