

Clark College

Board of Trustees Work Session Packet

Wednesday, May 24, 2023, at 3:30 pm

[Zoom Meeting Link](#)

Meeting ID: 864 7431 5430

Passcode: 482408

Dial in: 1 (253) 215 8782

Physical Location:

Gaiser Hall, Room 213

Board of Trustee Work Session Packet, May 24, 2023, at 3:30 PM

- I. Call to Order/Agenda Review – Chair Speer

- II. Clark College S&A Fee Budget
Presented by ASCC Finance Director David Mirenta

- III. Clark College Budget
Presented by Vice President of Operations Sabra Sand

- IV. Public Comment – Chair Speer
Public comment will be limited to two minutes each.

- V. Adjournment – Chair Speer

Clark College S&A Fee Budget 2023-2024

David Mirenta
ASCC Finance Director

Budget Overview

- Total requested amount: \$2,325,158
- Approved amount total: \$2,067,065
- Available funding: \$1,397,001
- Start of year fund balance: \$644,849
- Fund balance allocated: \$199,901
- Remaining fund balance: \$426,718

Changes

Credits	2022-2023 Max S&A Fee	2023-2024 Proposed Rates (20-21 Max S&A Fee)	2022-2023 Current Rates (10-11 Max S&A Fee)	Difference
1-10	\$12.25	\$11.62	\$8.60	\$3.02
11-18	\$7.11	\$6.75	\$4.20	\$2.55

- Increase the current per credit S&A fee to the 2020-2021 fee rate.
- Utilized \$199,901 of the fund balance to support activities, as well as the revenue shortfall.

Changes cont.

- Increased the student travel limit from \$1,500 to \$1,800 per student per trip for transportation, meals, and lodging for the 2023-2024 fiscal year. Overall cost of travel is increasing, so the amount provided per trip was adjusted to reflect this increase.
- Large increase in Athletics Coaches budget to support an Athletic Trainer

Changes cont.

- Counseling & Health – Wage increases for Nurse Practitioner and .8 Counselor
- Increase in Women's Athletics to support costs of travel, officials, and Goods & Services due to the women's soccer team moving to the west region.

Changes cont.

- Child & Family Studies – Increased student employment wages to support childcare
- Student Government – Reduction in student wages based on past spending
- Student Life – Wage increases and support of Fiscal Specialist Role

Conclusion

- We looked at the previous year's budget for each of the programs. We also looked at Pre-Covid program budgets to get an estimate of what the spending would be.
- We had to make use of the fund balance to balance the budget.
- We had to make hard cuts, tough decisions to balance the requested budget as best as we could.

**CLARK COLLEGE
DRAFT 2023-24
Sources of Funds**

	Funded FTE's	2022-23 Base Budget	Funded FTE's	2023-24 Base Budget
STATE ALLOCATION				
General Fund	7,069	\$ 44,118,996	7,069	\$ 48,765,930
University Contracts	17	97,118	-	-
Worker Retraining	194	930,948	194	930,948
	7,280	45,147,062	7,263	49,696,878
TUITION				
Tuition - General	3,862	12,865,173	4,219	13,243,441
BAS Tuition	174	1,245,714	160	1,239,520
International	43	329,715	50	337,450
Lost Revenue - CARES		2,161,495		-
	4,079	16,602,097	4,429	14,820,411
OTHER				
Running Start	1,455	11,938,860	1,380	11,493,298
Lost Revenue - CARES		-		-
Use of Fund Balance		4,206,641		3,306,123
DEDICATED FUNDS				
Matriculation Fee		641,067		669,653
Continuing Education Fees		426,300		468,930
Resale Charges		65,413		65,413
Class Fees		1,768,819		1,768,819
Tech Fee		1,141,186		1,072,368
GED Testing Fees		11,045		11,045
Career Center Fees		1,700		1,700
Surplus Sale Revenue		15,326		15,326
Health Occupation Admissions		25,100		25,100
Transcript Services		46,700		46,700
		4,142,656		4,145,054
Subtotal (Operating)		82,037,316		83,461,764
OTHER FUND SOURCES				
Grant & Contracts		4,343,624		4,444,595
Internal Support Services		557,407		337,550
ASCC & Clubs		2,096,235		2,067,065
Bookstore		2,840,911		2,407,245
Parking		477,527		318,577
Auxiliary Enterprises		2,881,891		2,928,529
Student Financial Aid		20,180,780		17,597,550
Capital Projects		61,024,061		58,631,528
Subtotal		94,402,436		88,732,639
TOTAL COLLEGE BUDGET		\$ 176,439,752		\$ 172,194,403

Current year allocation updated with additional state allocation funding

2023 – 2024 Budget Presentation

Board of Trustees ▪ May 24, 2023

Budget Highlights

- Initial projections based on the Governor's budget indicated an **\$8.78** million deficit for 2023-24
- Through significant lobbying efforts by our Board of Trustees and College community, that deficit was reduced to **\$6.4** million.
- **2023-24 projection highlights:**
 - State support FTES: up 350 compared to 2022-23
 - Running Start FTES: down 75 compared to 2022-23
 - Carryforward of deficit: (\$6,368,136)
 - Net increase in revenue: \$4,486,462
 - Net increase in expenses: (\$4,508,998)
 - Budget changes/reductions: (\$3,084,549)
 - Use of Fund Balance \$3,306,123

2023-24 Revenue Projections

Category	Amount	Change
State Allocation	\$49,696,878	↑
General Tuition and BAS	14,482,961	↑
International Program	337,450	↑
Running Start	11,493,298	↓
Dedicated Fees	4,145,054	↑
<u>Use of Fund Balance</u>	<u>3,306,123</u>	↓
TOTAL OPERATING BUDGET	\$83,461,764	↑

2023-24 Expenditure Projections

Category	Increase
Salary increases (cola/wage/classification changes)	\$4,356,312
Salary Increments less turnover	680,470
Healthcare increase	94,925
PER/TRS changes	(216,278)
Earmark changes	(408,829)
Fee account changes	2,398
<u>Budget Changes</u>	<u>(3,084,549)</u>
Total changes in expenditures	\$1,424,449

Finding \$3.08M in Reductions

Budget process and timeline

- Projected FTEs, revenue, and expenditure projections for next year
- Presented to the college the budget outlook for 2023-24 and the process (Recordings available on Clarknet)
- Each EC area submitted reduction proposals equal to 6%
- Four college wide presentations, presenting budget proposal (Recordings available on Clarknet)

Budget Committee:

- Reviewed 60 proposals
- Prioritized into 3 primary categories based on risk assessment
- Made recommendations to EC on which proposals to move forward

Executive Committee (EC):

- Reviewed Committee recommendations
- Evaluated all proposals and determined which to move forward

The Budget Committee and EC Identified reductions of \$3,084,980

Guiding Principles

EC's decision making was guided by:

- Keeping equity at the forefront
- Taking a holistic view of the budget and moving away from silo approach
- Making strategic choices for the future of the college
- Looking at how to get out of deficit mode and into new phase of stability and expansion
- Reducing only vacant positions

Budget Proposals

- **Budget divided into personnel and non-personnel**
- **Vacant position reductions:**
 - Eliminate 4 vacant Tenure lines
 - Eliminate 1 vacant and 1 partial Exempt position
 - Eliminate 5 vacant Classified positions
 - Reduce part time hourly funds
 - Reduce part time faculty pool
 - Reduce healthcare pool

Total reductions - \$2,773,246

Budget Proposals

- **Non-Personnel Reductions:**

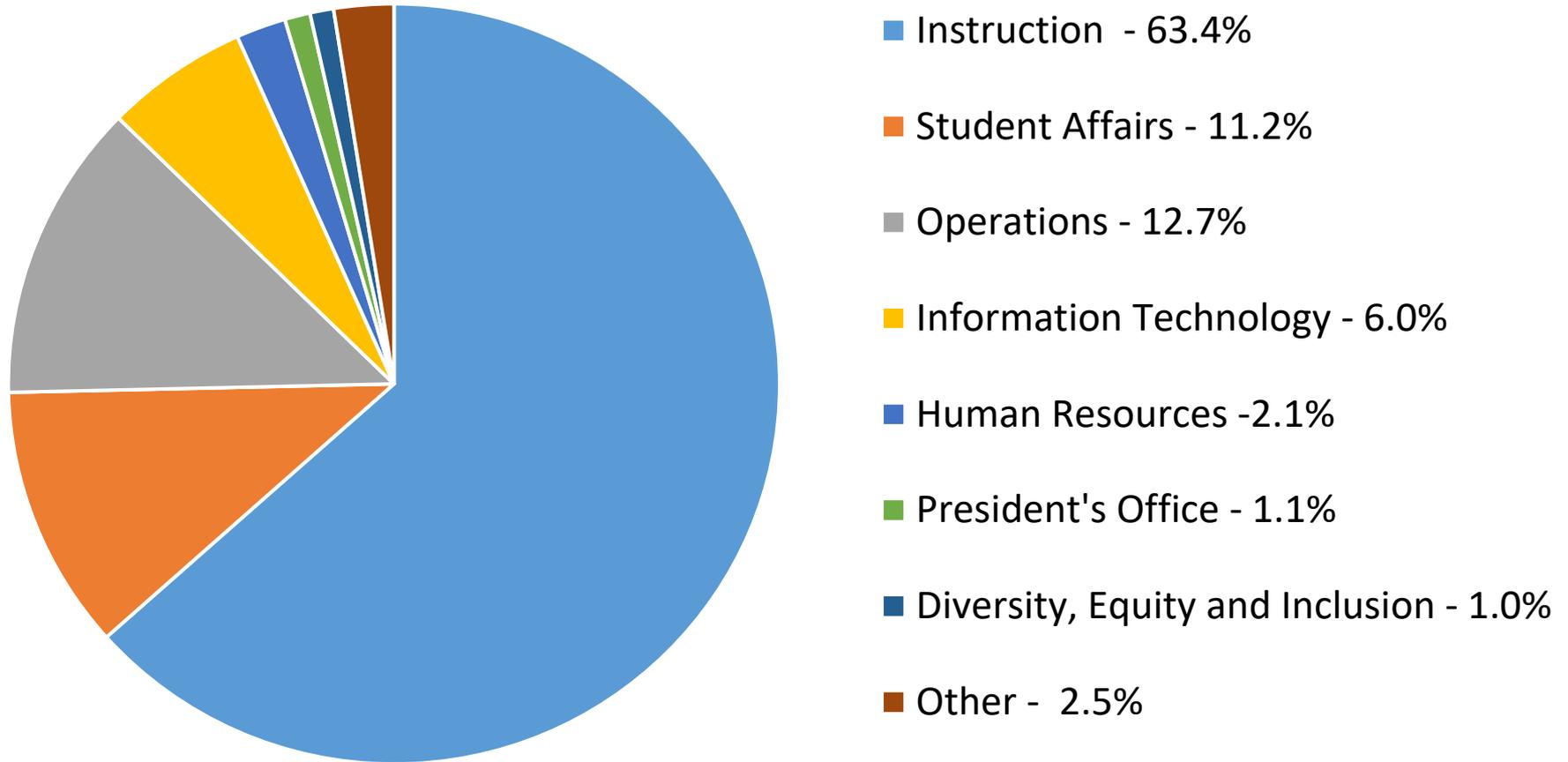
- Reduce travel, goods and services, and printing
- Move supplies expenses to fee accounts

Total reductions - \$344,199

- **Shift partial funding for position to other sources: \$99,895**

- **Fund a portion of the Associate Vice President of Planning & Effectiveness:
\$132,791**

Draft Operating Budget Distribution



Fund Balance

CLARK COLLEGE Cash Balances as of July 1, 2022

	Cash Balance 6/30/22	Cash Balance (minus dedicated cash & liabilities) 6/30/22	Required Reserves	Prior Commitments (prior to 7/1/22)	New Commitments (2022/23)	Total Available Cash
145/146 Grants and Contracts*	16,599,458	15,440,658		-	4,206,641	11,234,017
147 Local Capital	54,211	-				-
148 Dedicated Local	4,635,765	74,322		-		74,322
149 Operating Fee	202,721	62,729				62,729
448 Print/Copy Machine	117,011	99,753				99,753
460 Motor Pool	109,149	108,192				108,192
522 ASCC	2,686,439	-				-
524 Bookstore	5,131,068	4,882,186		-		4,882,186
528 Parking	539,331	512,828				512,828
569 Food Service	-	-				-
570 Other Auxiliary Enterprise	1,288,857	482,281		36,315		445,966
790 Payroll (clearing)	(6,848)					-
840 Tuition/VPA*	358,031					-
846 Grants - Fin Aid	(93,381)					-
849 Student Loans	(174,217)					-
850 Workstudy (off-campus)	(115,145)					-
860 Institutional Financial Aid F Reserves**	544,572		8,135,916		-	(8,135,916)
Totals	31,877,022	21,662,949	8,135,916	36,315	4,206,641	9,284,077

Trending Data

FIVE YEAR PROJECTION

	Budget	USING 5 YEARS ACTUAL HISTORY					USING 10 YEARS ACTUAL HISTORY				
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2024/25	2025/26	2026/27	2027/28	2028/29
REVENUE BY SOURCE											
State Appropriation	49,696,878	49,667,205	49,637,550	49,607,912	49,578,292	49,548,690	51,395,474	53,152,127	54,968,821	56,847,608	58,790,610
Tuition	14,820,411	14,574,420	14,332,512	14,094,619	13,860,674	13,630,613	14,634,956	14,451,822	14,270,980	14,092,400	13,916,055
Fees/Excess	4,145,054	3,862,586	3,599,367	3,354,085	3,125,518	2,912,527	3,634,177	3,186,266	2,793,559	2,449,254	2,147,384
Running Start	11,493,298	10,809,383	10,166,165	9,561,222	8,992,277	8,457,187	11,598,322	11,704,306	11,811,258	11,919,188	12,028,103
TOTAL REVENUE	80,155,641	78,913,594	77,735,593	76,617,838	75,556,761	74,549,017	81,262,930	82,494,521	83,844,618	85,308,449	86,882,152
EXPENSE BY CATEGORY											
Salary & Benefits	72,475,092	72,985,425	73,499,352	74,016,898	74,538,087	75,062,947	73,491,463	74,522,088	75,567,166	76,626,900	77,701,495
Goods, Travel, Misc	10,484,767	10,696,615	10,912,744	11,133,240	11,358,191	11,587,687	10,691,447	10,902,201	11,117,110	11,336,255	11,559,720
Equipment	501,905	486,632	471,824	457,466	443,546	430,048	492,653	483,571	474,656	465,906	457,318
TOTAL EXPENSES	83,461,764	84,168,673	84,883,920	85,607,604	86,339,824	87,080,683	84,675,563	85,907,860	87,158,932	88,429,061	89,718,532
Difference - Revenue less Expense		(5,255,079)	(7,148,327)	(8,989,766)	(10,783,063)	(12,531,666)	(3,412,633)	(3,413,339)	(3,314,314)	(3,120,612)	(2,836,380)

What's Next

- Backfilling from fund balance means the College will again have a shortfall next year
- Planning for a stair-step process:
 - Reduce our budget in small amounts over the next few years
 - Utilize fund balance at the same time
- Enrollment's increasing for State-funded FTEs, but mainly in transitional studies:
 - Lower revenue per FTEs
 - Pathways to traditional enrollments important

Questions?

