

BUDGET 101

EXPENSES

Deeper Expense Breakdown



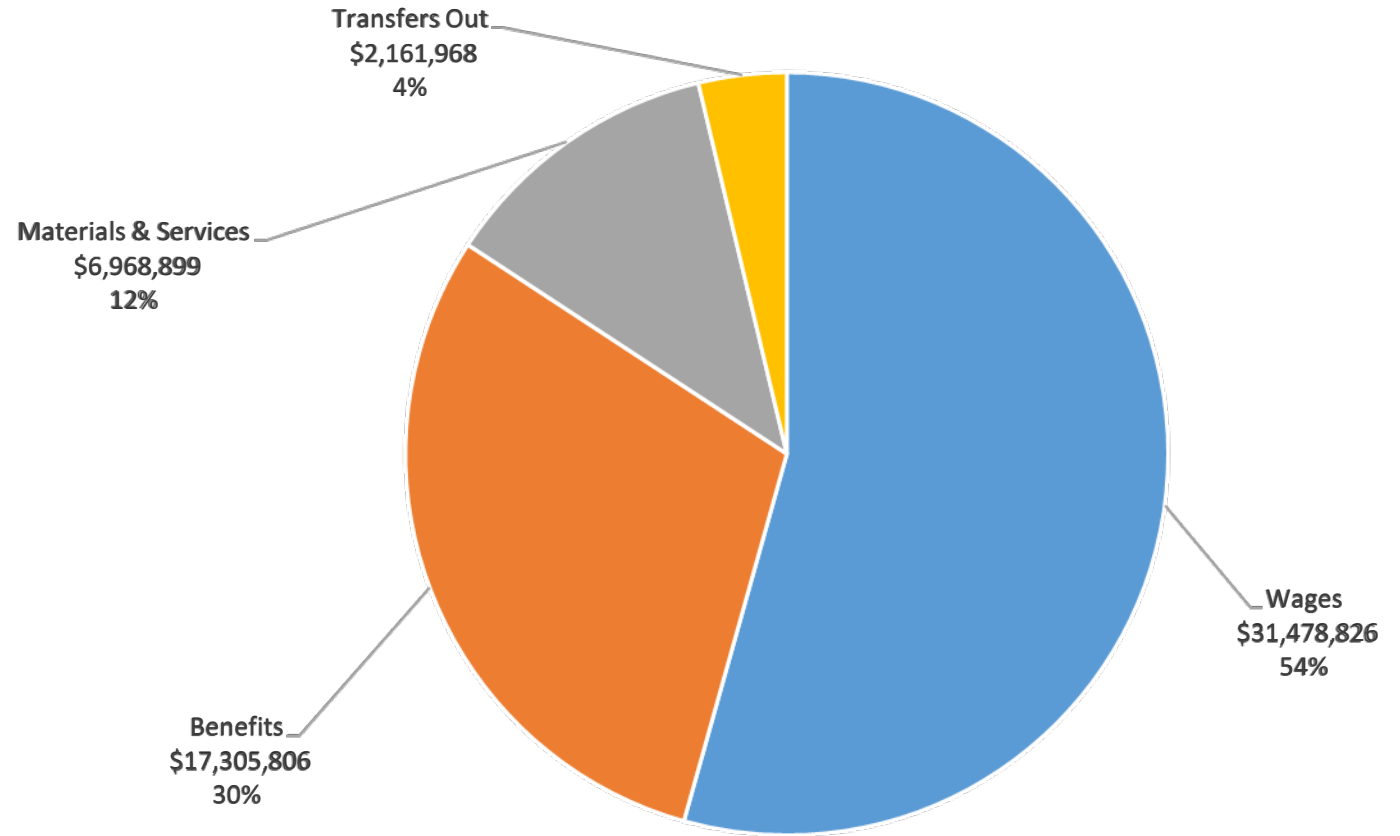
	2021-23 Biennium	2023-25 Biennium		2025-27 Biennium	
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State Aid	24,427,830	27,538,681	28,313,681	29,341,865	29,341,865
Property Tax	10,127,643	10,553,330	11,028,230	11,524,500	12,043,103
Tuition	17,528,216	19,801,447	21,005,375	21,845,590	22,719,414
Other Revenue	1,980,216	1,243,230	1,279,158	1,421,165	1,496,764
ERC Federal	1,000,000	-	-	-	-
Revenue	\$ 55,063,905	\$ 59,136,688	\$ 61,626,444	\$ 64,133,120	\$ 65,601,145
Personnel Costs	48,784,632	50,167,200	51,535,244	53,456,459	55,112,916
Materials/Services	6,968,899	6,822,010	7,163,111	7,378,004	7,599,344
Transfers Out	2,161,968	2,163,718	2,259,418	2,261,218	2,262,568
Budget Enhancements	-	-	300,000	300,000	300,000
Strategic Initiatives	-	-	400,000	400,000	400,000
Identified Reductions	-	-	(1,023,121)	-	-
Unidentified Reductions	-	-	-	-	-
Expenses	\$ 57,915,499	\$ 59,152,928	\$ 60,634,651	\$ 63,795,681	\$ 65,674,828
Net	\$ (2,851,594)	\$ (16,240)	\$ 991,792	\$ 337,439	\$ (73,683)

FOAPAL

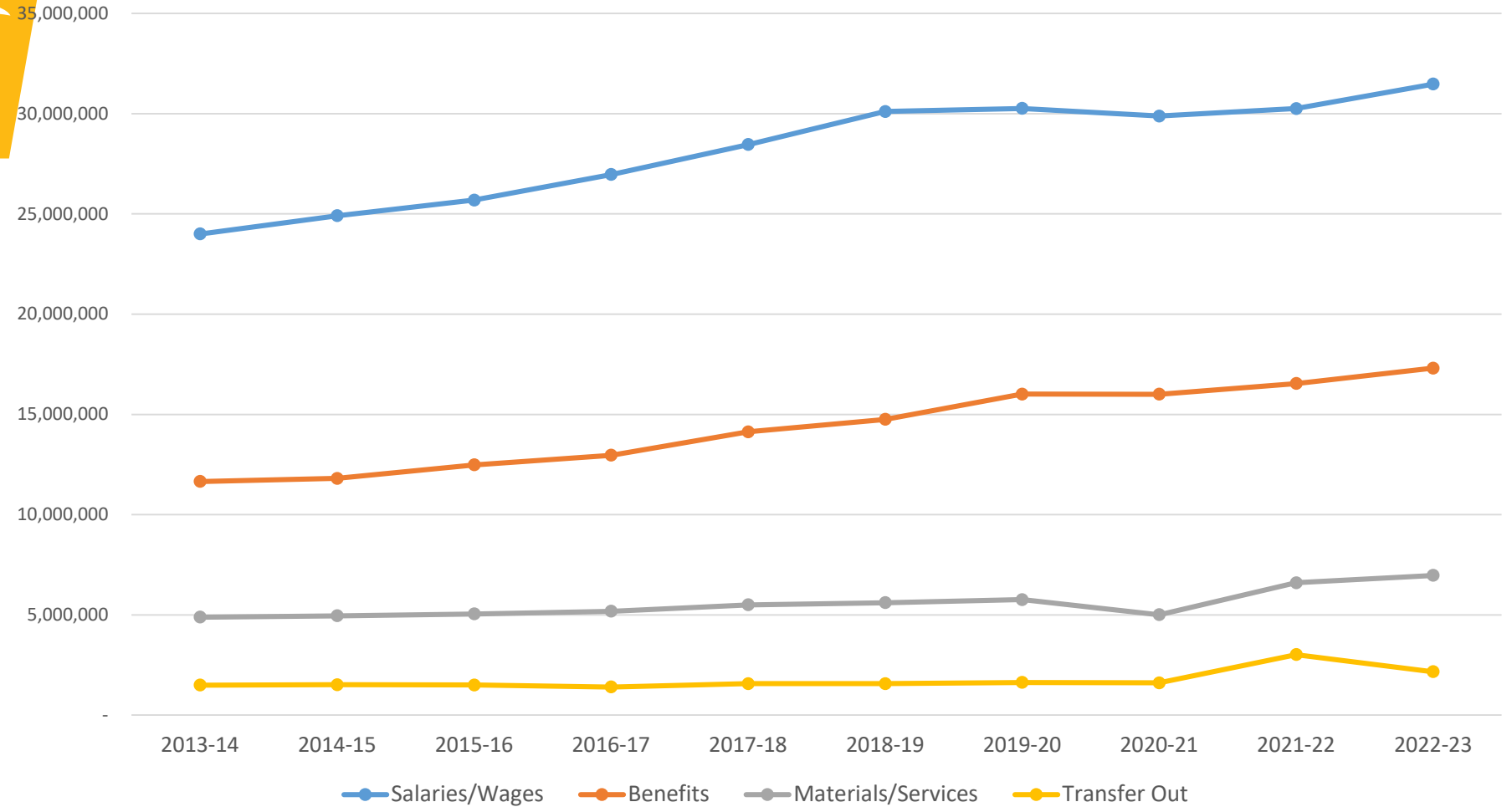


- **F** – Fund – Funding source, “bucket of money”
- **O** – Org – Where in the College is the spending happening? Think “org chart”
- **A** – Account – What is the money being spent on? Travel, supplies, benefits, etc.
- **P** – Program – What specific area within the Org is the spending happening?
- **A** – Activity – Specific project being tracked. Not required but useful.
- **L** – Location – Don’t care. Never use it.

Deeper Expense Breakdown



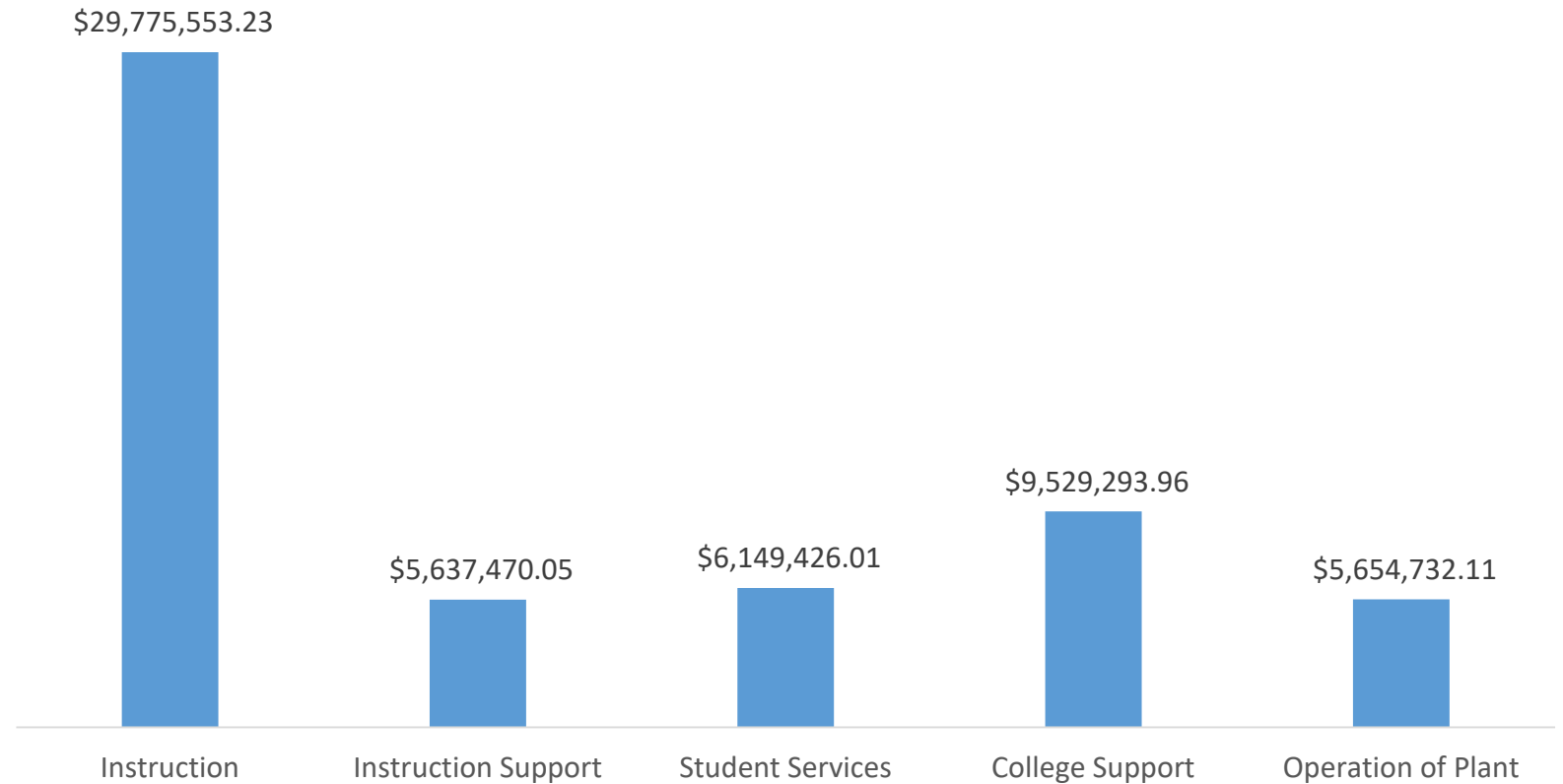
Expense Categories Over Time



Spending by Function



2022-23 Spending by Program Area

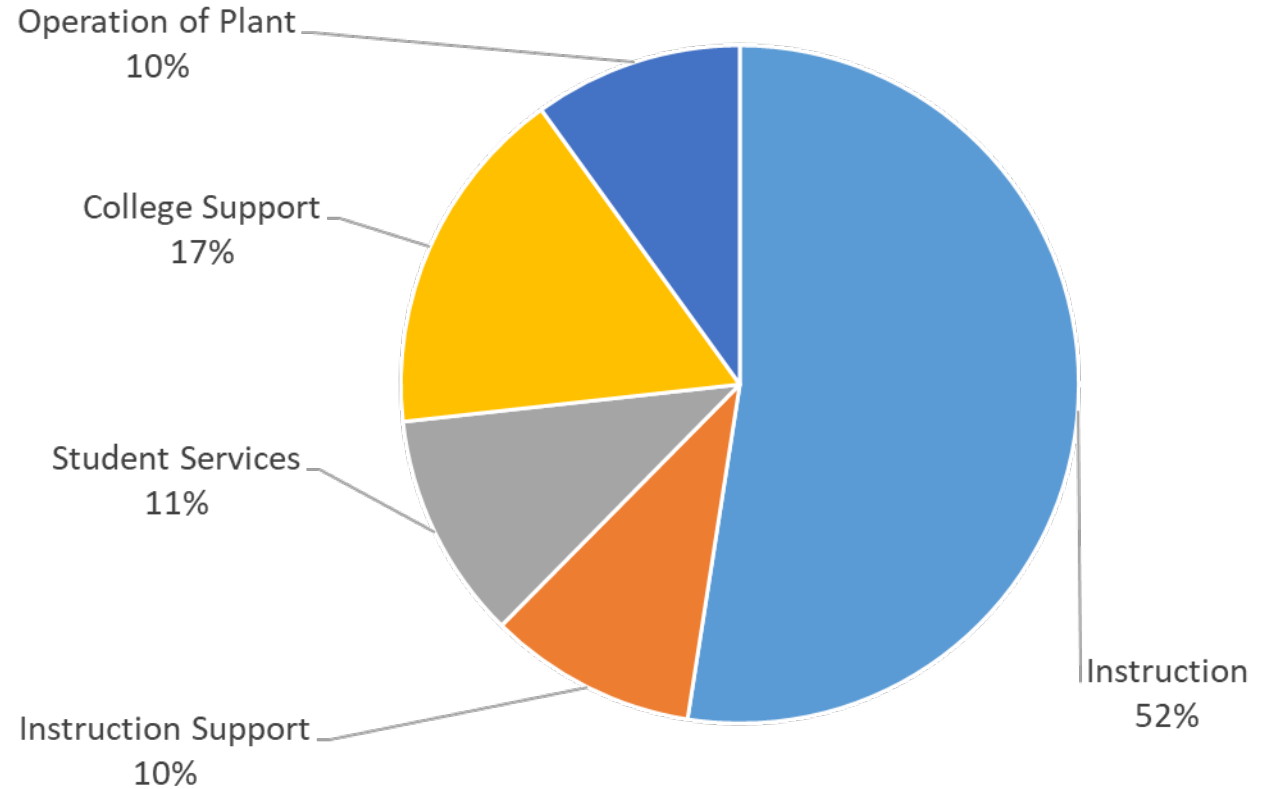


Spending by Function

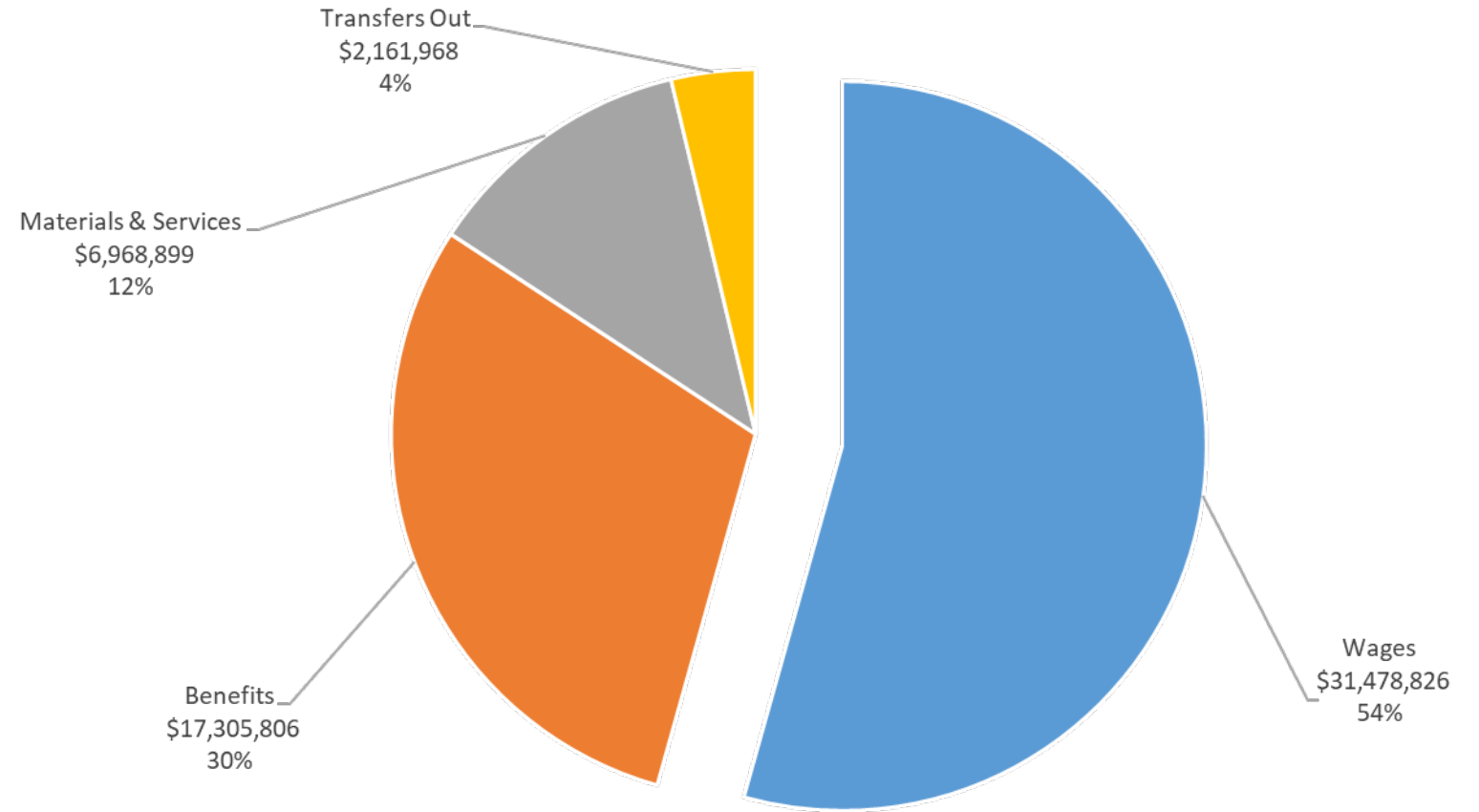


Combined Student Spending at 73%

2022-23 by Program Area



Personnel Costs - Salaries/Wages



Personnel Costs – Wage Breakout



Contracted	
Management/Exempt	\$ 5,543,632
Classified	\$ 7,552,143
Confidential	\$ 520,377
FT Faculty	\$ 13,187,098
PT Faculty	\$ 3,540,579

Non-Contracted	
PT Classified	\$ 729,566
Student Employment	\$ 15,297

Personnel Costs – Salaries/Wages



- Base salary driven by negotiations
- Growth based on COLA (budget model)
- Steps “pay for themselves” with difference factored into actual projections
 - Step changes depend on employee group

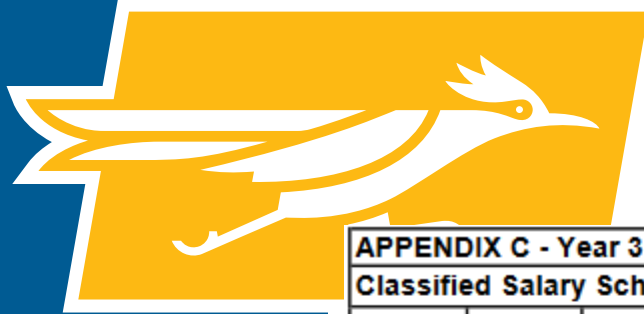
Personnel Costs – COLA vs. Steps



- Steps “pay for themselves” with difference factored into actual projections

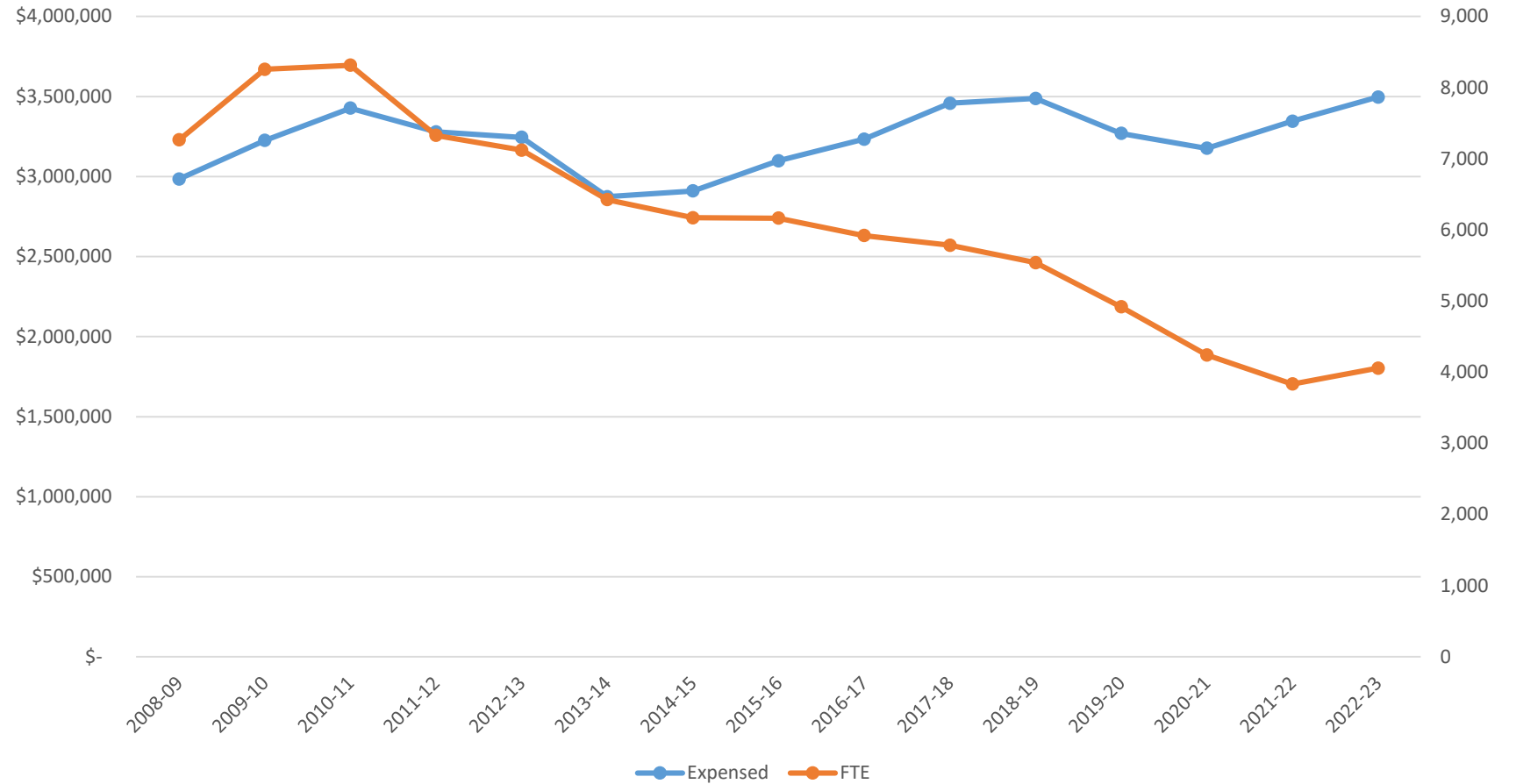
Growth Assumptions				
Variables	2023-24	2024-25	2025-26	2026-27
REVENUE				
IS Tuition	6.00%	4.00%	4.00%	4.00%
Int'l Tuition	6.00%	4.00%	4.00%	4.00%
IS Enrollment	0.00%	0.00%	0.00%	0.00%
Int'l Enrollment	2.00%	2.00%	0.00%	0.00%
State Aid	7.00%	0.00%	5.00%	0.00%
Property Tax	4.10%	4.10%	4.10%	4.10%
EXPENSES				
PT Faculty	4.00%	4.00%	2.50%	2.50%
Faculty	3.50%	2.50%	2.50%	2.50%
Management	3.50%	2.50%	2.50%	2.50%
Classified	3.00%	2.50%	2.50%	2.50%
PERS	-3.10%	0.00%	20.90%	0.00%
Health Insur	3.00%	3.00%	3.00%	3.00%
M&S	5.00%	3.00%	2.00%	2.00%

Personnel Costs – COLA vs. Steps

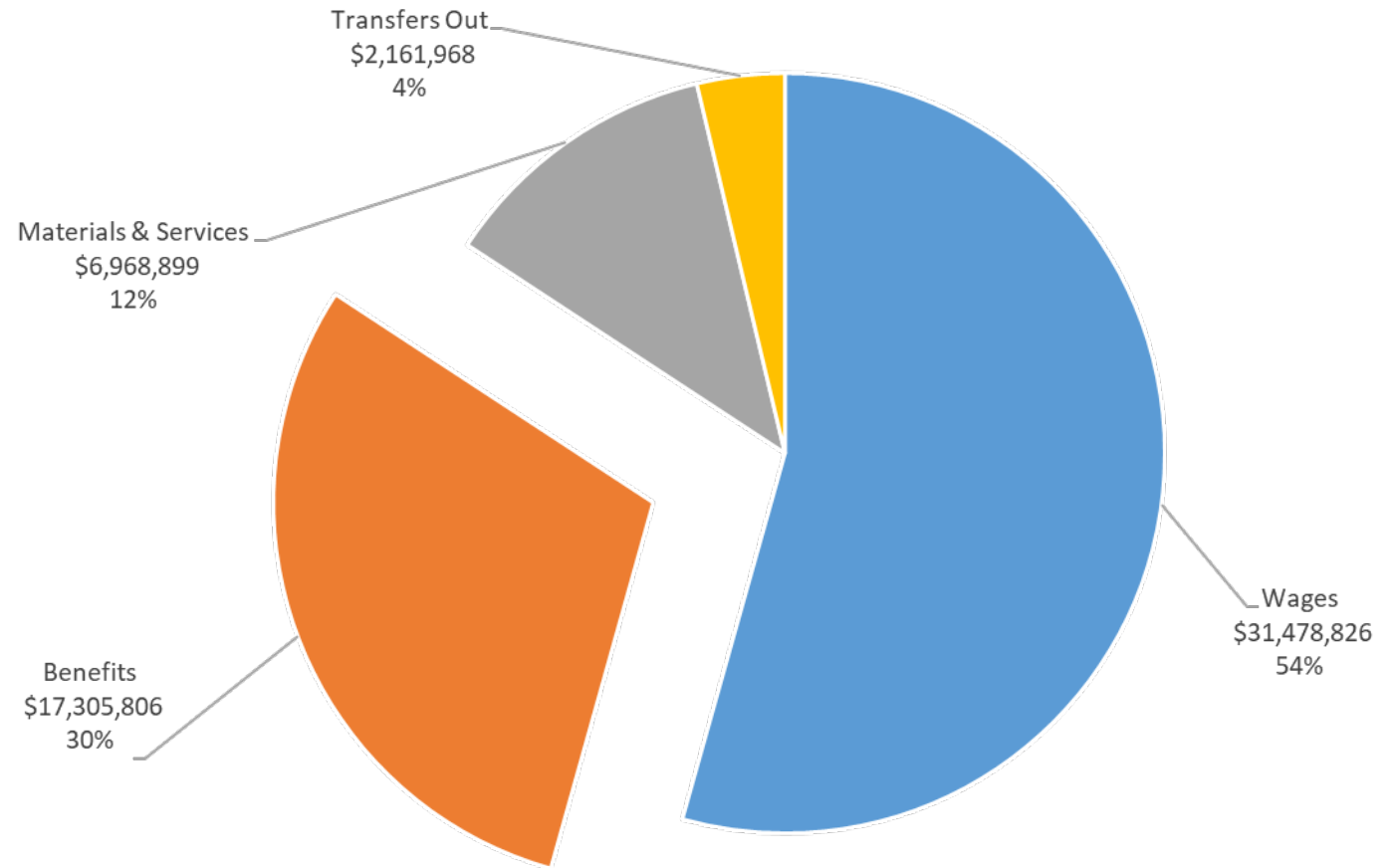


APPENDIX C - Year 3 Salary Schedule																	
Classified Salary Schedule Effective July 1, 2023 through June 30, 2024 (based on 247 days)																	
Year 3	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24	23-24
Grade	Step 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
9	32,946	33,616	34,301	34,998	35,713	36,442	37,183	37,942	38,717	39,506	40,312	41,132	41,971	42,827	43,699	44,592	45,502
10	34,447	35,147	35,864	36,595	37,340	38,106	38,878	39,671	40,478	41,305	42,146	43,007	43,880	44,773	45,686	46,621	47,571
11	36,028	36,763	37,514	38,277	39,057	39,854	40,663	41,495	42,339	43,204	44,082	44,979	45,900	46,834	47,786	48,762	49,757
12	37,692	38,462	39,248	40,048	40,867	41,695	42,547	43,416	44,300	45,203	46,123	47,065	48,026	49,002	50,000	51,019	52,060
13	39,456	40,264	41,082	41,919	42,775	43,648	44,535	45,440	46,369	47,316	48,280	49,260	50,265	51,288	52,337	53,403	54,493
14	41,317	42,158	43,020	43,894	44,789	45,702	46,630	47,583	48,555	49,543	50,552	51,583	52,634	53,703	54,800	55,917	57,058
15	43,276	44,159	45,062	45,976	46,914	47,873	48,851	49,842	50,857	51,893	52,952	54,033	55,130	56,256	57,405	58,570	59,766
16	45,345	46,268	47,215	48,176	49,159	50,159	51,182	52,222	53,289	54,374	55,481	56,613	57,769	58,947	60,143	61,371	62,622
17	47,525	48,497	49,486	50,492	51,521	52,570	53,641	54,740	55,849	56,989	58,148	59,335	60,543	61,777	63,041	64,323	65,635
18	49,826	50,845	51,882	52,935	54,015	55,114	56,236	57,385	58,555	59,748	60,964	62,206	63,474	64,770	66,091	67,436	68,813
19	52,255	53,320	54,407	55,514	56,647	57,802	58,979	60,182	61,409	62,660	63,936	65,241	66,571	67,926	69,313	70,722	72,165
20	54,708	55,936	57,073	58,238	59,422	60,633	61,870	63,131	64,418	65,730	67,067	68,439	69,832	71,253	72,706	74,186	75,700
21	57,188	58,495	59,891	61,112	62,356	63,628	64,924	66,248	67,600	68,975	70,383	71,816	73,279	74,772	76,297	77,850	79,438
22	60,377	61,601	62,857	64,138	65,445	66,780	68,139	69,526	70,945	72,390	73,868	75,372	76,906	78,476	80,075	81,709	83,375
23	63,359	64,583	65,970	67,315	68,689	70,089	71,512	72,973	74,457	75,973	77,525	79,105	80,714	82,362	84,044	85,752	87,502

Part-time Faculty vs. FTE



Deeper Expense Breakdown





Benefit Costs - Example

Salary \$ 70,000

Benefits

FICA/Medicare 7.65%

PERS 28.72%

OR Paid Leave 0.40%

Unemployment 0.54%

Workers Comp 0.29%

LTD 0.24%

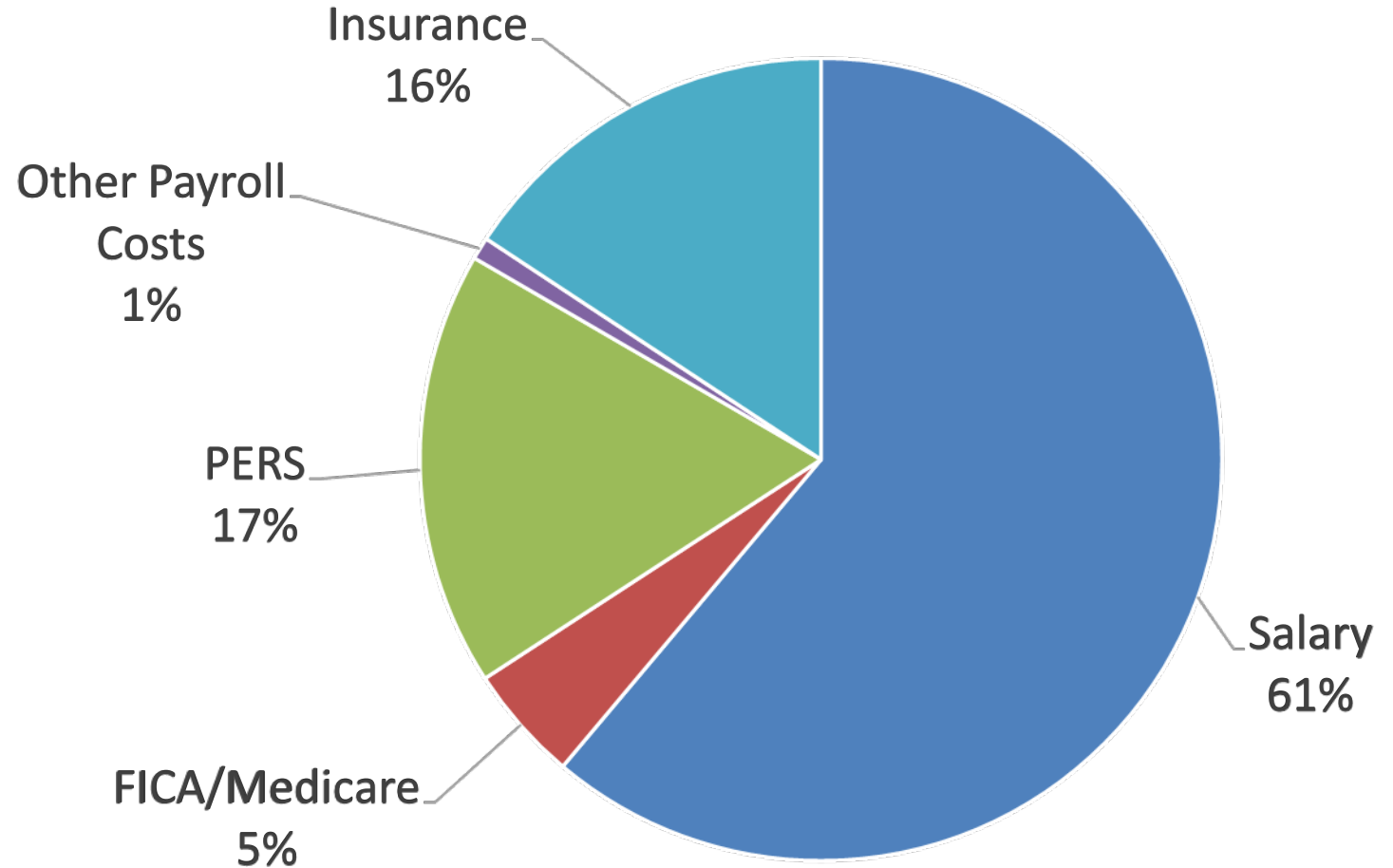
Total % 37.84%

Payroll Costs Total \$ 26,488

Insurance \$ 18,009

Total Costs \$ 114,497

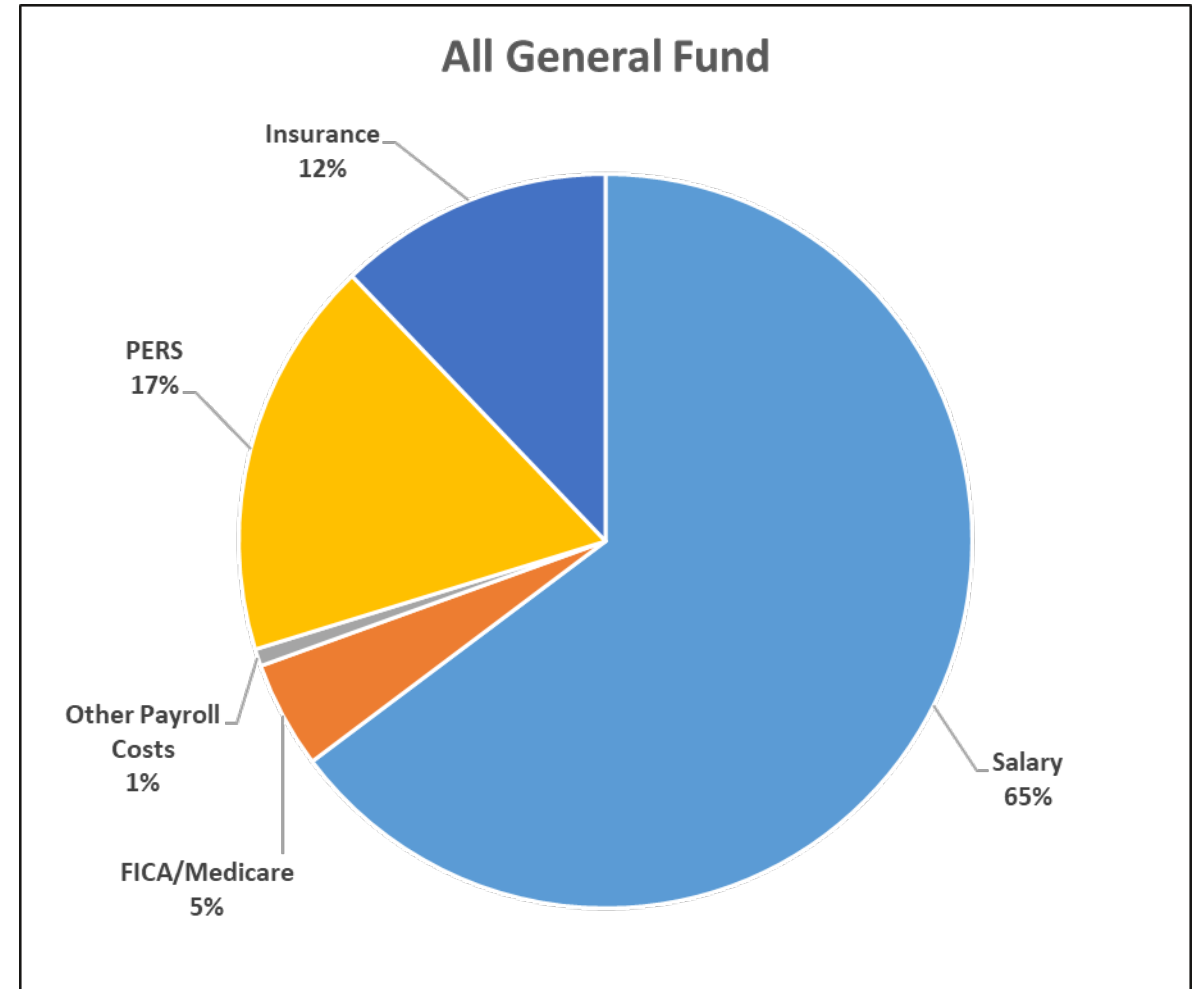
Benefit Costs Breakdown - Example



Benefit Costs – All General Fund



Salary	\$	31,591,022.20
FICA/Medicare	\$	2,304,816.94
Other Payroll Costs	\$	369,019.86
PERS	\$	8,590,968.13
Insurance	\$	5,927,343.58
Total	\$	48,783,170.71



PERS



	PERS	OPSRP	
2021-23	16.85%	13.16%	Current rates
2023-25	16.06%	12.87%	New rates
% increase	-4.69%	-2.20%	% increase
% of cost by group	36.4%	63.6%	Breakout of which category our employees fall into
Average increase	-3.1%		Weighted average of the % increase



PERS

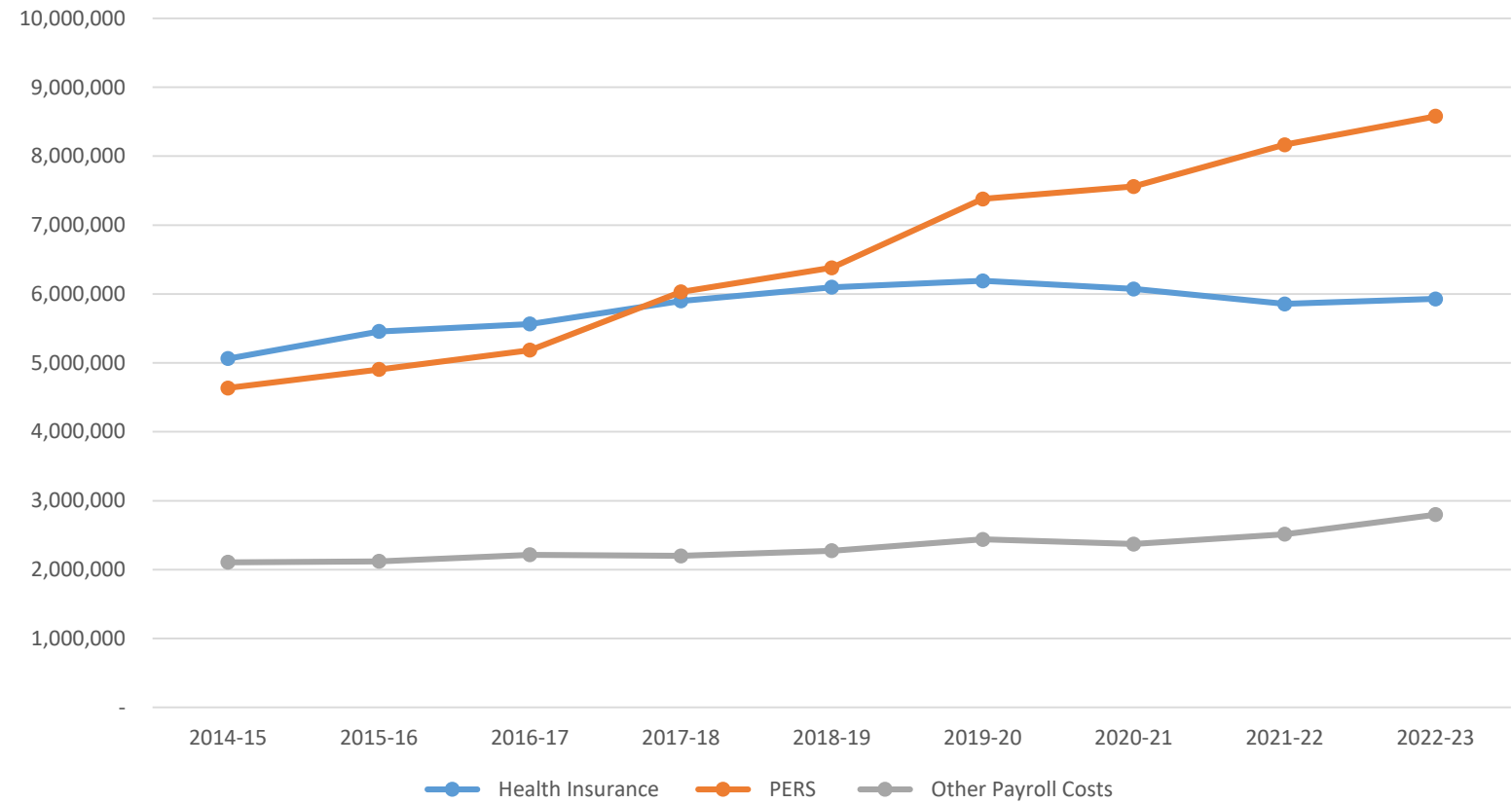
- **Rate Factors**

- Investment returns – snapshot
- Investment returns – assumed return (6.9%)
- Inflation 2.4%
- Payroll growth 3.4%
- Actuarial life expectancy
- Rate collars and side accounts

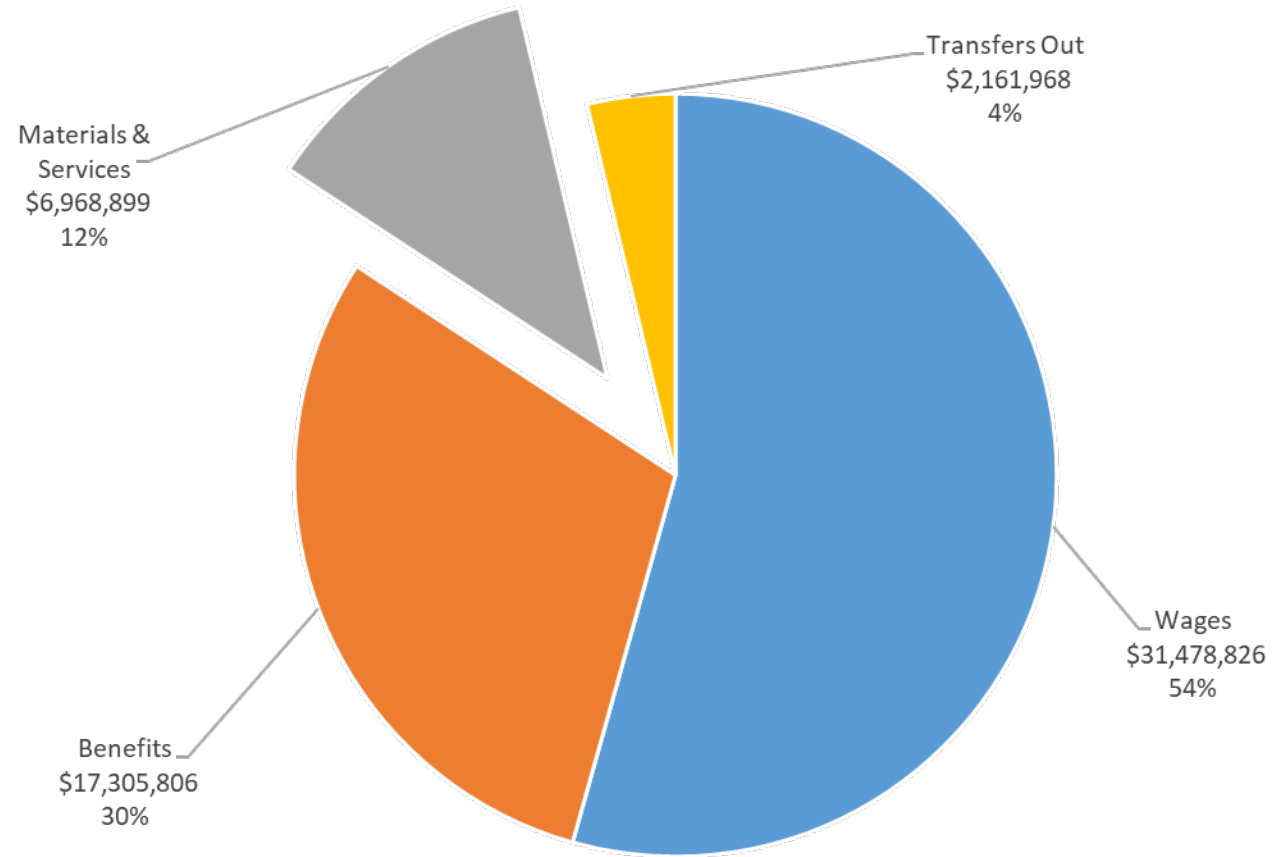
Benefit Costs - Comparison



PERS Vs. Health Insurance



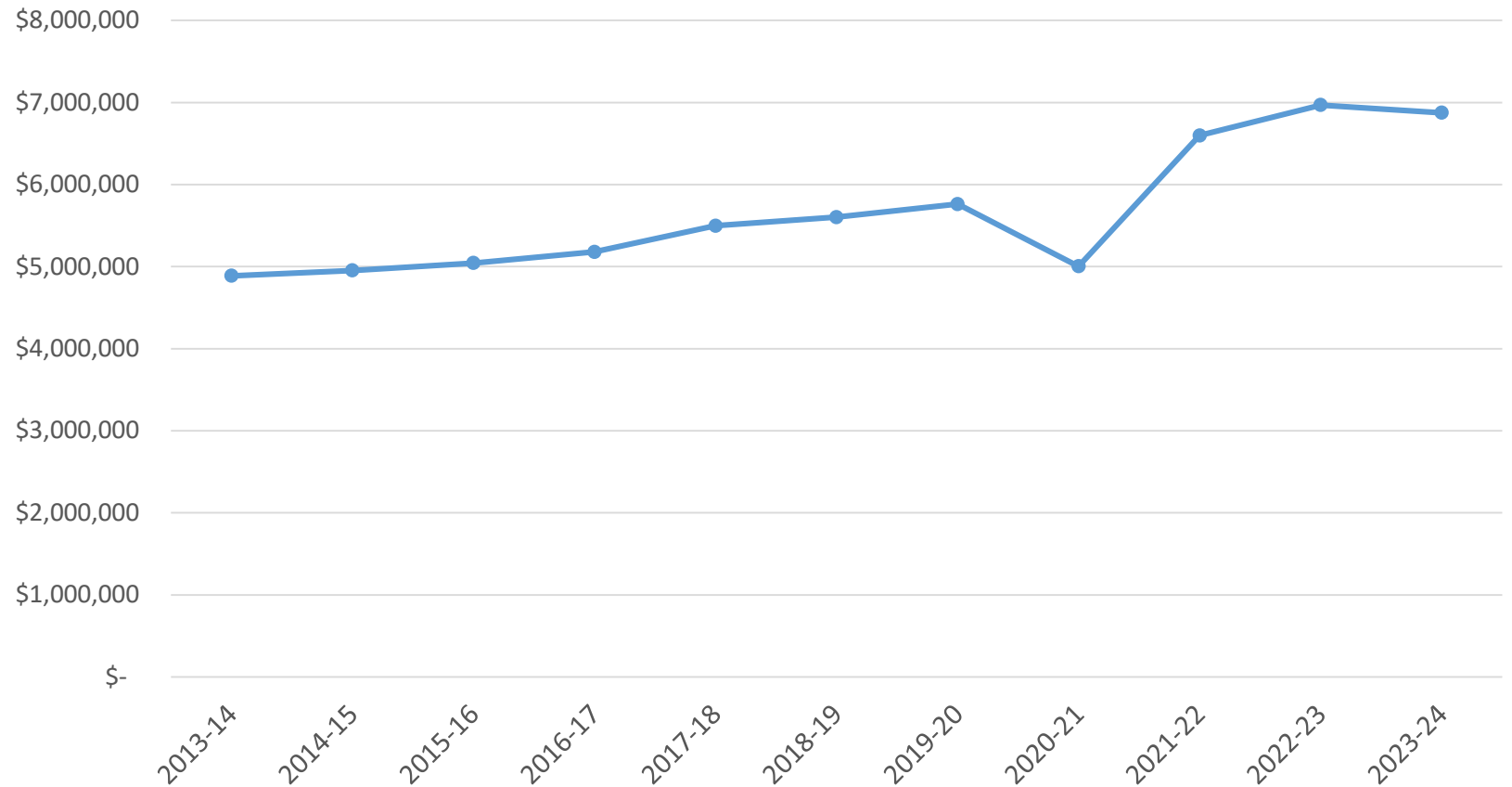
Deeper Expense Breakdown



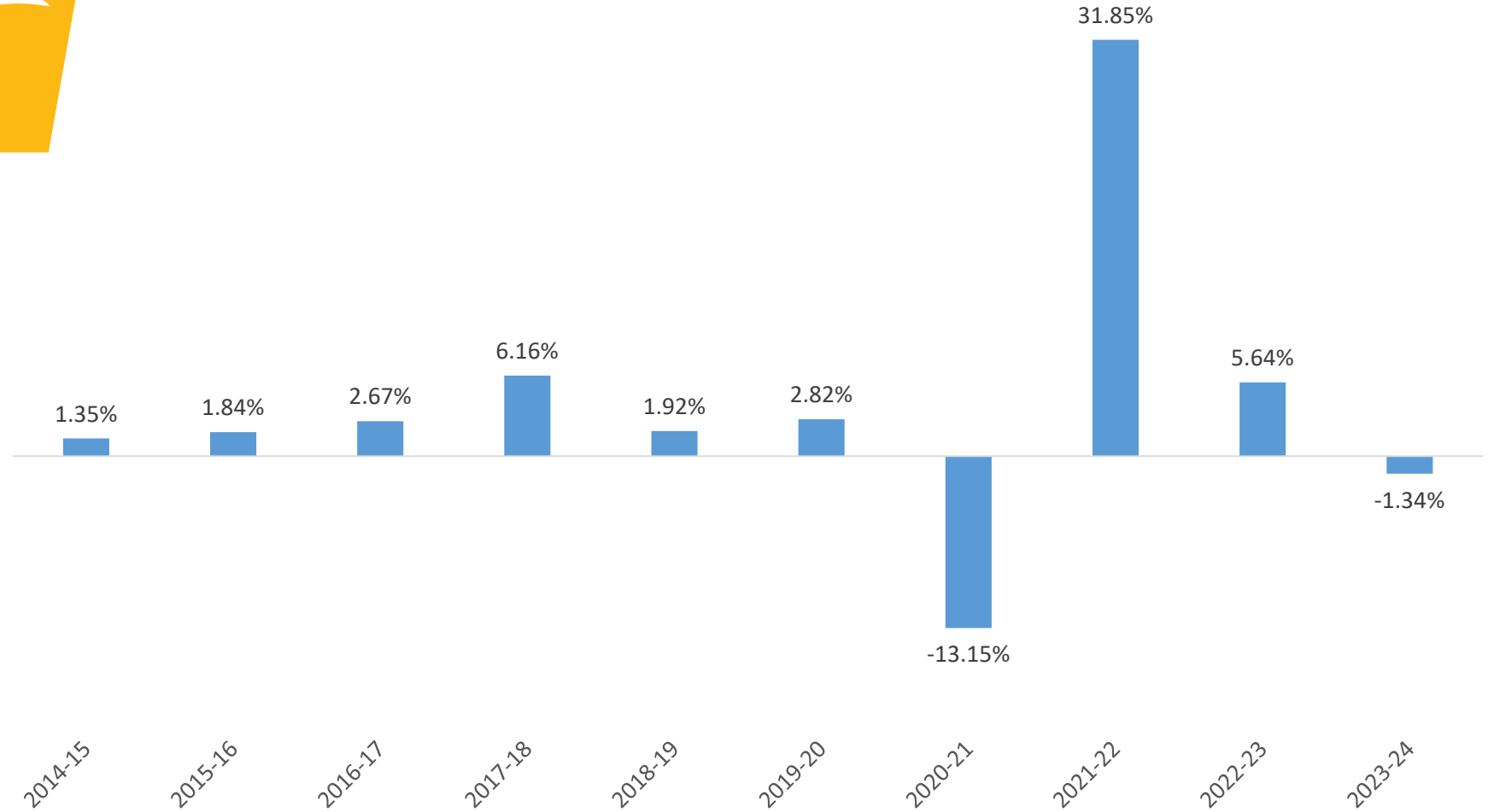
M&S Over Time - \$



Materials & Services



M&S Over Time - % Change



Materials & Services by Account Type



Category	\$ 2022-23	% 2022-23
Supplies	\$ 1,364,449	19.6%
Communication	\$ 144,110	2.1%
Travel and Training	\$ 381,476	5.5%
Contracted Services	\$ 817,494	11.7%
Tuition Waivers	\$ 373,324	5.4%
Equipment and Furniture	\$ 343,888	4.9%
Software	\$ 637,144	9.1%
Rental Expense	\$ 42,763	0.6%
Insurance	\$ 727,354	10.4%
Utilities	\$ 1,211,030	17.4%
Other	\$ 799,725	11.5%
Grant Awards	\$ 126,144	1.8%
Total	\$ 6,968,899	100%

Materials & Services



Total
67.6%

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Department Example – Business Office



Personnel	
Management	\$ 247,116
Classified	\$ 453,659
Part-Time	\$ 10,852
Wages	\$ 711,627
Benefits	\$ 456,209
Total	\$ 1,167,836

Materials & Services	
Supplies	\$ 15,226
Paper Products	\$ 444
Graphics/Printing	\$ 614
Copier Usage	\$ 250
Dues & Memberships	\$ 2,000
Transportation-Business	\$ 794
Meals-Business	\$ 302
Lodging-Business	\$ 106
Registration Fees-Staff Dev.	\$ 150
Contracted Services	\$ 4,990
Contracted Audit Services	\$ 47,425
Other Advertising/Legal Notices	\$ 11,012
Miscellaneous Fees & Licenses	\$ 814
Total	\$ 84,128

Department Example – Information Services



General Fund General Fund

Fund - 10000

Org - 2112 Academic Technology Services

Org - 4373 Media Services

Org - 5300 Client Services

Org - 5310 Infrastructure Services

Auxiliary Fund

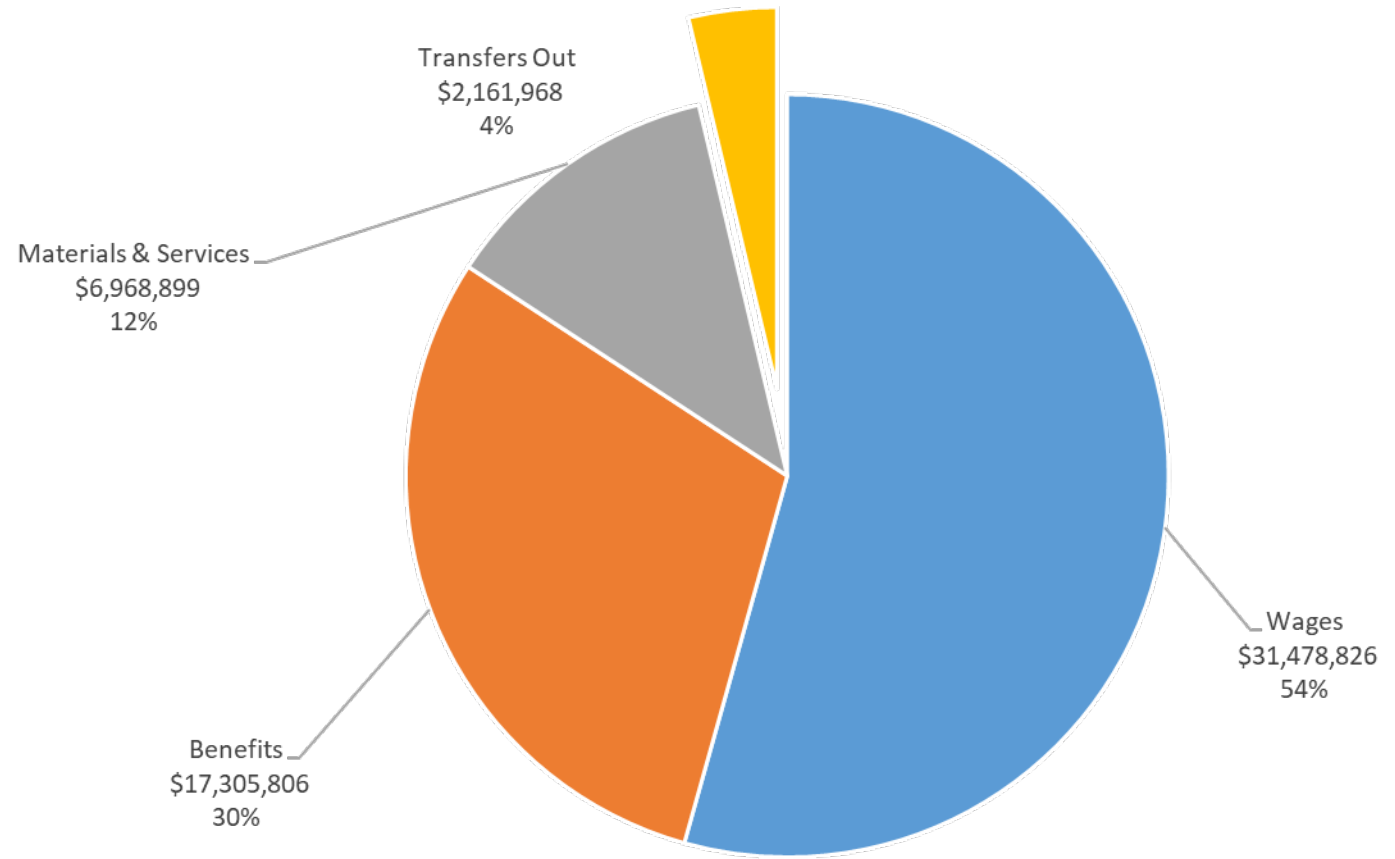
Fund - 21422 Media Division Projects

Fund - 21427 Technology Fee

Capital Fund

Fund - 44900 Technology Reserve

Deeper Expense Breakdown



Transfers Out



RESERVES

Roof Reserve	\$	200,000
Major Maintenance	\$	355,000
Technology Reserve	\$	500,000
General Equipment	\$	30,000

DEBT SERVICE

2017 Financing	\$	464,418
2021 FFCO's	\$	612,550

TOTAL

\$ 2,161,968

Transfers Out



DEBT SERVICE

2017 Financing	\$	464,418
2021 FFCO's	\$	612,550

- 2017 Financing – refinanced prior debt (2007 and 2008). Paid in full 2027-28.
- 2021 FFCO's – financed completion of Tarena Hall project and other projects from 2015 GO Bond. Paid in full 2034-35.

Deeper Expense Breakdown



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Investment Categories



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Property Tax	10,127,643	10,512,357	10,985,413	11,479,757	11,996,346
Tuition	17,528,216	19,831,144	21,036,878	21,878,353	22,753,487
Other Revenue	1,980,216	1,283,941	1,285,989	1,338,636	1,288,007
ERC Federal	1,000,000	-	-	-	-
Revenue	\$ 55,063,905	\$ 59,166,123	\$ 61,547,988	\$ 63,960,939	\$ 65,302,034
Personnel Costs	48,784,632	50,445,615	52,193,833	54,180,874	55,852,284
Materials/Services	6,968,899	6,875,508	7,219,283	7,435,862	7,658,938
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Expenses	\$ 57,915,499	\$ 59,484,841	\$ 61,349,414	\$ 64,583,954	\$ 66,473,790
Net	\$ (2,851,594)	\$ (318,718)	\$ 198,575	\$ (623,015)	\$ (1,171,756)

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Expense Summary – Control?



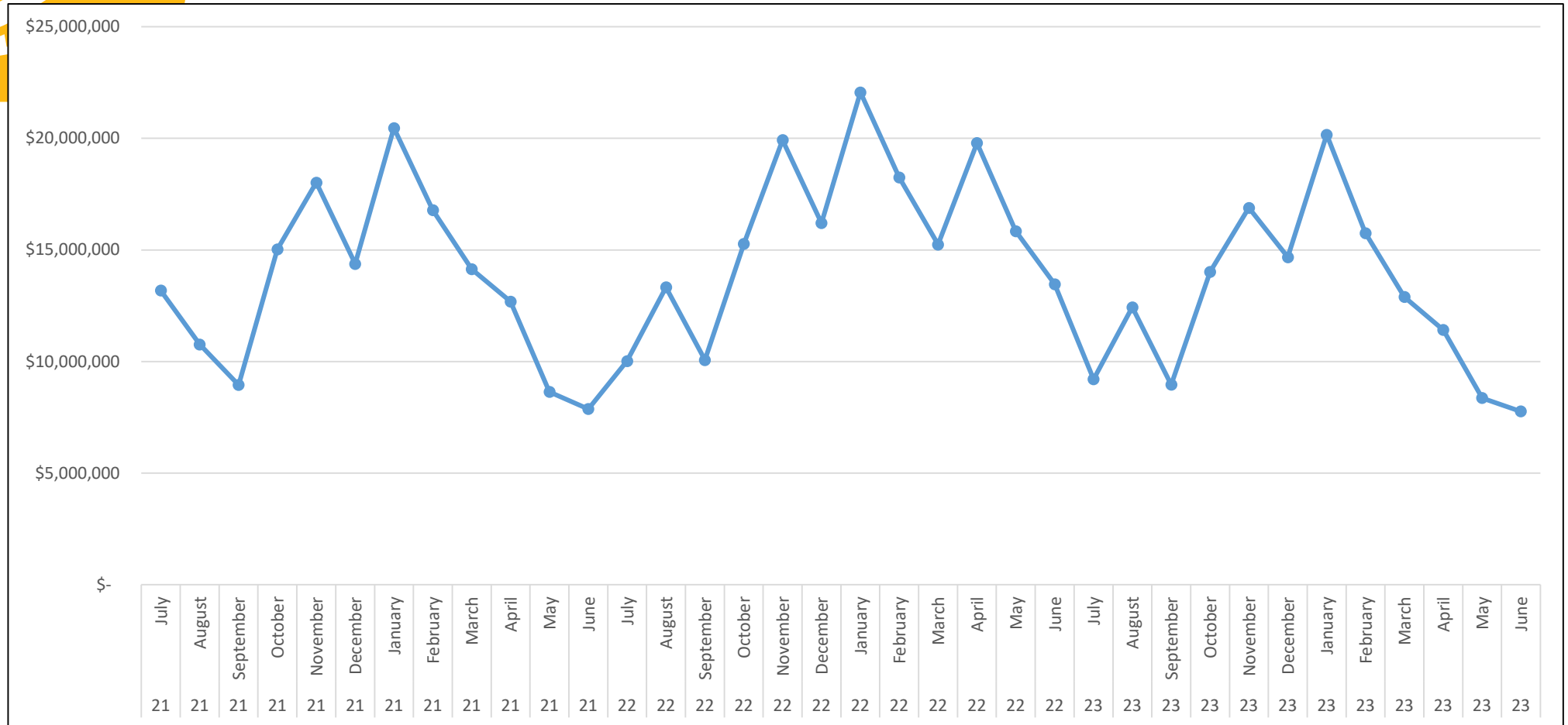
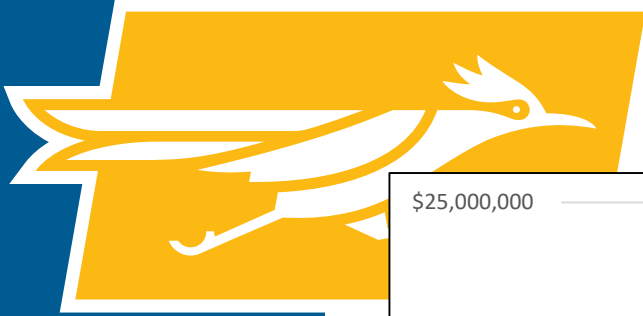
- **Personnel – Wages via negotiations, reductions (contract considerations), programs and services**
- **M&S – Direct impact on relative small level of discretionary spending. Fixed costs and base level costs are majority.**
- **Transfers Out– Debt (mandatory), IT and Facilities (non-mandatory) at bare minimum**
- **Investment Categories – Accreditation and Mission**

Fund Balance



- **Accounting definition – Assets minus Liabilities (Net Assets)**
- **Clean balance sheet (example - student receivables)**
- **Year-end snapshot**
- **Not all cash...**

Fund Balance - Cash



**Questions?
Requests?**