February 20, 2014
Board Meeting
Budget Update
Current Biennium 2013-15:

- Mid Year FY 13-14 projection: We expect to balance our budget without dipping into our fund balance

- Preliminary view of FY 14-15 also on target to balance
  - Assumes a 7% reduction of enrollment
Current Biennium 2013-15:

- Supplemental Budget Resolution 14-099
  - A common budget event for Oregon Com. Colleges
    - PCC usually does supplemental twice a year
  - The Final Audited beginning fund balances are different from our estimates during budget process
  - PCC adopted the 2013-15 biennium budget before the Legislature finalized the CCSF budget amount
    - From $428M to $450M, and to the current $465M
  - Our contract agreements with both federations were not finalized until July 2013, after the budget adoption
Current Biennium 2013-15:

- Tuition Resolution 14-103 for FY 2014-15
Current Biennium 2013-15:

- Tuition Resolution 14-103 for FY 2014-15

- Board approved in Feb 2013 the 2nd year (14-15) a $5 per credit increase to $93

- State approved an additional $15 million for CCSF for the 2nd year of the biennium in September 2013 with a budget note for tuition relief

- Board desired to revisit the FY 14-15 rate if additional resources
Current Biennium 2013-15:

- Tuition Resolution 14-103 for FY 2014-15-

- Staff Recommendations in 14-103:
  - Reduce the $5 tuition increase to $4, a reduction of $1 to $92 per credit hour effective Summer Term, 2014.
  - Remainder of additional CCSF revenue in 2\textsuperscript{nd} year to help affordability/access and completion:
Current Biennium 2013-15:
- Tuition Resolution 14-103 for FY 2014-15 - continued

- PCC’s share of the additional $15 million CCSF for 2014-15 is **$3.8 million**

- The amount is equivalent to approximately **$4 per credit** of tuition increase

- If all go to tuition rate reduction, the impact for students who enroll half time (6 credit hours) or full time (12 credit hours):
  - Half time: $24 per term or $72 a year (3 terms)
  - Full time: $48 per term or $144 a year (3 terms)
Current Biennium 2013-15: FY 2014-15 Tuition Resolution 14-103 - continued

- $1 per credit reduction = approx. $900K

- $2.9 million ($3.8M – 900K) will remain for the two initiatives in the Resolution

- From 2012-13 data:
  An average of 15,850 students per term would be eligible under the tuition initiative, approximately 50% of the credit students per term
Current Biennium 2013-15:

- Tuition Resolution 14-103 for FY 2014-15 - continued

- Average amount for each eligible full-time student would be $219

- PCC tuition rate ranking would move up to # 7 from our current tie for 10 (assuming no increases for other colleges <worst case>)

- The estimated relief per student won’t affect FA award

- Implementation of the tuition initiative will be Winter 2015, based on Fall 2014 data
Questions?

Thank you!