

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



**Portland
Community
College**

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- continued
- 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 2nd 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!

