



Budget Workshop

Fiscal Year 2011

December 4, 2009



HARPER COLLEGE



AGENDA

- Review where we left off with the FY10 budget
- Revenue impacts affecting the FY10 budget
- Discuss revenue assumptions for FY11 budget




FY10 Budget



FY10 Budget

\$2.7 Million Budget Deficit

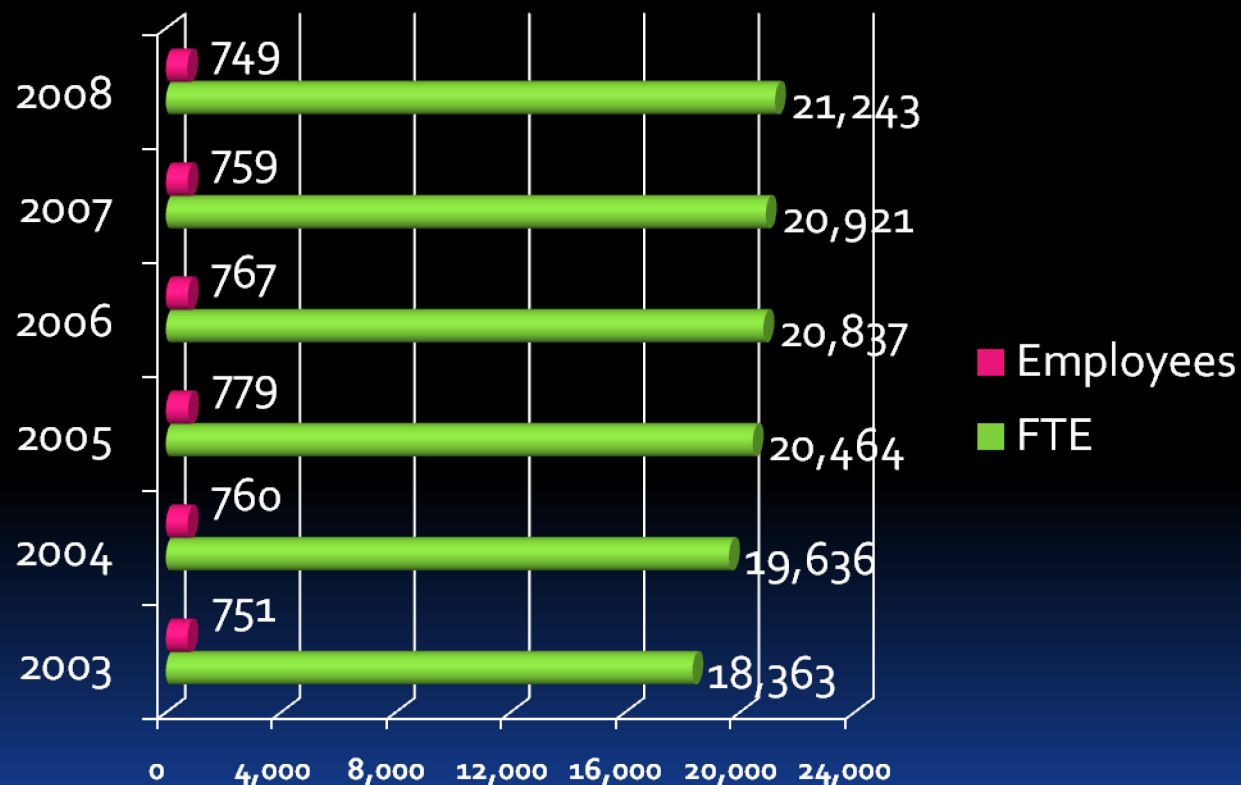
\$2.4 Million in Reductions Through:

- Contractual Services
 - Vacancies – delayed or not filled
 - Benefits for Vacancies
 - Meeting expense, travel, equipment, and supplies
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FY10 Budget Education Fund Summary

REVENUES		% OF TOTAL
Local Government	\$ 33,293,466	41.40%
State Government	7,382,648	9.18%
Federal Government	5,000	0.01%
Tuition & Fees	39,129,000	48.66%
Other Sources	610,000	0.76%
Transfers	-	0.00%
Total Revenues	\$ 80,420,114	100.00%
EXPENDITURES		
Instruction	\$ 27,417,025	33.96%
Academic Support	10,166,146	12.59%
Student Services	8,645,008	10.71%
Public Service	-	
Institutional Support	28,097,599	34.81%
Scholarships, Student Grants, and Waivers	3,537,003	4.38%
Transfers	2,860,967	3.54%
Total Expenditures	\$ 80,723,748	100.00%
REVENUE OVER/ (UNDER) EXPENDITURES	\$ (303,634)	

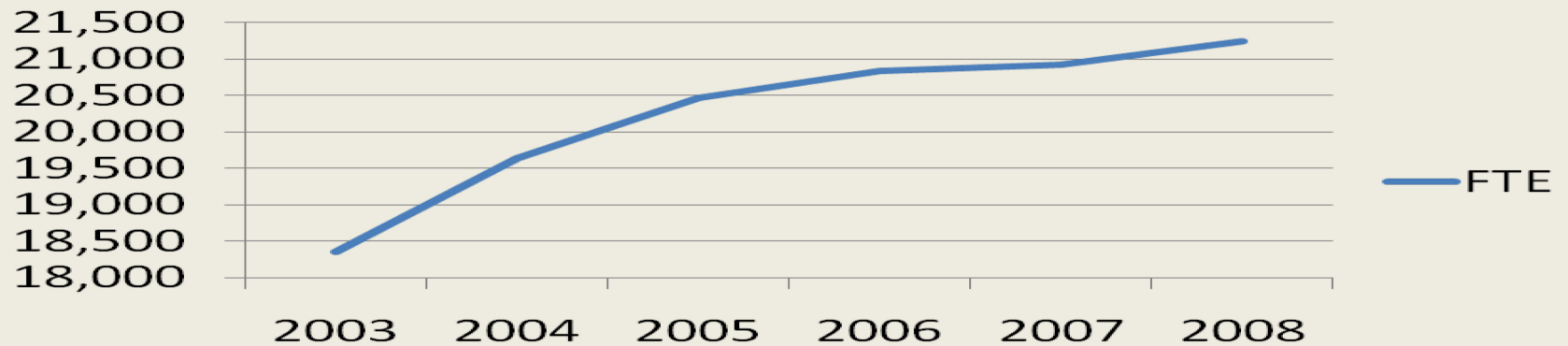
Comparison of FTE Growth vs Employee Headcount



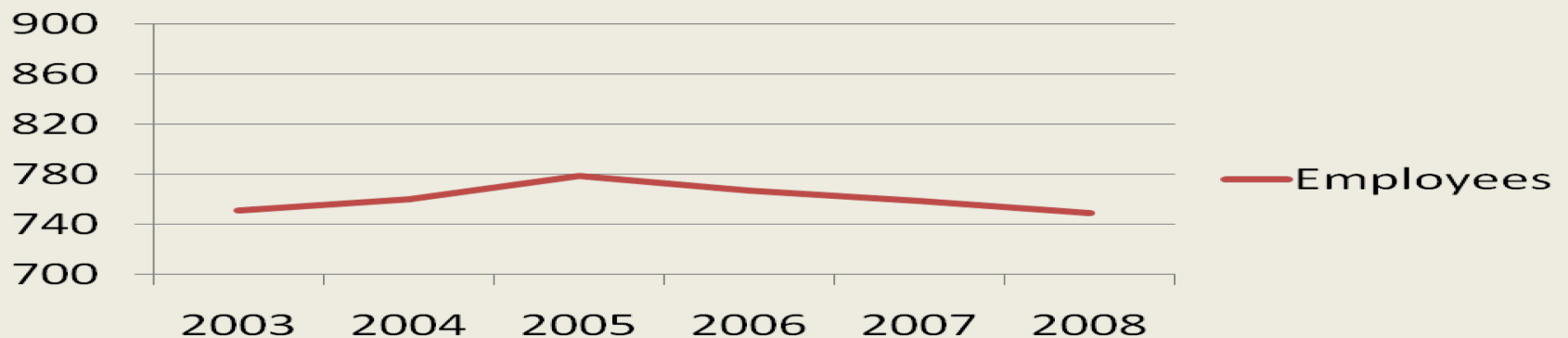
Source: Harper College Fact Book 2007, 2008

Enrollment vs. Staffing

FTE



Employees






Revenue Impacts Since July 1, 2009

(The World Has Changed)





FY10 Budget Challenges

- Property tax revenues flat
 - Investment revenue down
 - State funding down
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Revenue Impacts

FY10 State Revenue

Budgeted \$6.8 million (Base Operating Grant)

- 1st Quarter \$1.7 million
- 2nd Quarter \$1.7 million (May or June?)
- 3rd Quarter Delayed (Spring 2011?)
- 4th Quarter Delayed (Summer 2011?)

Revenue Impacts

FY11 State Revenue

- 1st Quarter Unknown
- 2nd Quarter Unknown
- 3rd Quarter Unknown
- 4th Quarter Unknown

FY10 Budget Projections

FY 10 Budget	Budget		Projected Actual
Local Government	\$33,293,466		\$32,738,466
State Government	7,382,648		3,511,714
Tuition & Fees	39,129,000		40,245,550
Other	615,000		270,682
Total Revenue	\$80,420,114		\$76,766,412
Expenses	\$80,723,748		\$77,720,967
Fund Balance Change	(\$303,634)		(\$954,555)

Looking Ahead FY11 Budget

- FY11 July 1, 2010 – June 30, 2011
- Modified Budget Process
- Anticipated: 4.75% salary increase
12% benefit increase
- Enrollment Growth 3.0% for Fy11
Note: 1% enrollment growth = \$300,000

FY11 Revenue

- State revenue cut 50%
- Property tax revenue flat
- Investment income down
- Tuition ?

Tuition and “Universal” Fees

Current

\$ 90 tuition per credit hour


\$ 7 technology fee per credit hour

\$ 7 repair/renovation fee per credit hour

\$104 tuition and universal fees per credit hour



Per Capita Costs

- Per capita calculated by using all expenditures except capital and adjusts for depreciation
 - Comparable to all community colleges
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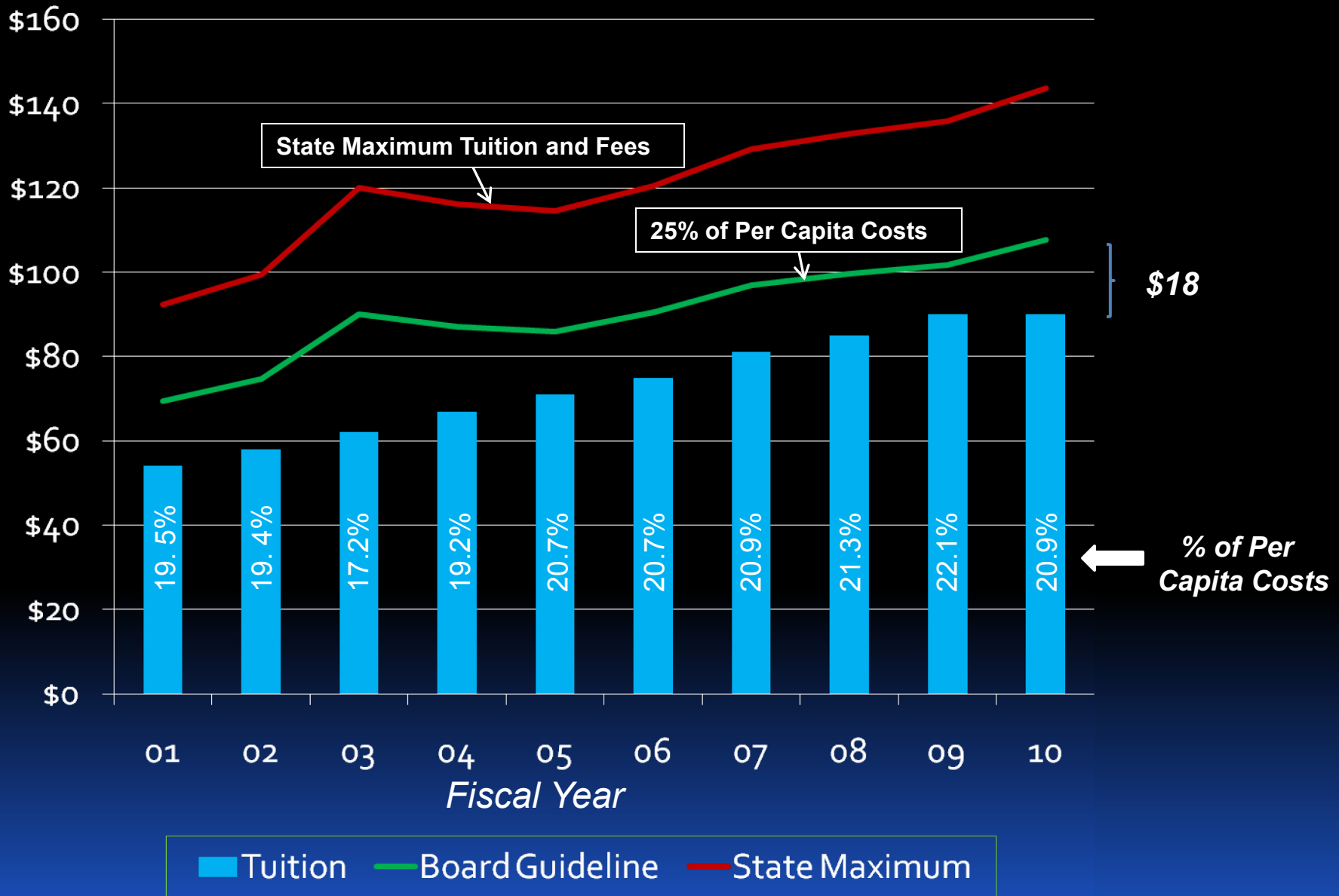
Per Capita Costs

FY 10 Harper per capita cost \$431.07

Tuition Limits:

- State maximum $33\frac{1}{3}\%$ \$ 143.69 (tuition & fees)
- Harper \$ 104.00 (tuition & fees)
- Board guideline 25% \$ 107.77 (tuition only)
- Harper \$ 90.00 (tuition only)
- FY10 per capita 20.9%

Harper Per Capita Cost Summary

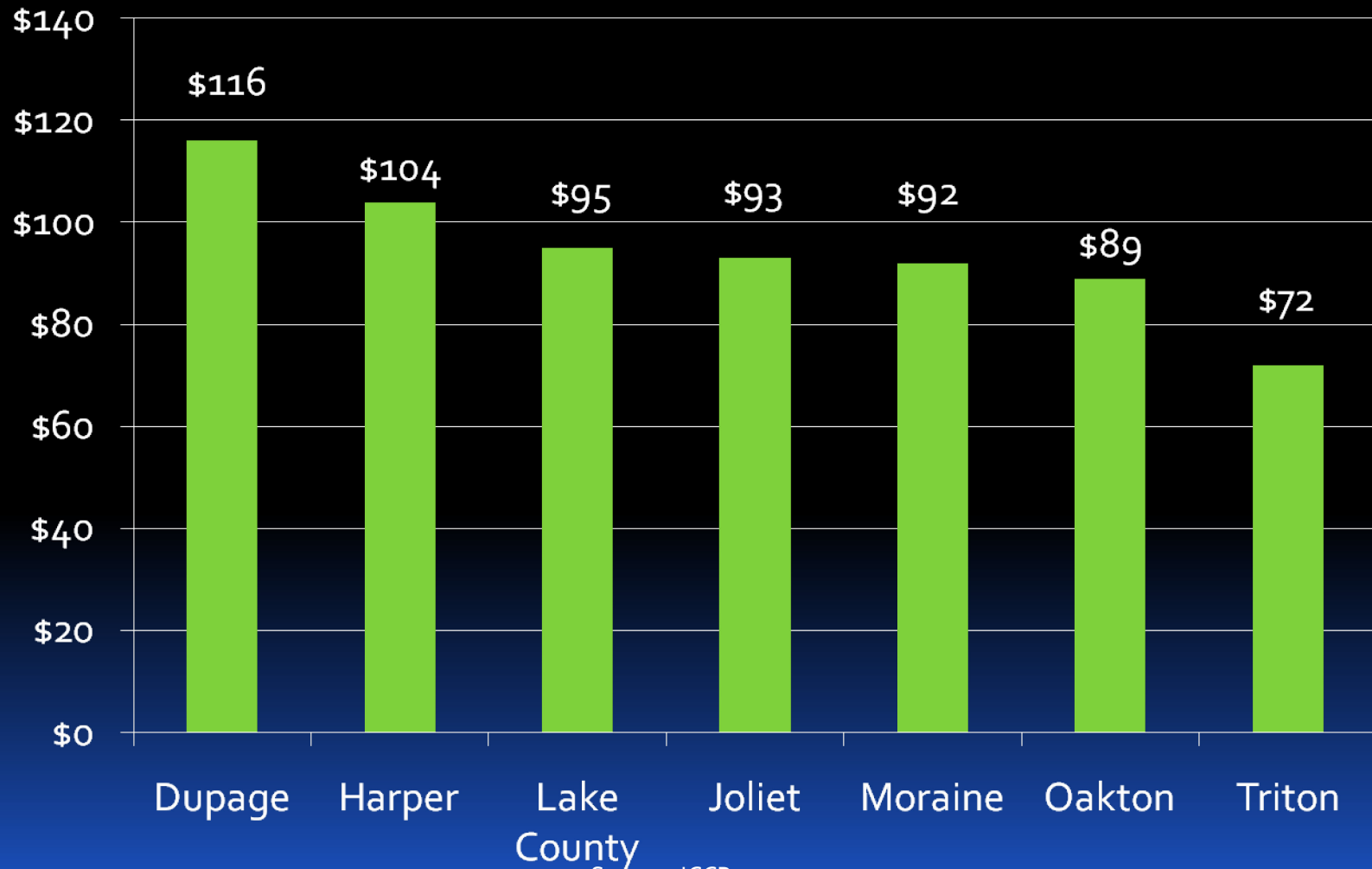


Source: Harper Tuition & Per Capita Chart

Tuition Comparison

■ Harper	\$ 3, 120
■ Northern Illinois University	\$ 9,390
■ University of Illinois	\$12,660
■ Roosevelt University	\$21,000
■ DePaul University	\$26,765
■ Northwestern University	\$38,088

FY10 Peer Group Comparison Tuition & Fees



Source: ICCB



Pell Grant


Academic Year 2010

- Pell \$178.67 per credit hour, \$5,360 annual
- Harper \$104 per credit hour, \$3,120 annual



FY11 Budget Assumptions

Revenues

- Property tax revenues will be flat
 - State revenue will decrease 50%
 - Enrollment increase of 3%
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Discussion Points

- Verify 50% reduction in state revenue assumption
 - Use of Fund balance
 - ▣ Grow ?
 - ▣ Spend ?
 - Set Tuition
 - ▣ Current Board Guideline vs. State Limit
 - ▣ Change Guideline ?
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