



May 27, 2020

**TO:** THE DISTRICT BOARD OF TRUSTEES  
OF VALENCIA COLLEGE

**FROM:** SANFORD C. SHUGART  
President

**RE:** 2020-2021 OPERATING BUDGET FRAMEWORK

Consistent with our annual process, the 2020-2021 budget framework is presented for preliminary review. The formal approval of the budget will follow on June 24, 2020.

**RECOMMENDED ACTION:**

The President recommends that the District Board of Trustees of Valencia College approve the 2020-2021 Operating Budget framework. This formal approval of the budget will be conducted at the District Board of Trustees of Valencia College meeting on June 24, 2020.

  
\_\_\_\_\_  
President



# FY 2020-21 Preliminary Budget Summary

District Board of Trustees – May 27, 2020

# Budget Values

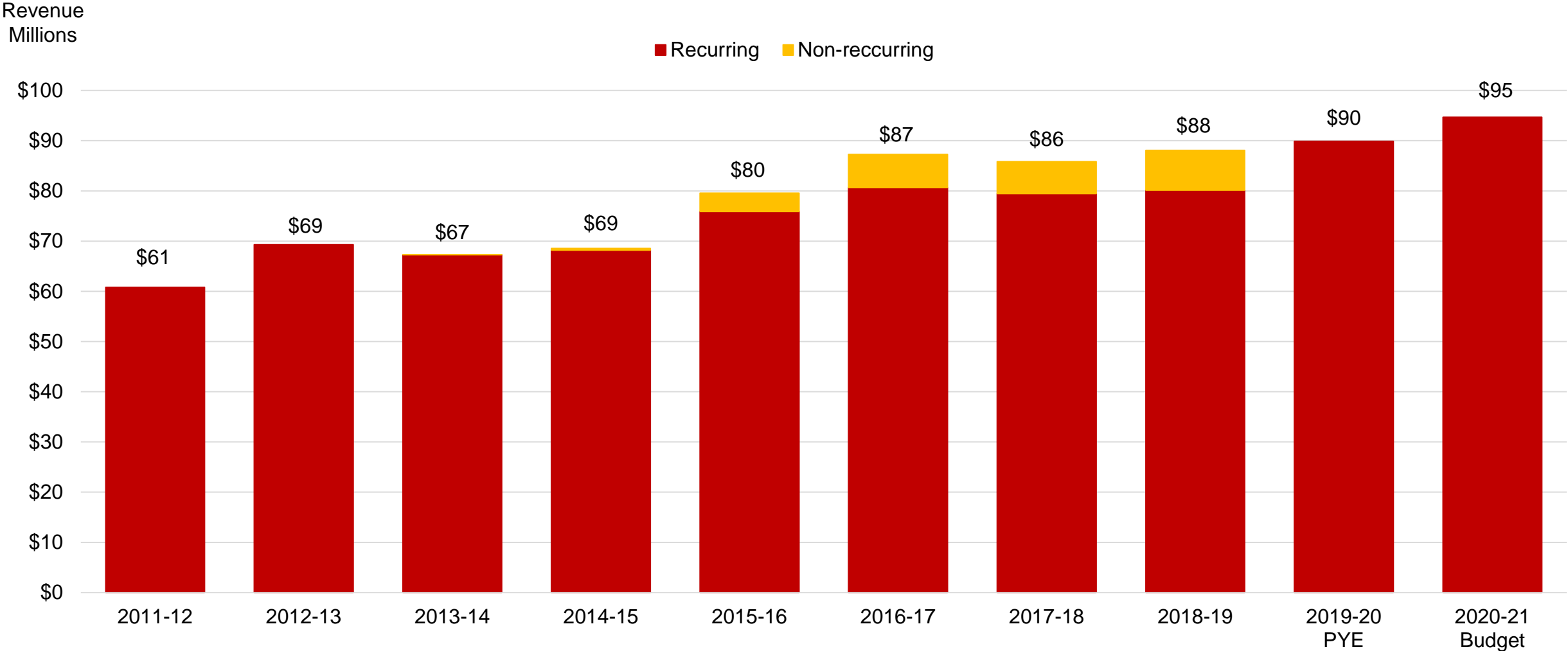
- ✓ Ability to serve an expected growth in enrollment
- ✓ Supports long term initiatives
- ✓ All facilities are available and usable
- ✓ Applies learnings into budget from the current environment
- ✓ Wage Increases for full time and part time employees
- ✓ Enhanced sanitation and safety
- ✓ Technology growth in service, support and innovation
- ✓ CARE's grant impact still evolving

# Block Tuition & Fee Rates Structure

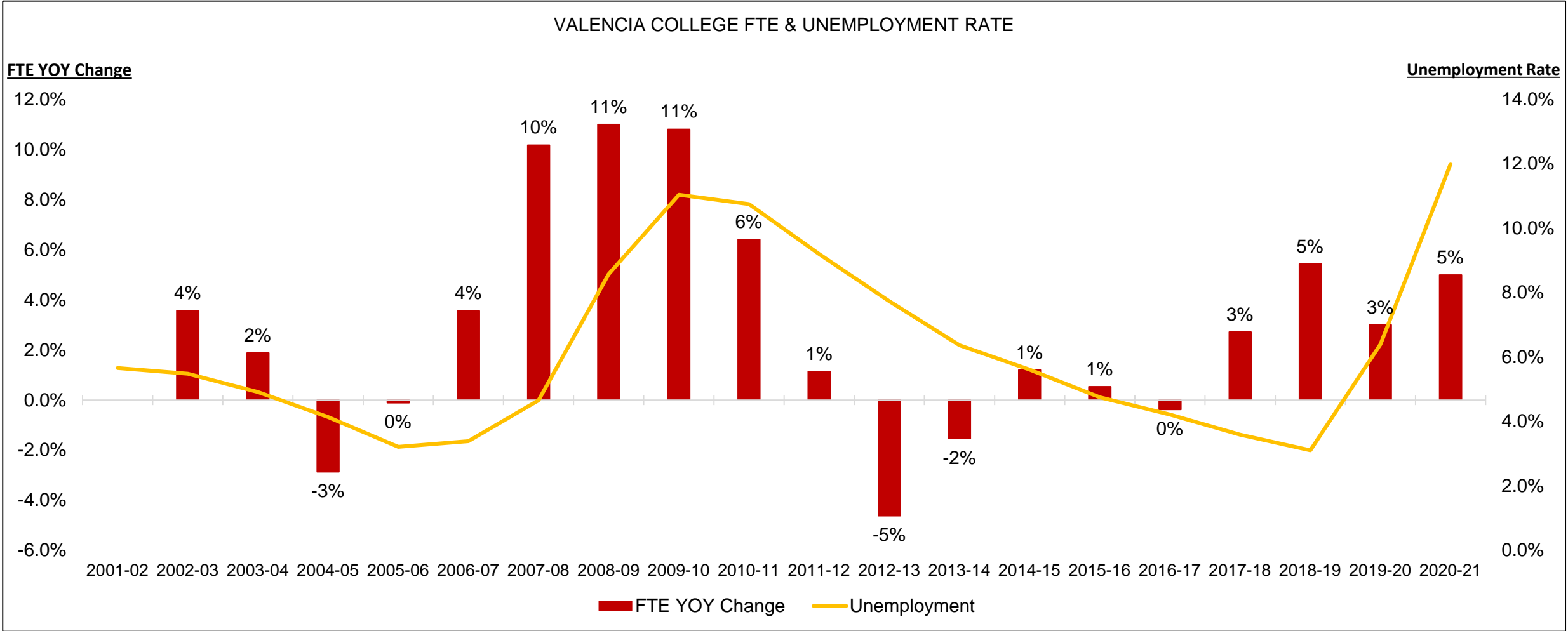
No increases to block tuition & fees for the 2020-21 fiscal year

	Fund 1	Fund 1	Fund 2	Fund 5	Fund 7	
<b>Lower Division</b>	<b>Tuition</b>	<b>Tech Fee</b>	<b>Stu. Act.</b>	<b>Fin Aid Fee</b>	<b>Cap. Imp. Fee</b>	<b>Total</b>
2019-20	\$82.66	\$3.83	\$7.07	\$3.83	\$5.67	\$103.06
2020-21	\$82.66	\$3.83	\$7.07	\$3.83	\$5.67	\$103.06
<b>Upper Division</b>	<b>Tuition</b>	<b>Tech Fee</b>	<b>Stu. Act.</b>	<b>Fin Aid Fee</b>	<b>Cap. Imp. Fee</b>	<b>Total</b>
2019-20	\$91.79	\$3.83	\$7.07	\$3.83	\$5.67	\$112.19
2020-21	\$91.79	\$3.83	\$7.07	\$3.83	\$5.67	\$112.19
<b>Out of State</b>	<b>Tuition</b>	<b>Tech Fee</b>	<b>Stu. Act.</b>	<b>Fin Aid Fee</b>	<b>Cap. Imp. Fee</b>	<b>Total</b>
2019-20	\$330.53	\$15.34	\$7.07	\$15.34	\$22.68	\$390.96
2020-21	\$330.53	\$15.34	\$7.07	\$15.34	\$22.68	\$390.96

# Recurring & Non-recurring State Support

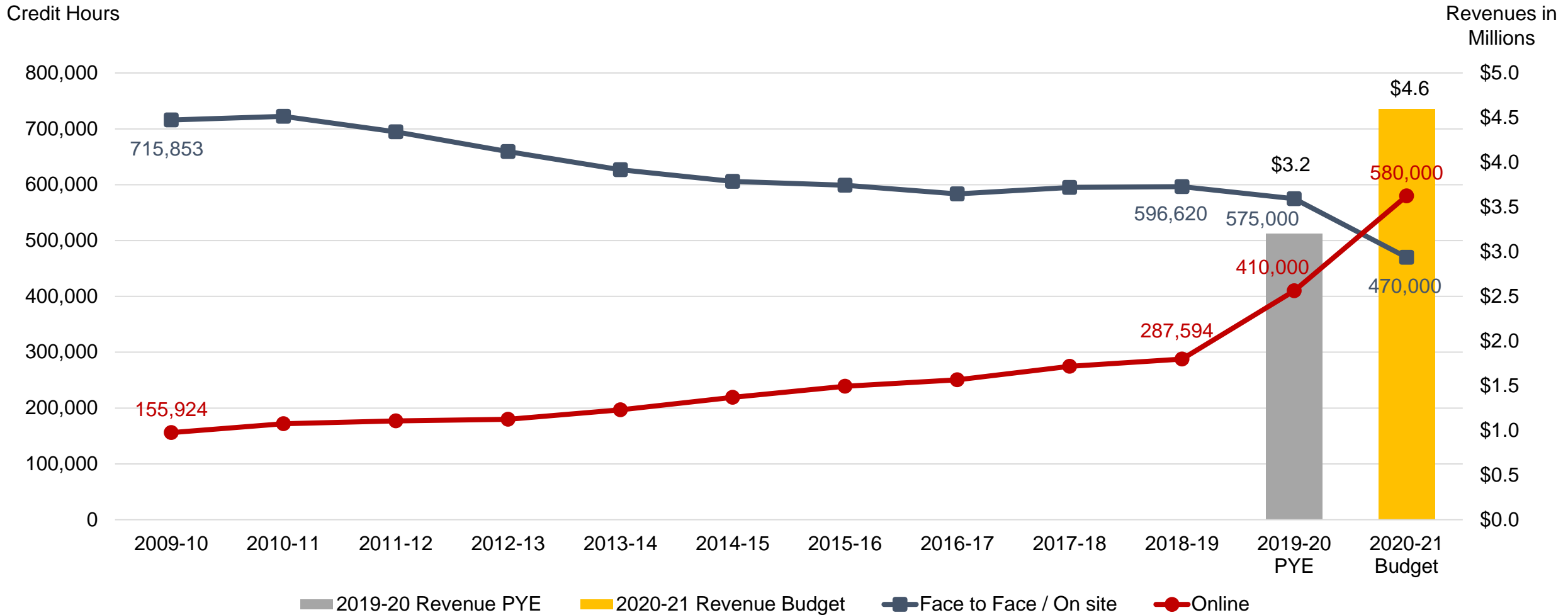


# Could it happen again - 2008 to 2011



- FTE data extracted from The Florida College System Enrollment Estimating Conference August 1, 2018 Meeting packet  
 - Unemployment Rate in Orlando-Kissimmee-Sanford, FL (MSA), Percent, Monthly, Not Seasonally Adjusted data extracted from <https://fred.stlouisfed.org>

# Revenue Perspective on Course Modality Shift

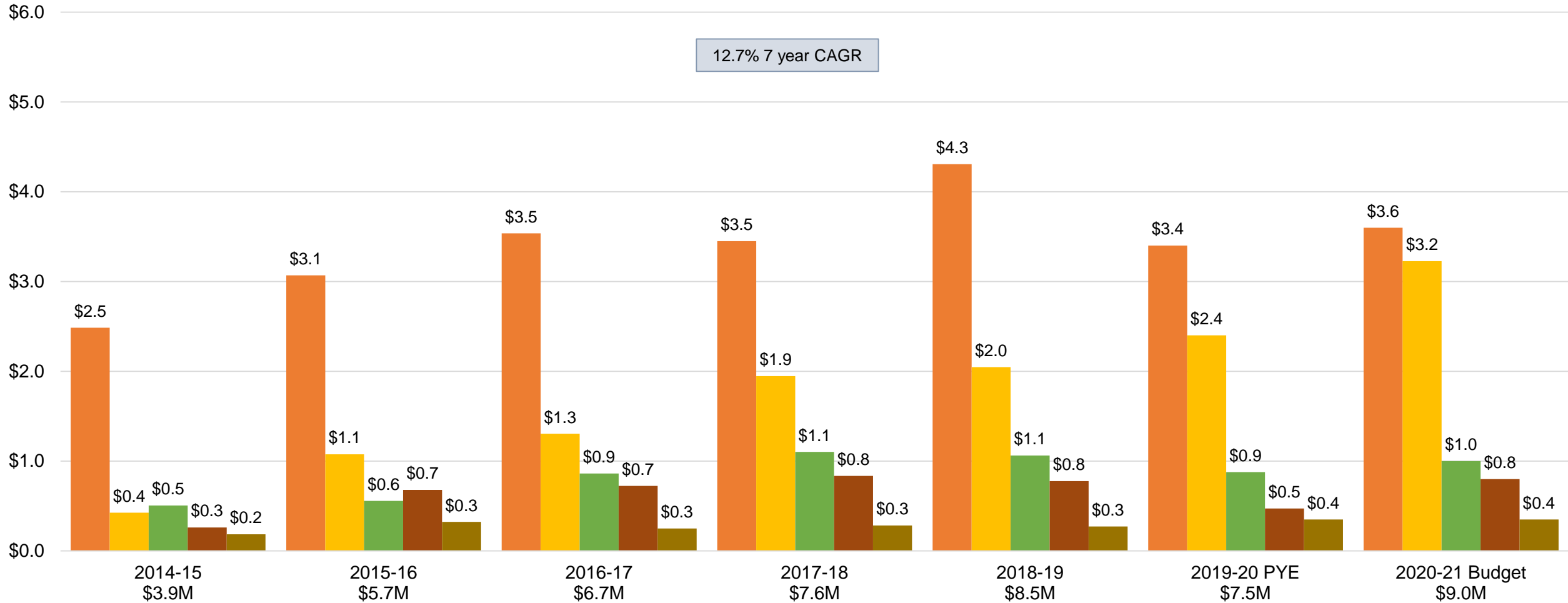


# Continuing Education and Language Programs

Revenue  
Millions

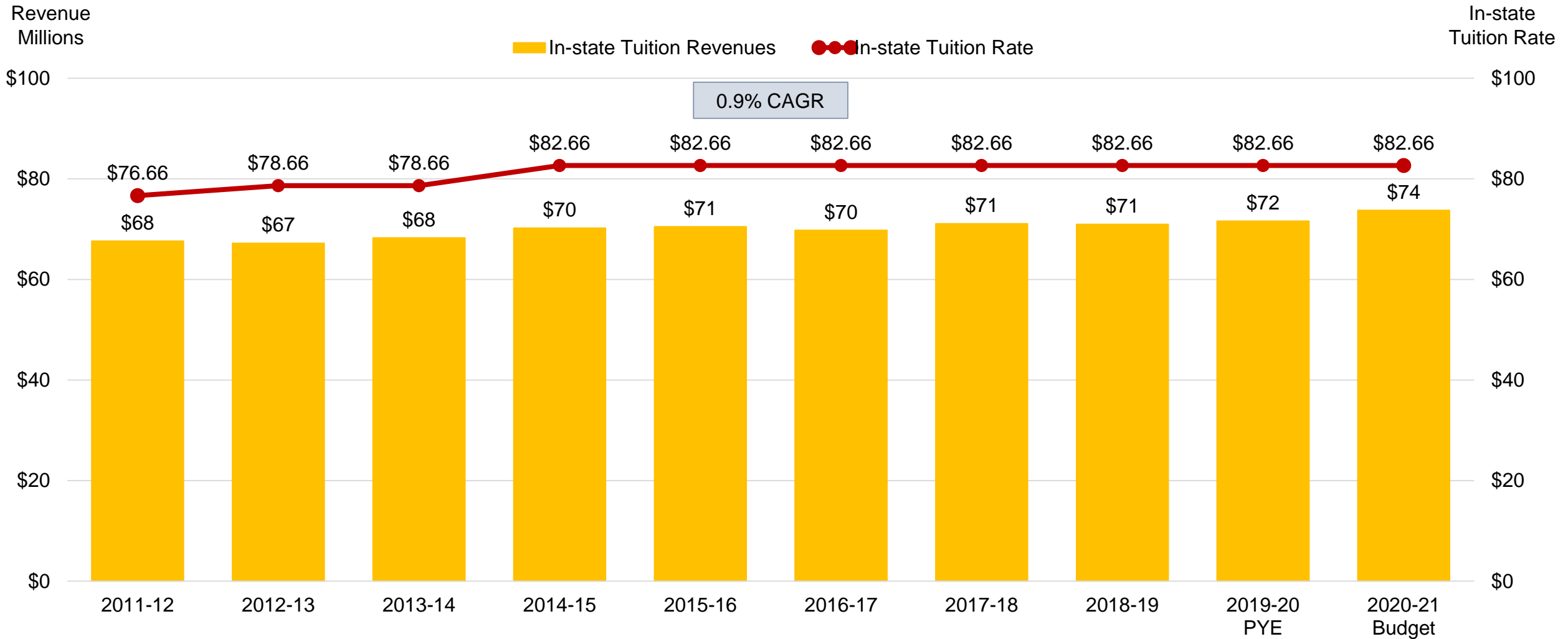
■ Languages 
 ■ AST 
 ■ Business Agreements 
 ■ Fire Program 
 ■ Other Programs

12.7% 7 year CAGR

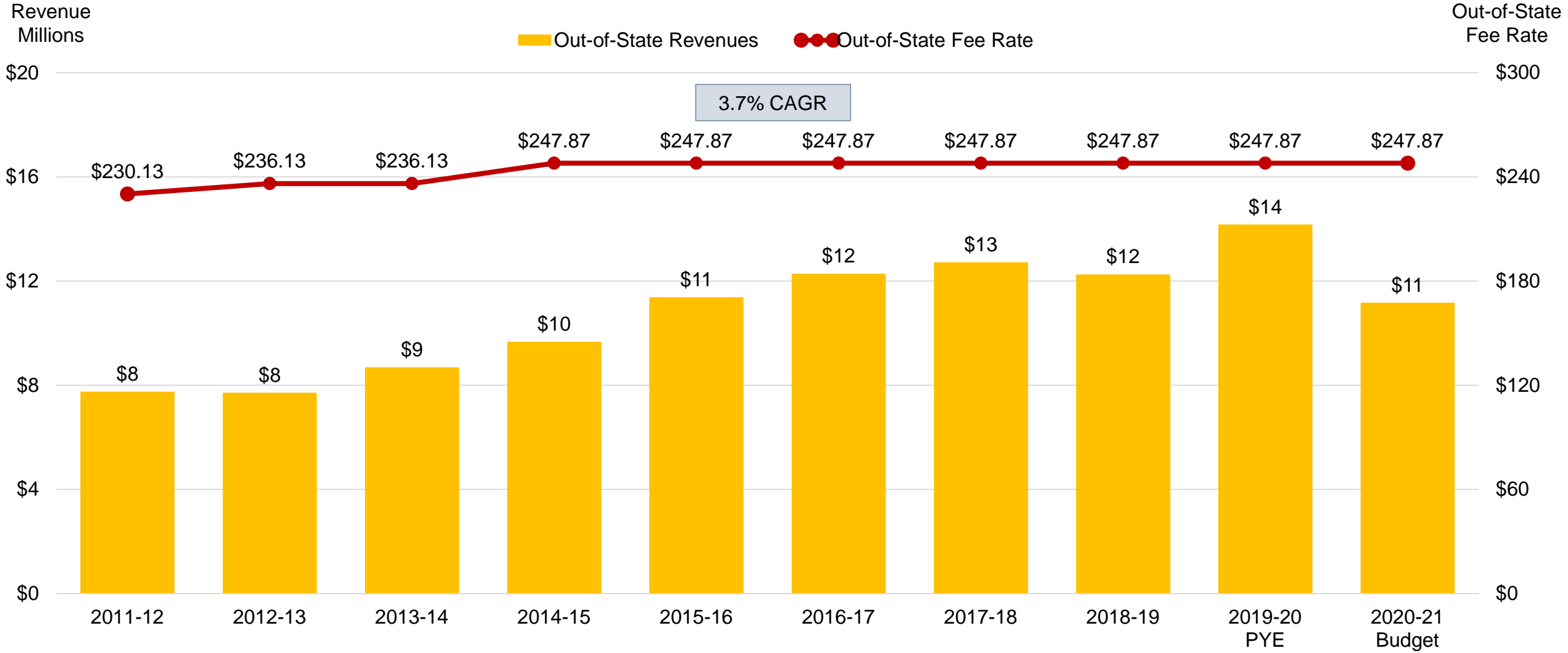




# In-State Revenues / In-State Tuition Rate



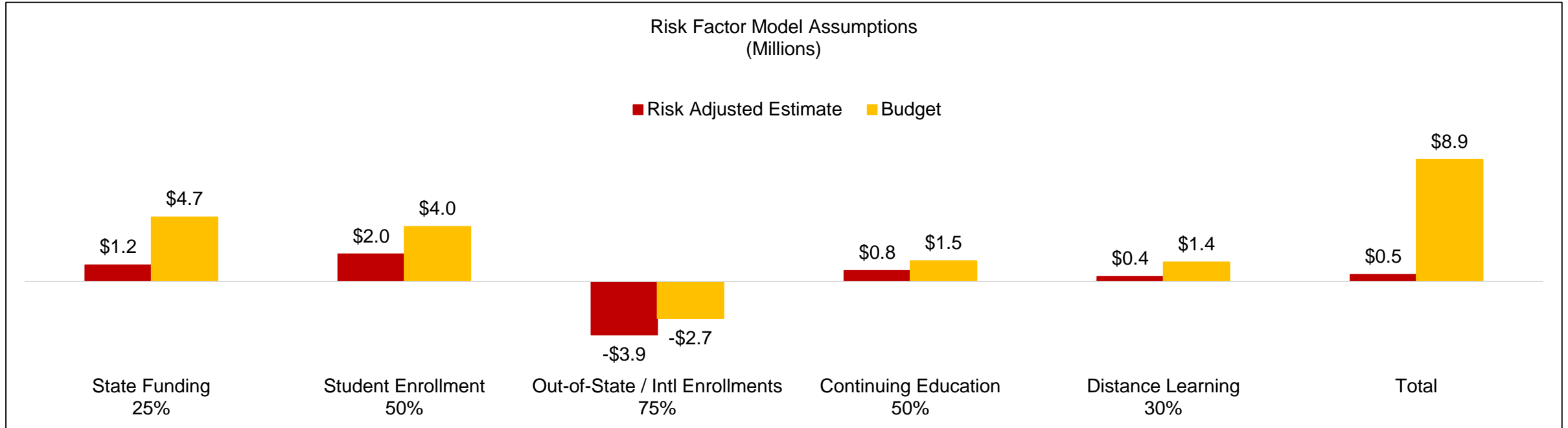
# Out-of-State Revenues / Out-of-State Fee Rate



# Operating Revenue Budget

	FY 2020-21 Proposed Budget
<b>FY 2019-20 Revenue PYE</b>	<b>\$212.0</b>
<b>Adjustments</b>	
Federal/private grants, misc. revenue, and investment income	(\$1.6)
<b>FY 2020-21 Revenue Baseline</b>	<b>\$210.4</b>
<b>State Appropriations / Internal Funds</b>	
State funding	\$4.7
Distance Learning volume	\$1.4
Operational support	\$0.2
<b>Enrollment Assumptions</b>	
Continuing Education	\$1.5
Domestic enrollment growth	\$4.0
Out of State fee revenue	(\$2.7)
<b>FY 2020-21 Proposed Revenue Budget</b>	<b>\$219.5</b>

# Fund Balance Downside Risk Coverage



## How fund balances grow:

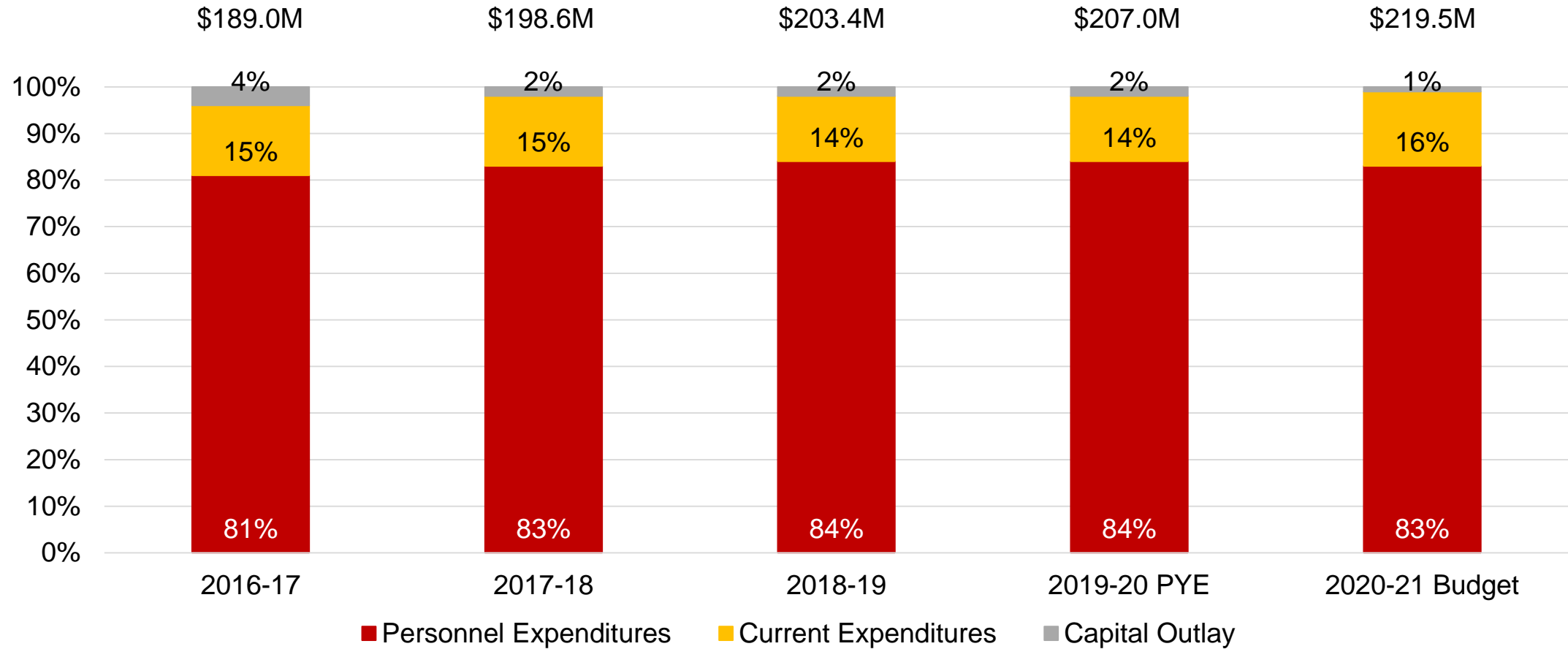
- Revenues exceed expenses within a fiscal year
- Investments do not reduce fund balances

## Need for fund balances:

- Funding of projects (CAT, CIT, LN)
- Risk coverage
  - Expense exceed revenues
  - Unusual/unexpected issues

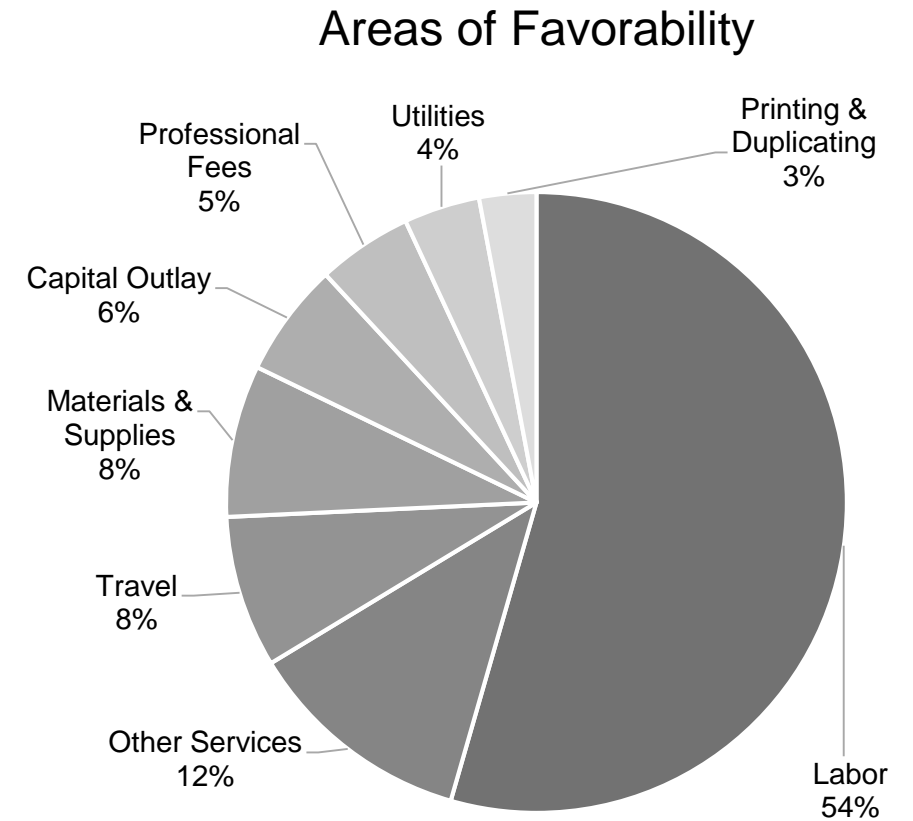
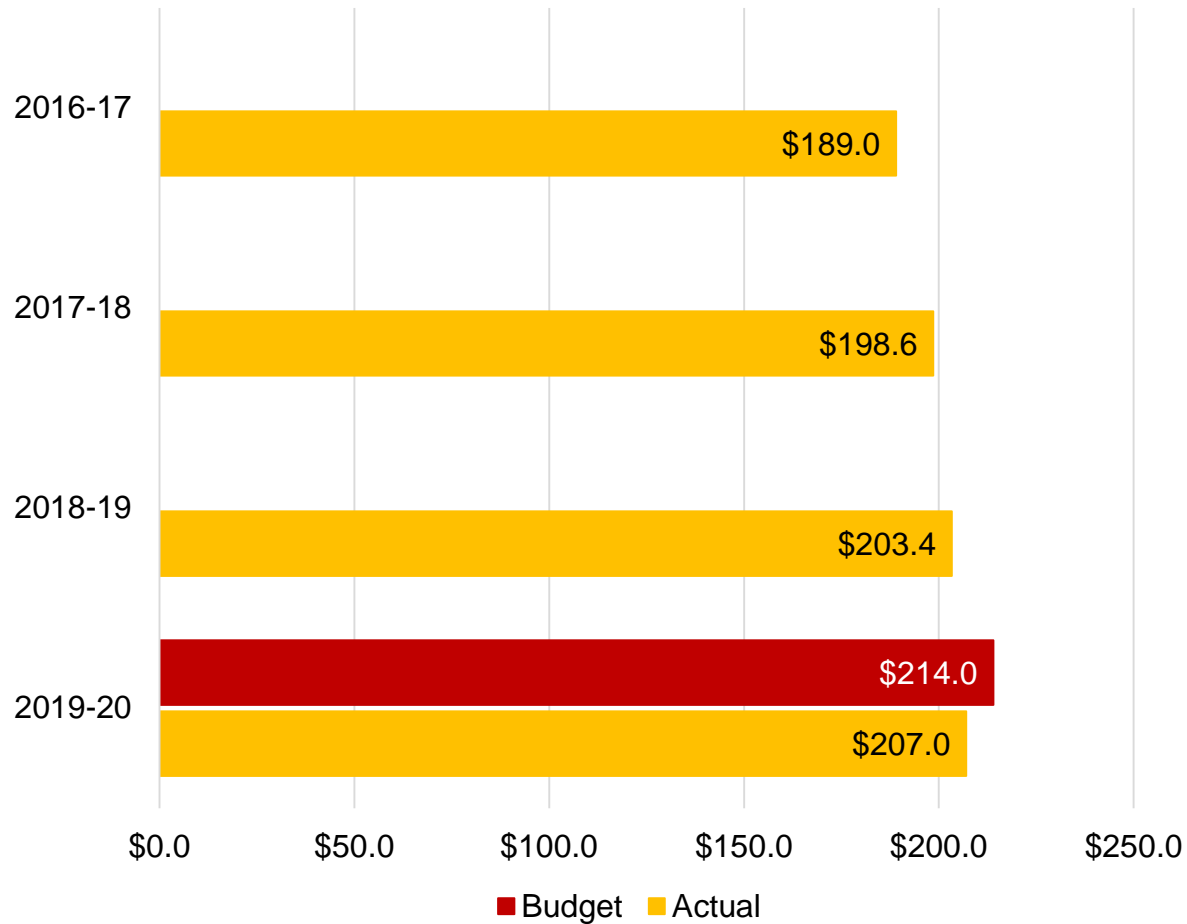
FUND BALANCE CALCULATOR	
2020-21 RISK ADJUSTED FUND BALANCE PYE	\$15.5M
2020-21 RISK ADJUSTED FUND BALANCE %	6.8%

# Expenditures - Operating Fund



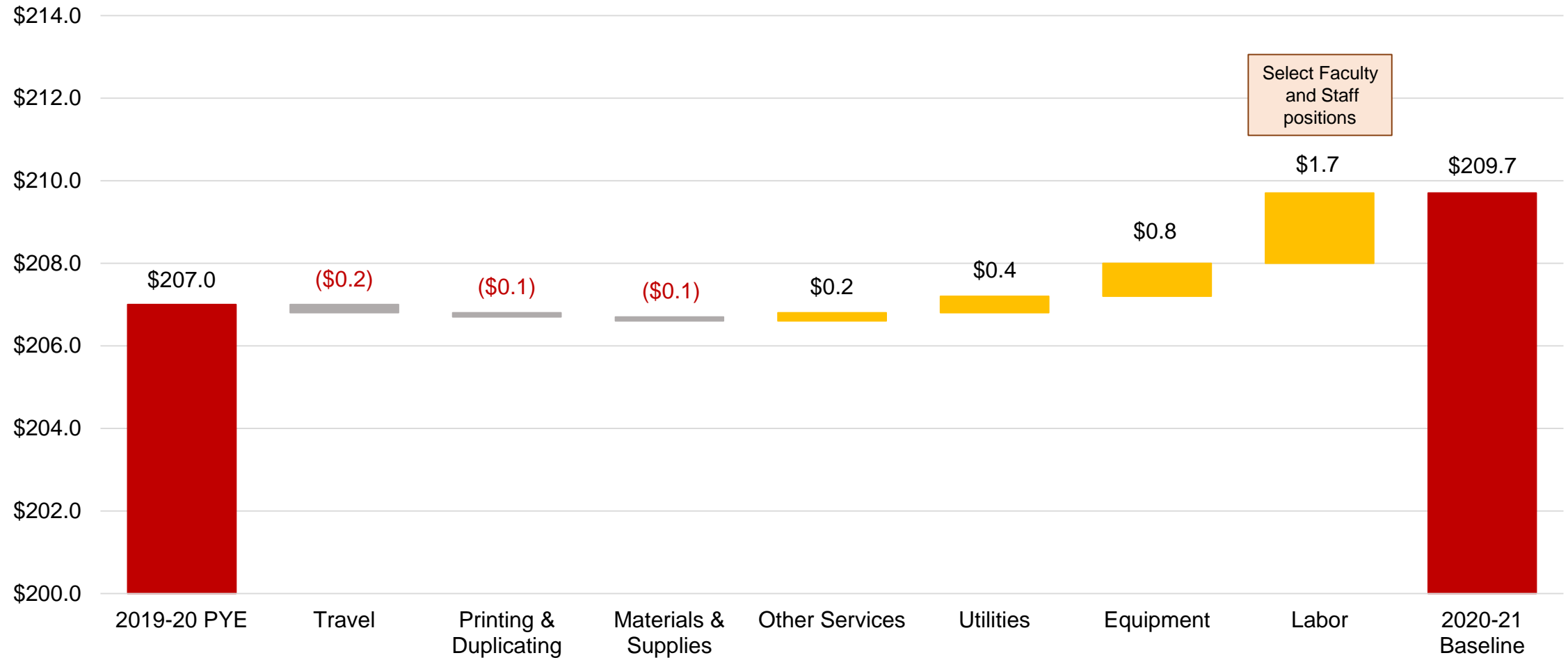
Excludes Net Pension expense and Non-mandatory Transfers Out

# Expenditures - All Categories



Excludes Net Pension expense and Non-mandatory Transfers Out

# 2019-20 PYE to 2020-21 Baseline



# Operating Expenditures

	FY 2020-21 Proposed Budget
<b>FY 2019-20 Expenditures PYE</b>	<b>\$207.0</b>
<b>Adjustments</b>	
Personnel and operating adjustments to PYE	\$2.7
<b>FY 2020-21 Expenditures Baseline</b>	<b>\$209.7</b>
<b>Operating Requests</b>	
Wage Increase	\$3.1
FRS Benefits Growth	\$1.7
Volume	\$1.4
Grants (CFEED, Title V OSC/EAC, LSAMP)	\$1.0
Part Time Faculty	\$0.8
Sanitation and safety (PPE, supplies)	\$0.8
<b>Strategic Plan Initiatives</b>	
CRM	\$0.4
IT Security	\$0.3
Baccalaureate Programs	\$0.3
<b>FY 2020-21 Proposed Expenditures Budget</b>	<b>\$219.5</b>



# Budget Summary

## A. Revenues

- Enrollment growth of 5% built in
- No tuition rate changes
- State funding adjustments may occur
- International and out of state risk
- Continuing education growth expected
- Modality shift driving distance learning revenue
- Fund balance used as a risk mitigation tool

## B. Expenses

- Wage increases for both full time and part time
- Building off favorability in current year
- Faculty growth to support enrollment growth
- Initiatives supported
- Ability to generate expense savings if volume is not achieved





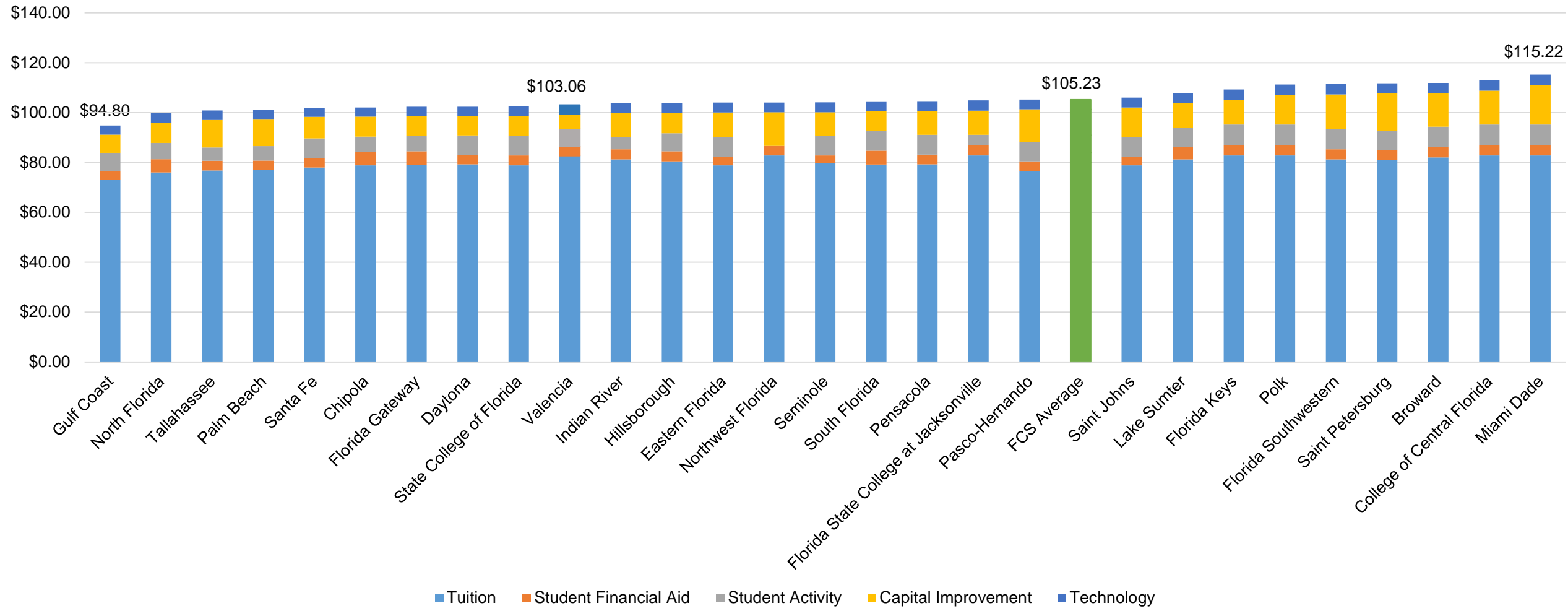
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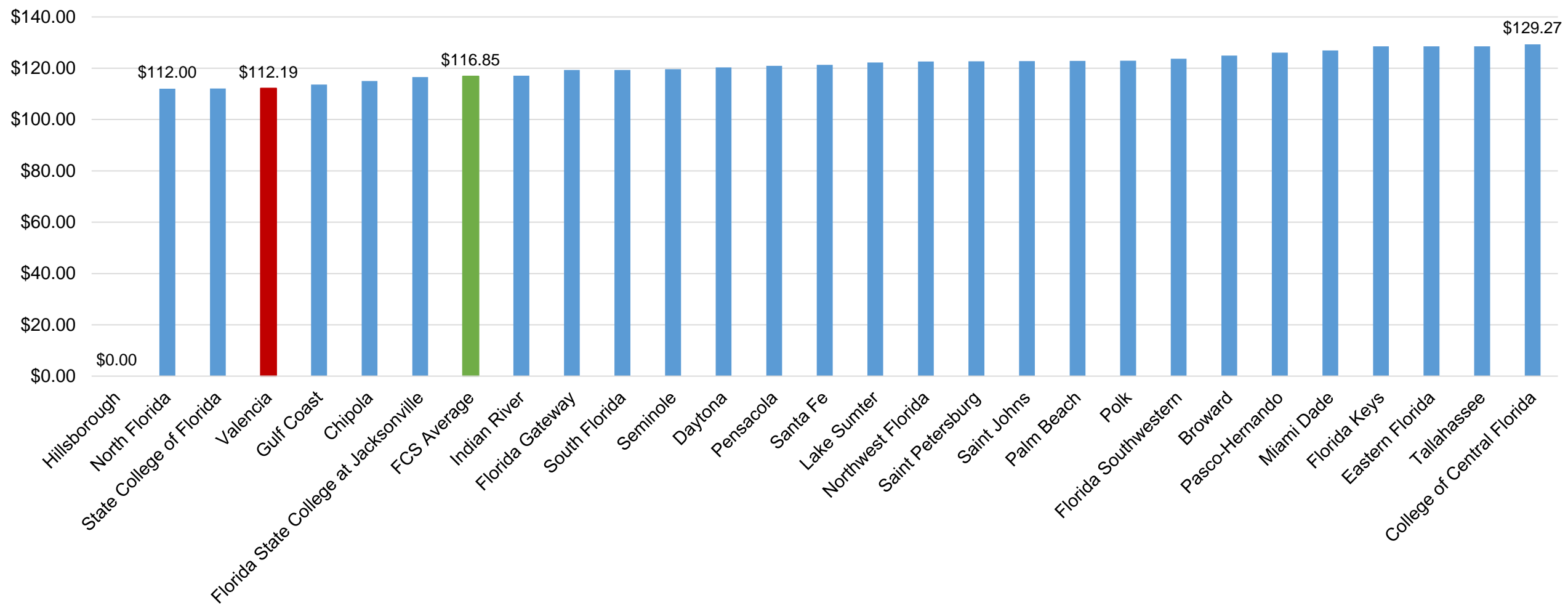
# Backup Slides

FY 2020-21 Preliminary Budget Summary  
District Board of Trustees – May 27, 2020

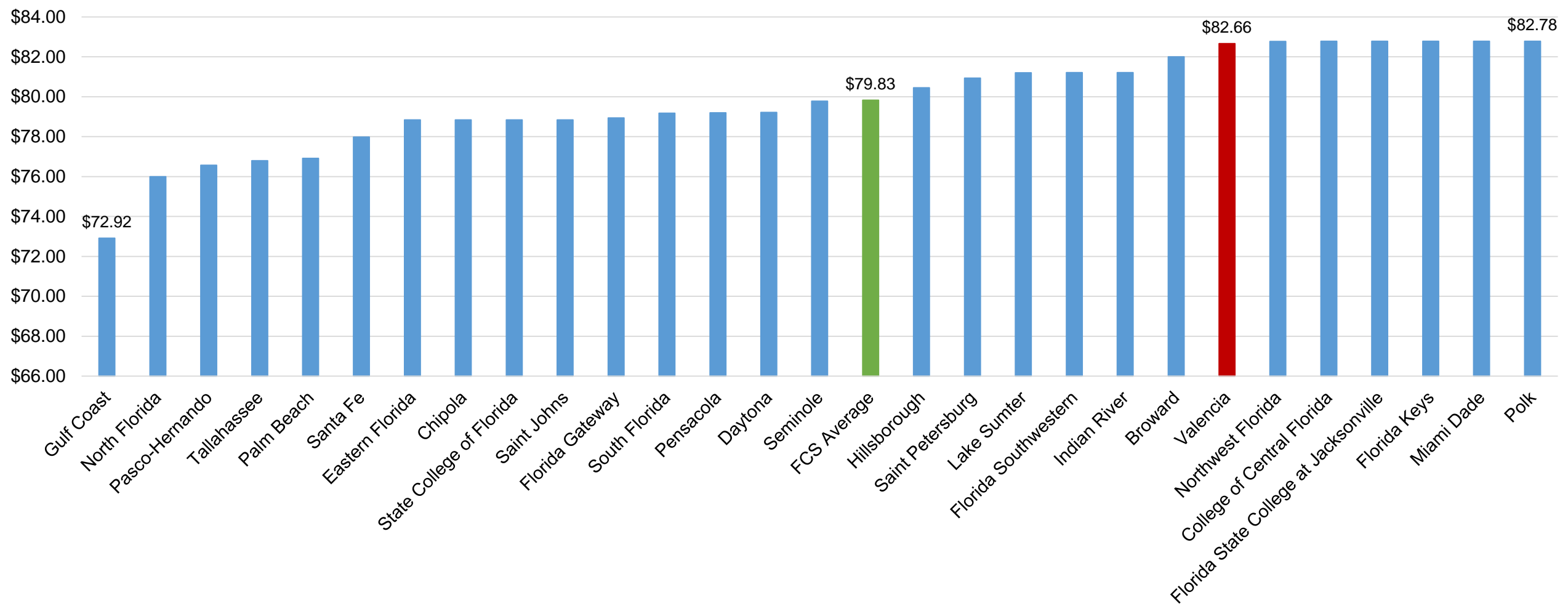
# FCS 2019-20 Resident Lower Level Tuition and Fees per Credit Hour



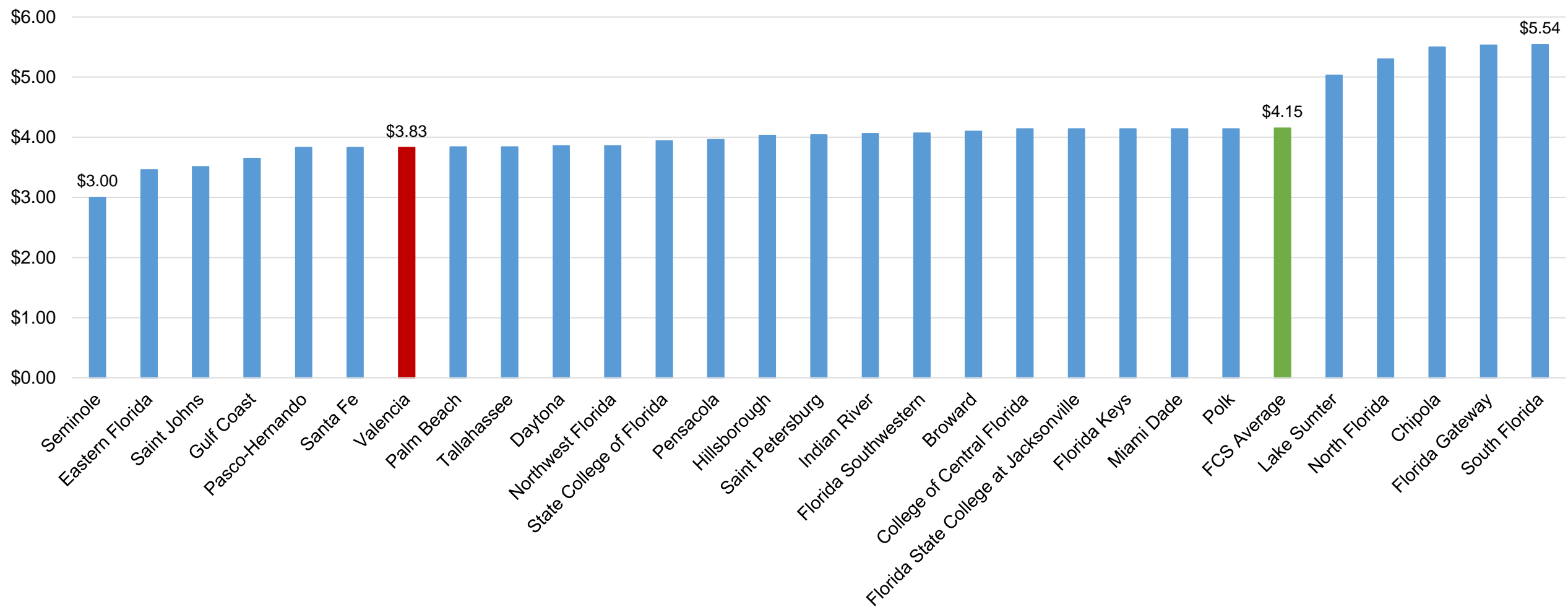
# FCS 2019-20 Total Tuition and Fees – Upper Level



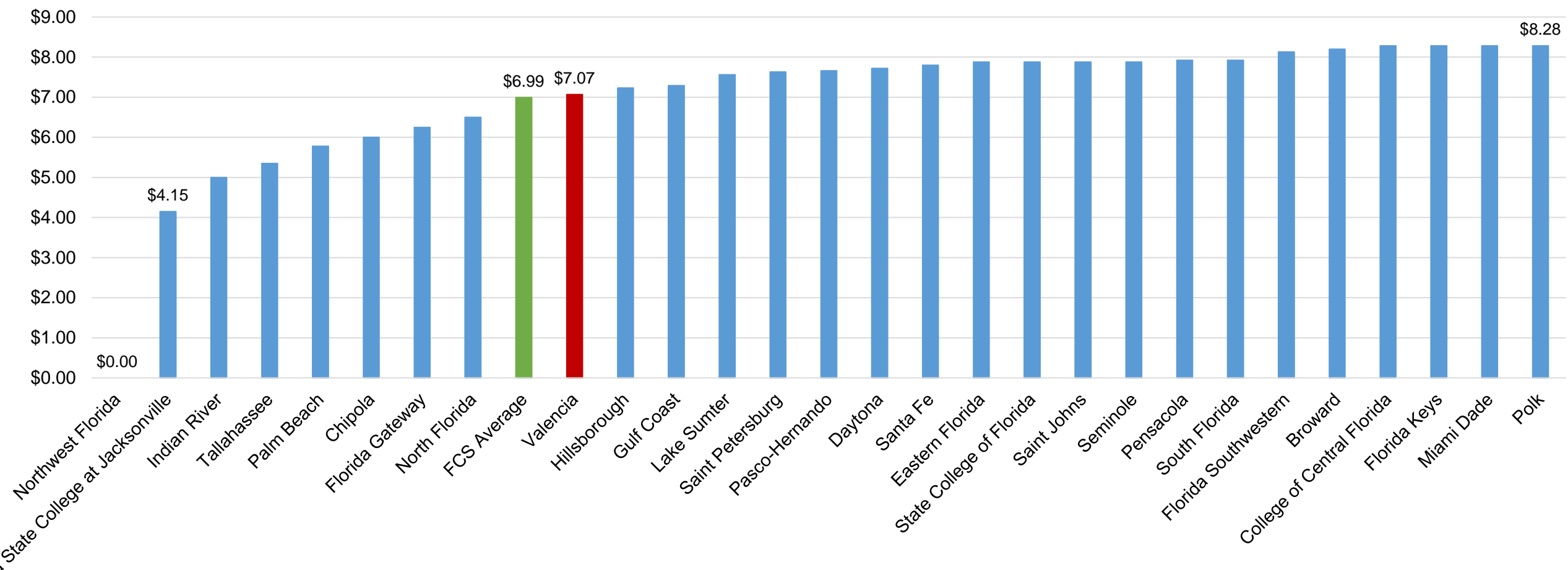
# FCS 2019-20 Tuition Rate – Lower Level



# FCS 2019-20 Financial Aid Fee – Lower Level

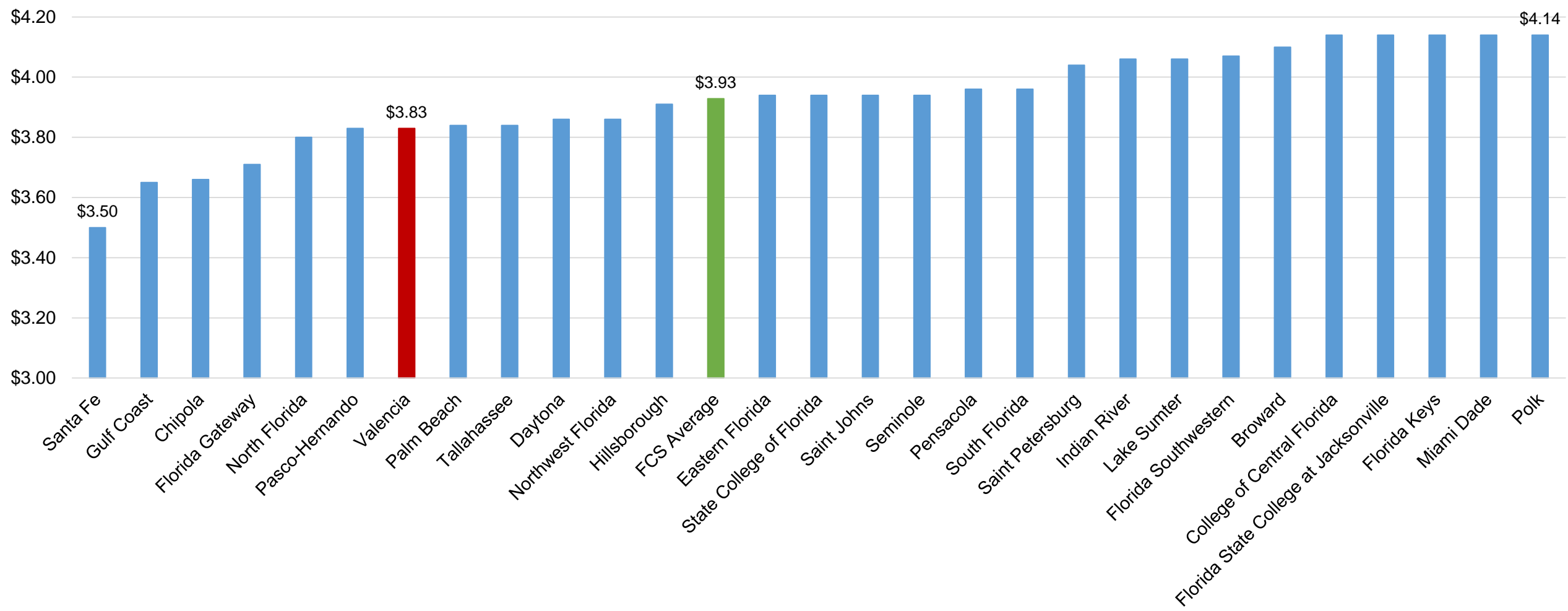


# FCS 2019-20 Student Activity Fee – Lower Level





# FCS 2019-20 Technology Fee – Lower Level



# FCS 2019-20 Capital Improvement Fee – Lower Level

