

FY10 Budget Development: Planning for “Ordinary Resources”

Strategic Planning: November 14, 2008

What's Happening to MCCCCD State Aid?

| | Adopted FY09 | Budget Cut | Appropriated FY09 | Cut % |
|---------------|---------------------|-----------------------|--------------------------|--------------|
| Operating Aid | \$57,528,300 | (\$2,112,200) | \$56,416,100 | 3.7% |
| Capital Aid | \$11,129,800 | (\$11,129,800) | \$0 | 100.0% |
| TOTAL | \$68,658,100 | (\$13,242,000) | \$55,416,100 | 19.3% |

What if the State makes additional cuts?

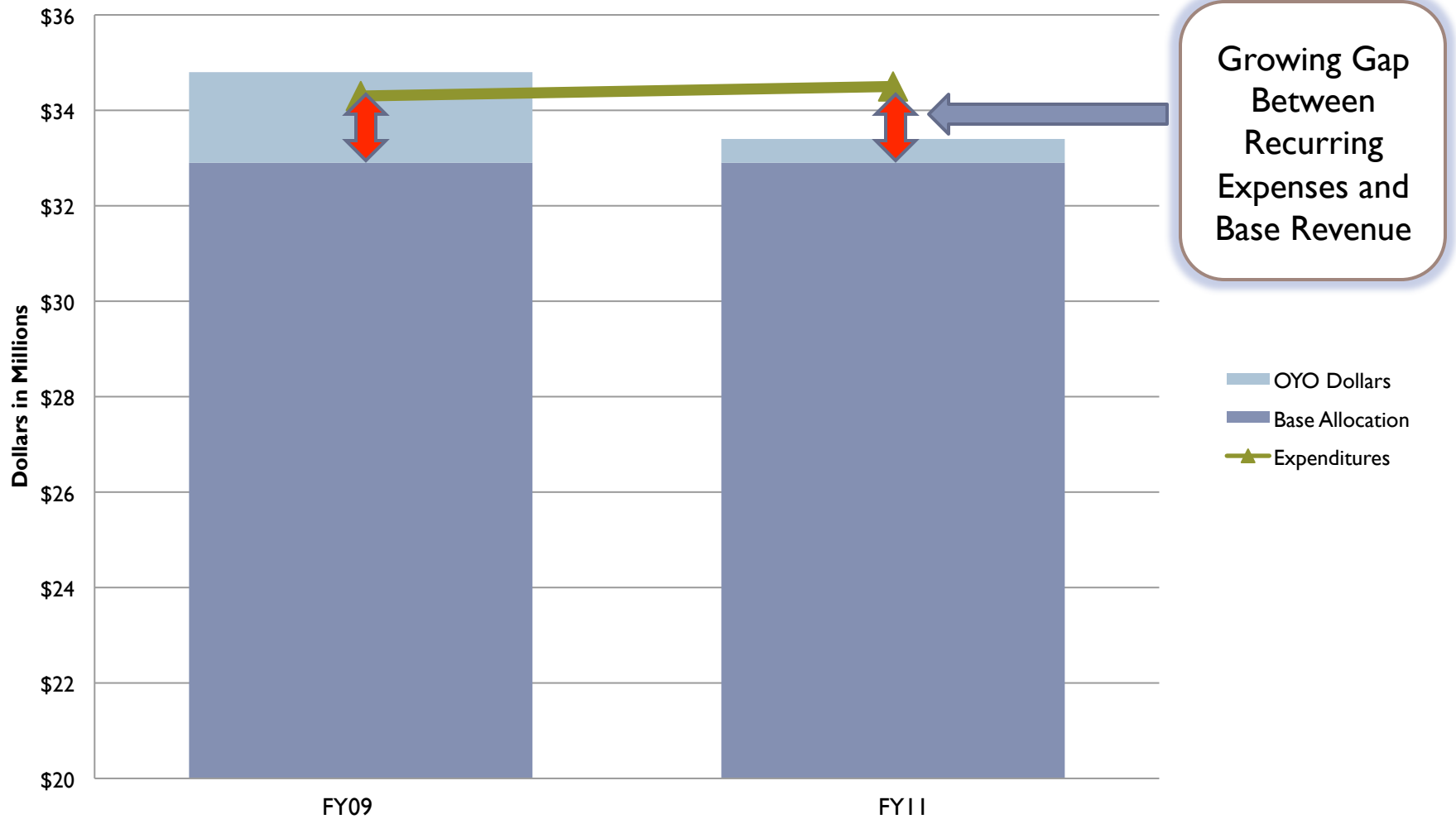
| Cut % | 1% Cut | 5% Cut | 10% Cut | 25% Cut |
|------------------------|---------------------|----------------------|----------------------|-----------------------|
| Cut Amount | (\$554,200) | (\$2,770,800) | (\$5,541,600) | (\$13,854,000) |
| TOTAL REMAINING | \$54,861,900 | \$52,645,300 | \$49,874,500 | \$41,562,100 |

If allocated proportionately to colleges, PVCC would be cut:

| | | | | |
|---------------------|-----------------|------------------|------------------|------------------|
| PVCC's SHARE | \$34,915 | \$174,575 | \$310,000 | \$872,865 |
|---------------------|-----------------|------------------|------------------|------------------|



Taking a Multi-Year Look: The Structural Gap



What Does this Mean for Paradise Valley Community College?

▶ FY2008-09

- ▶ Decline in FY08 Enrollment = \$50-100k Reduction to General Fund
- ▶ Legislative Budget Balancing = \$278k Reduction to State Aid Capital
- ▶ Potential for Additional Mid-Year Cuts:
 - ▶ *Plan for 1% or \$310,000 Reduction*

▶ FY2009-10 Possibilities

- ▶ Continuation of Cut to State Aid Capital
 - ▶ *\$278,000 Reduction from FY09 Resources*
- ▶ Reductions to General Fund from Legislature:
 - ▶ *Plan for Additional 1% or \$307,000 Reduction*
- ▶ Increases or Reductions from Enrollment Changes
- ▶ **Need to Address the Structural Gap**



What Do We Need to Do?

- ▶ **Get Grounded*:**
 - ▶ Engage in presentations and discussions to understand the environment
 - ▶ Focus on MCCCCD Strategic Directions and PVCC Strategic Priorities
- ▶ **Get Real*:**
 - ▶ Use analytics, data and facts to raise insight into problems and opportunities
 - ▶ Make and support decisions based upon the strategic plans and initiatives
- ▶ **Get Going*:**
 - ▶ Attract and retain students
 - ▶ Implement “best practices” to enhance effectiveness and efficiency
 - ▶ Build relationships and partnerships: grants, institutional advancement, entrepreneurship
 - ▶ Refocus and reallocate existing resources

* Drs. Nathan Hodges and Mark Milliron, “Community College Renewal”



So, Let's "Get Going..."

And Not Put Our Heads in the Sand...



But, Rather, be "Smarter than the Average..."



What Budget Strategy Ideas Do You Have?

- ▶ If you could express a desire about how Paradise Valley Community College would respond to its budget situation, what would it be?
- ▶ *“I wish...”*
- ▶ *“What if...”*
- ▶ *“I wonder if we could...”*
- ▶ *“I wonder how to...”*
- ▶ *“I wonder how we would/could...”*



Which Quadrant Do Your Ideas Fall Into?

| | | |
|----------------|-----------------------------|------------------------------|
| High \$ Impact | | |
| Low \$ Impact | | |
| | Can Implement Current FY | Can Implement for Next FY |

