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COMMUNITY COLLEGE DISTRICT NO. 508
JULY 11, 2013





Fiscal Year Ending June 30, 2014
2014 Budget Overview
July 11, 2013



CITY COLLEGES
of CHICAGO
Education that Works

The economic environment has reinforced the need for CCC to spend strategically by focusing on the Four Reinvention goals and outcomes

Reinvention Performance Goals

-  Increase number of students earning college credentials of economic value¹
-  Increase rate of transfer to bachelor's degree programs following CCC graduation
-  Drastically improve outcomes for students requiring remediation
-  Increase number and share of ABE/GED/ESL students who advance to and succeed in college-level courses²

Reinvention Vision

Drive greater degree attainment, job placement, and career advancement

Ensure student success

Become an economic engine for the City of Chicago

¹Since there are economic (as well as social and personal) returns to a college credential and since higher level credentials have higher value, a credential of "economic value" is one that: a) Prepares students to succeed at the next level of education (including maximizing the number of credits that transfer where applicable), whether that be the associate degree program (for certificates) or bachelor's degree programs, thereby increasing their potential lifetime earnings; b) Enables career and technical education program students to advance in the labor market either by moving up in their current job or securing a better job.

²ABE is Adult Basic Education, courses are for students testing at the 1st through 8th grade levels, GED is General Educational Development for students to prepare for high school equivalency, ESL is English as a Second Language, courses provide instruction for non-native English speakers .

The Four Organizational Health Goals

These four organizational health goals support the achievement of our four performance goals.

Organizational Health Goals

-  Strategically align community and special interest programming with community need
-  Increase the quality and effectiveness of student services and support
-  Improve operational discipline with a focus on high performance standards including excellent financial management
-  Ensure safe and secure teaching and learning environments

Health Vision

Ensure efficient application of taxpayer dollars

Ensure student success

Allow a greater proportion of spending for student facing initiatives

FY14 marks the first-year of an aggressive five-year strategic plan that aims to transform City Colleges into a best-in-class large, urban community college system

Student success targets for the five-year plan

- The number of degrees awarded annually will increase by 37 percent;
- The number of certificates awarded will increase by more than 15 percent;
- The graduation rate will be at 20+ percent;
- More than half of students will transfer to four-year institutions following graduation;
- More than two-thirds of students in occupational programs will be employed in their area of training;
- A third of new remedial students will advance to college-level work;
- Four times as many adult education students will transition to college-level coursework after one semester in GED/ESL

Strategies employed to meet the targets

- 1 Increasing relevance:** ensure courses of study lead to a meaningful outcomes
- 2 Reducing time:** create clear, structured pathways to reduce length of time of programs without sacrificing educational quality
- 3 Increasing student supports:** use data more effectively to help students and provide information to help students better help themselves
- 4 Strengthening operations:** foster excellent financial and human resource management

Executive summary: FY14 budget overview

- **Zero Based Budgeting:** City Colleges employs a Zero Based Budgeting approach, in which *every dollar* spent must be justified based on prior results and goals
- **Link between overall strategy and budget:** Process is jointly driven by both Strategy and Institutional Intelligence and Finance to ensure spending is focused on achieving educational and health goals
- **Balance:** The proposed FY2014 City Colleges of Chicago budget is balanced (with no tuition or tax increases, and despite revenues down over \$20 million) and continues to refocus spending on our core educational mission, in spite of continued uncertainty as to State funding and financial pressure due to such factors as health care costs, the federal sequester and increases in student CTA passes covered by CCC on behalf of students.
- **Overall budget:** Operations + capital is down <1% (\$657.0 M from \$658.9 M)
- **Academic Affairs budget up:** City Colleges' operations budget down 2.2% in FY14 (\$503.3 M from \$514.7 M) but academic affairs budget (combined District and college activities) is up 8%. Unrestricted funds down to \$286.8 M from \$307.9 M

Executive summary: FY14 budget overview

- **District Office spend:** Budget >12% lower than FY13; college spend is 4.5% down
- **Drivers of savings:** \$ less than in FY13
 - Materials/Supplies \$6.5 M
 - Contractual Services \$5.4 M
 - Salaries/Benefits \$4.5 M
 - Utilities \$3.8 M
 - Travel \$1.5 M
- **State cuts:** Governor Quinn had proposed cuts of as much as \$12.6 million to CCC. The General Assembly's passed budget keeps appropriations level for CCC and ICCB (which, in turn, funds CCC). Governor Quinn has signed the budget, but ICCB has not yet officially released its funding plans for FY2014.
 - The budget also identifies positions, programs and initiatives that should be funded if State funding is ultimately level or if it is decreased to a lesser extent than originally discussed.
- **Positions:** The budget includes a reduction of over 100 vacant positions*, though no filled positions will be eliminated
 - *many of these positions will be added back should revenues improve*

To meet the goals, investments were made in student-facing and strategic institutional areas

Investments

- **Academic Instruction and Support**

- Increase faculty positions in strategic areas (i.e., English, math, and C2C)
 - Increase advisors to drive down student/advisor ratios
 - Increase tutors and tutoring support
 - Create call center to add retention services for current students and to recruit new students
 - Develop teaching and learning centers to invest in development of faculty
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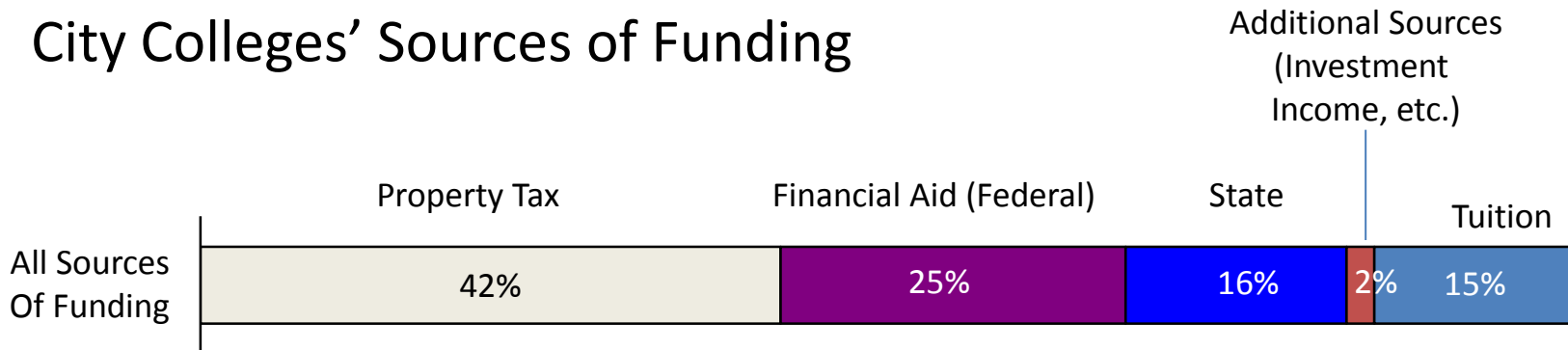
- **Student Support**

- Expand Wellness and Veteran Centers
 - Expand Transfer and Career Centers
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- **Institutional Operations**

- Invest in Reinvention⁷ to move projects from District Office to the Colleges
- Undertake compensation study to benchmark ability to retain and attract talent. *In order to ensure CCC is able to retain and attract the talent necessary to continue fueling Reinvention, this budget invests in a comprehensive compensation study and allocates funds to begin addressing areas where the study might suggest compensation should be adjusted.*
- Finance capital plan using internal and external resources, including a proposed debt issuance
- Add campus Safety and Security positions

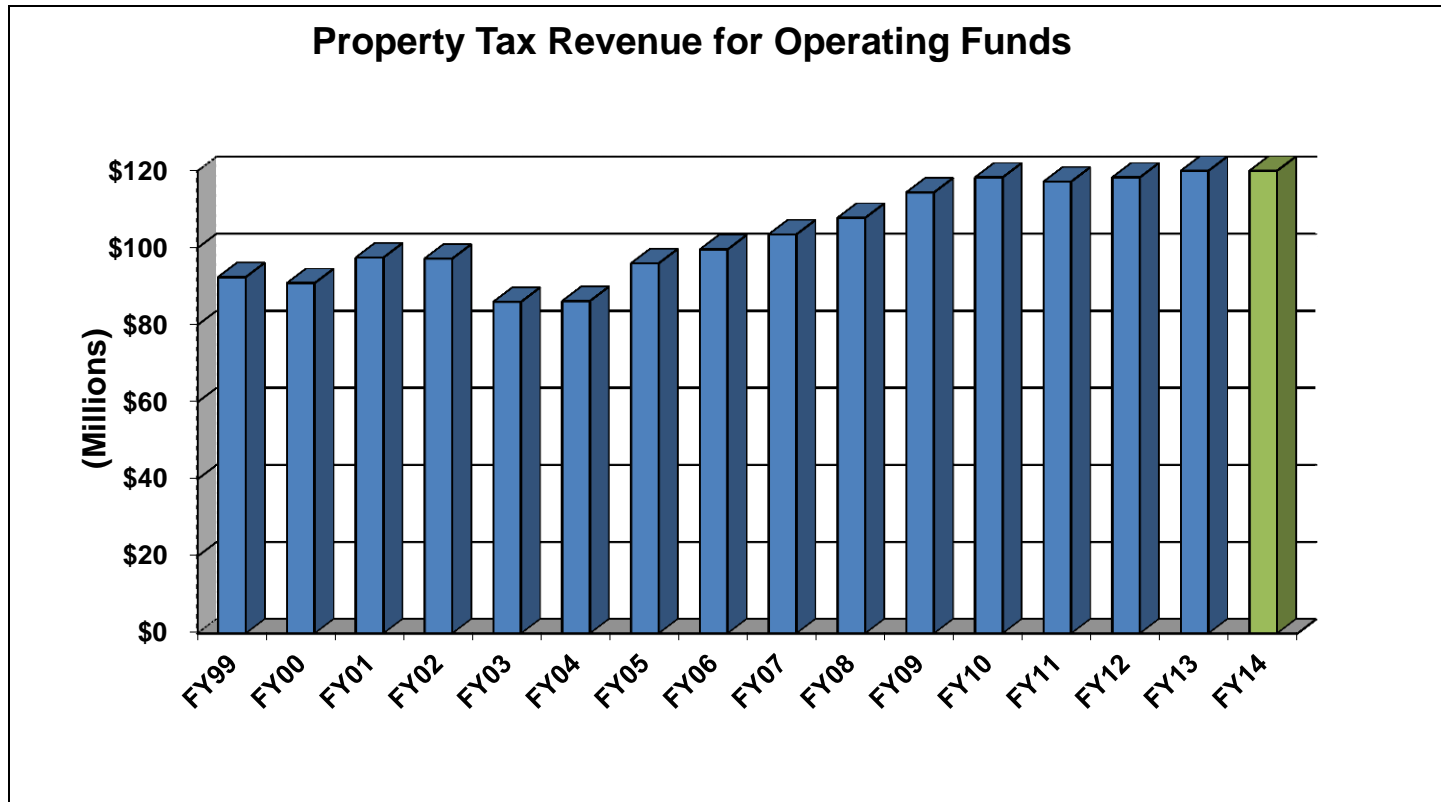
City Colleges' Sources of Funding



Approximately 42 cents of every dollar received comes from local property taxes

Only 15 cents of every dollar received comes directly from students

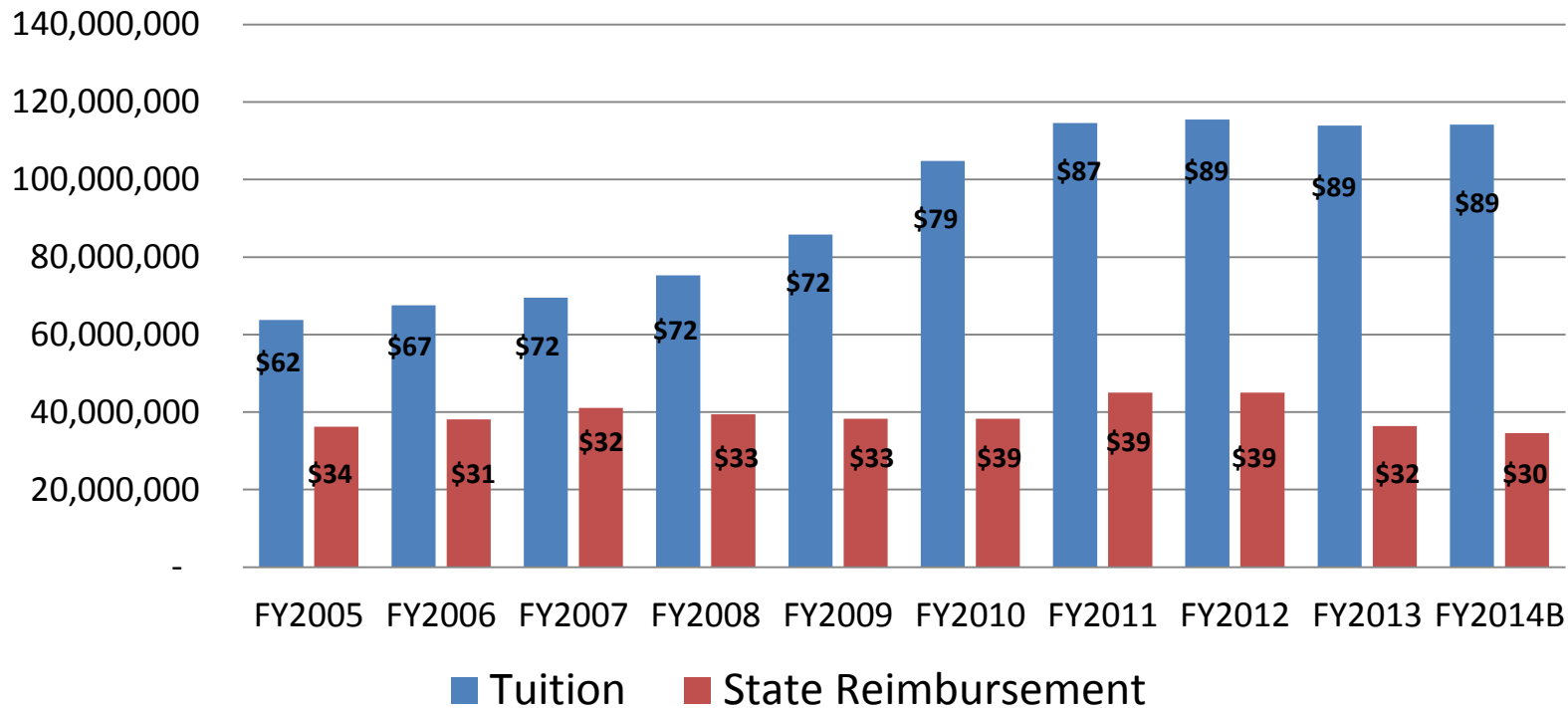
No Property Tax Increase for Calendar Year 2013



Levied property taxes will remain flat for calendar year 2013, continuing a trend for the fiscal year 2014 budget of constant or reduced tax levies.

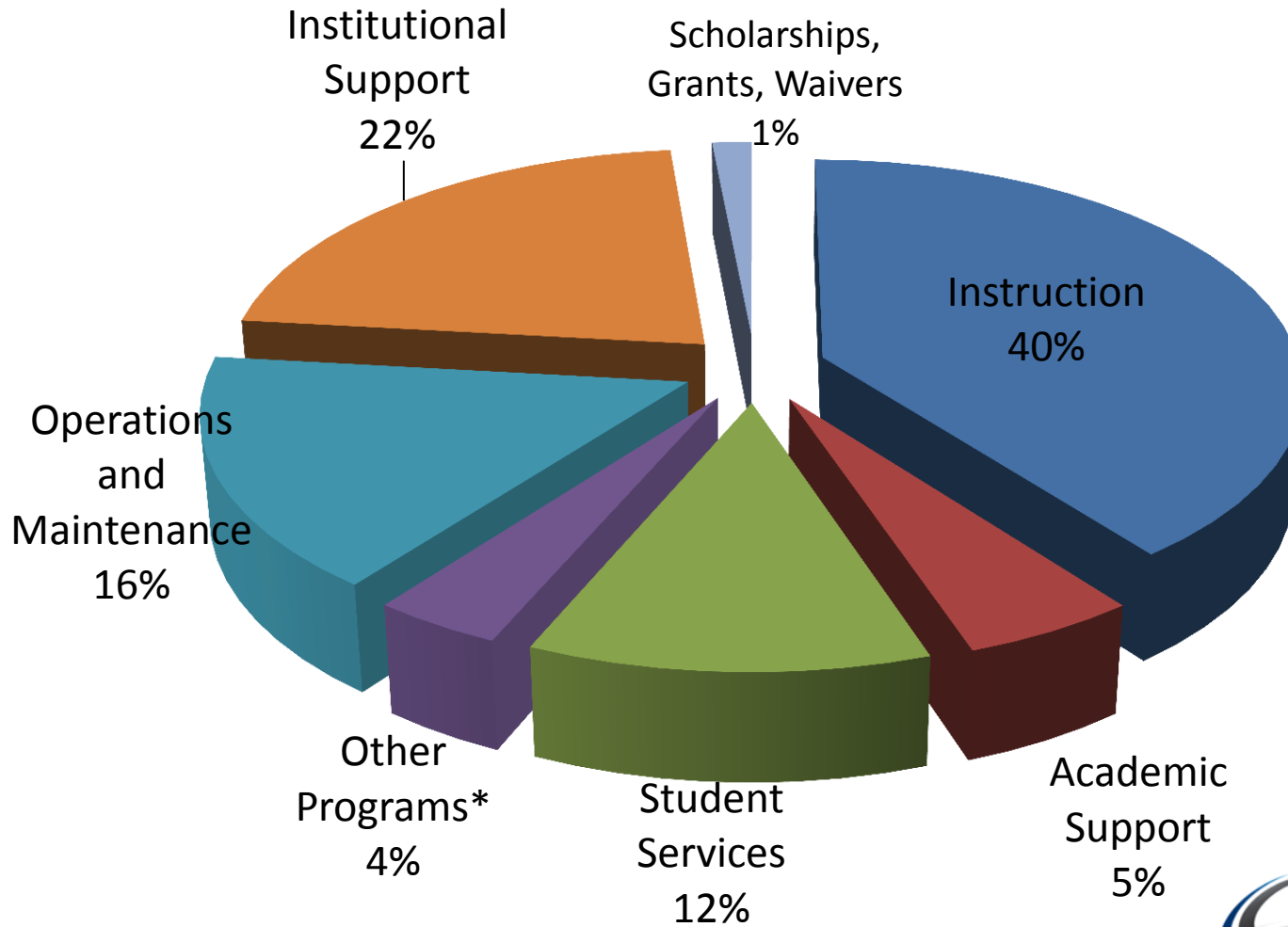
Plan on Less State Funding

Tuition and State Reimbursement Revenues



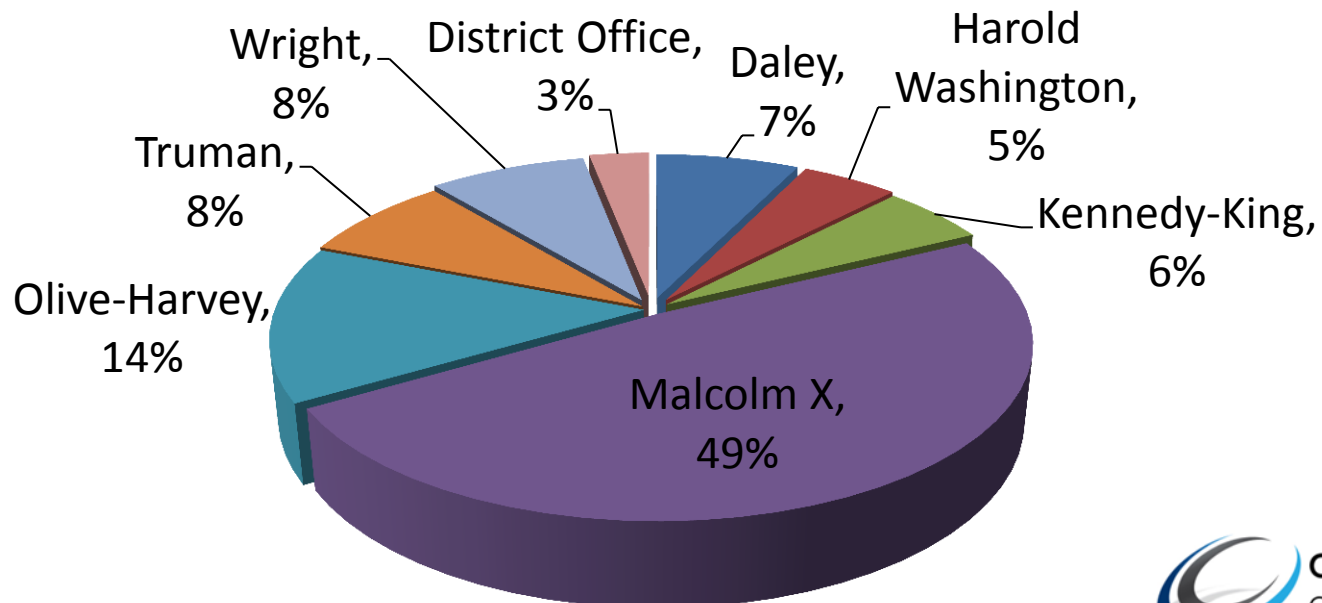
Where Does the Money Go?

Total Expenditures by Program



The FY14 budget continues to invest in capital funding to improve district-wide facilities

- The FY14 budget continues the progress on the \$524 million capital plan announced last year
- The capital plan for FY14 totals \$147.7 M and includes \$6 million of debt issuance: when combined with internal, state, and other funds, adequate financing is available to fund the 5 year plan
- In addition to district-wide investments, the two largest discrete projects in the plan include a new Malcolm X College campus and transportation, logistics and distribution center at Olive-Harvey College



THANK YOU FOR YOUR INTEREST

QUESTIONS

The budget is located online at:

<http://www.ccc.edu/departments/Documents/FinanceDocuments/FY2014Budget.pdf>

You can also e-mail questions or comments to:

cccbudget@ccc.edu