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JULY 11, 2024

City Colleges of Chicago FY25 Preliminary Budget

CITY COLLEGES[®]
OF CHICAGO

**Presentation to the Finance and
Administrative Services Committee**

July 11, 2024

Agenda

- CCC Strategic Plan
- FY25 Budget Priorities
- FY25 Preliminary Budget
- Cash Position Update

Our Vision

City Colleges is the city's **most accessible** higher education engine of **socioeconomic mobility** and **racial equity** — empowering all Chicagoans to take part in building a **stronger and more just city**.



Our work is guided by a five-year strategic framework with equity at its center

A district-wide strategic framework and strategic plans for each college for 2021-25



www.ccc.edu/strategicplan



Create an **exceptional student experience**



Become a “student-ready” **equitable institution**



Develop and strengthen pathways that are **responsive** to the economic needs of the City



Build a **culture of excellence**



Create a **collaborative and connected** ecosystem



Monitor and ensure financial sustainability and the overall **health** of our institution

FY25 Budget Priorities

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FY25 budget represents a year of investments in model programs that advance City Colleges' ambitious student equity goals

- City Colleges is bolstered by recent enrollment gains that have exceeded the community college average in Illinois and nationally. This budget makes critical investments to continue that momentum, including:
 - **Achieving Equity in Student Outcomes**
 - Priority retention and completion strategies, such as: mandatory academic advising, year-long scheduling and expanding the Chancellor's Equitable Outcomes Fund to reward colleges for improvements in Black and Latinx first-year retention rates
 - The Chicago Roadmap, an unprecedented partnership with the Chicago Public Schools, to equitably support students
 - Continued expansion of our partnership with proven student support model One Million Degrees
 - **Meeting Students Needs**
 - A suite of student supports that deliver an exceptional student experience, including a full complement of advisors, tutors, career and transfer centers, undocumented student liaisons, and more
 - Historic investments in student mental health supports that maintain increases in wellness staff
 - Student basic need supports

FY25 Budget Priorities, continued

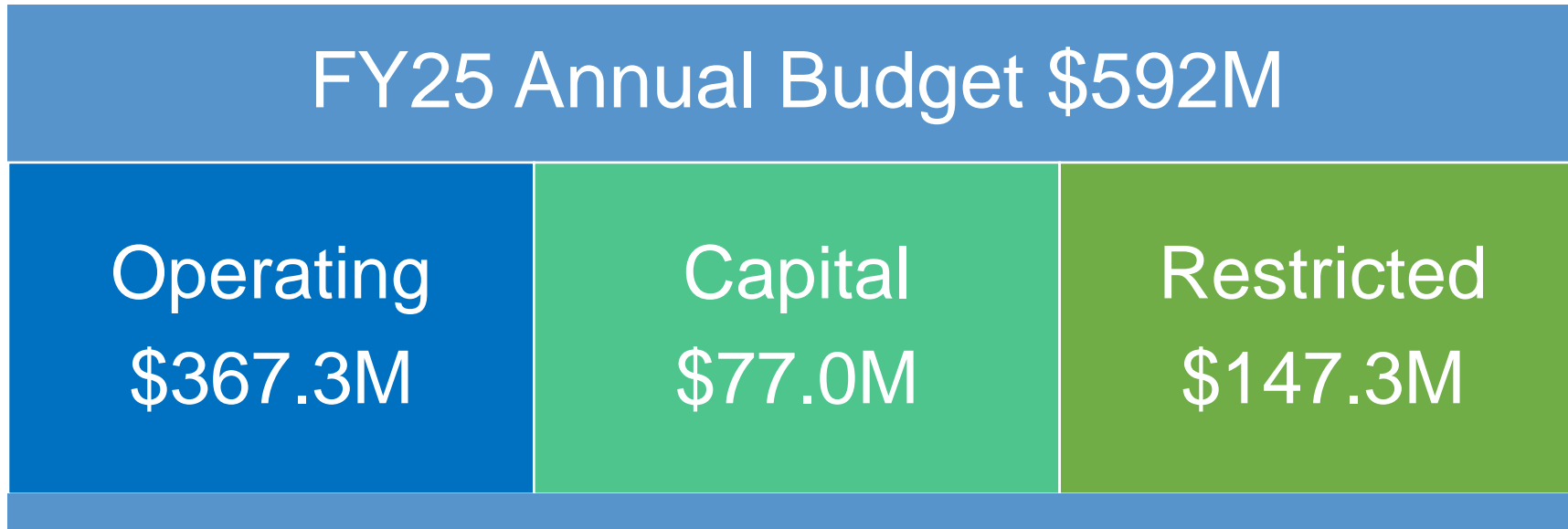
- This budget makes critical investments to continue the enrollment momentum, including:
 - **Quality, Affordability & Accessibility**
 - A high-quality education at one of the most affordable tuition rates in Chicagoland with a credit hour rate of \$153/hour.
 - The growth of high-quality programs in in-demand fields, including clean energy, engineering, information technology, health sciences and more
 - A robust offering of in-person, remote, and online learning options
 - An average class size of 20 or fewer students to 1 instructor
 - Future Ready, offering no cost short term programs in high-demand fields
 - Star Scholarship for recent CPS and Big Shoulder Fund partner high school graduates with a B grade point average
 - Options for the Future Scholarship for graduates of CPS options schools
 - **Strengthened Institutional Health**
 - Strengthen institutional faculty and staff pay and benefits in accordance with labor agreements
 - Enhanced marketing and enrollment infrastructure to attract and retain a diverse student body
 - Capital program, including technology, deferred maintenance, and funds to expand healthcare programs to the South Side
 - Allows City Colleges to continue in increasingly strong financial health

FY25 Budget Priorities, continued

- To balance this budget, City Colleges relies on:
 - Substantial savings achieved from a bond refinancing
 - Revenue from a modest tuition increase
 - Taxing to the city levy cap
 - Tax Increment Financing (TIF) surplus proceeds from the City of Chicago
 - State Personal Property Replacement Tax (PPRT) collections
 - Expense management practices to achieve continued operational efficiency

FY25 Preliminary Budget

FY25 Preliminary Budget



Operating Funds
(Unrestricted, Enterprise,
Debt Service) for CCC
general operations

Capital Funds
(Restricted) for new
facilities and deferred
maintenance

Restricted Funds
(State and Federal Grants,
Financial Aid) awarded to
CCC

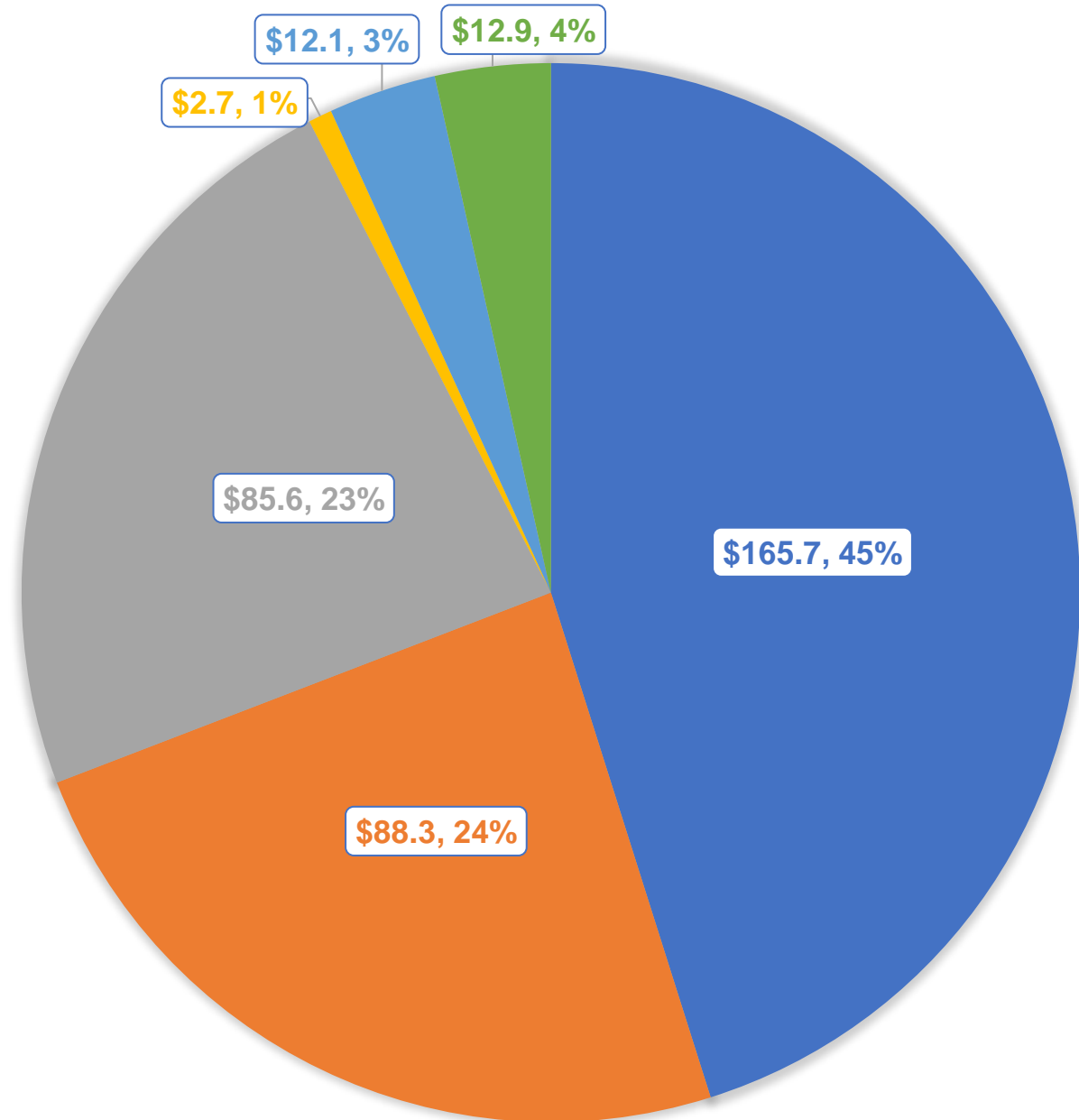
FY25 Revenue Estimates – Total \$367.3M

(\$ in millions)

- Local Revenue
- Tuition
- State Revenue / PPRT
- Federal Revenue
- Auxiliary / Enterprise
- Other Revenues

Auxiliary/Enterprise primarily include:
Childcare Centers, KK Washburne, Continuing Education,
Bookstore, U-Pass student fees

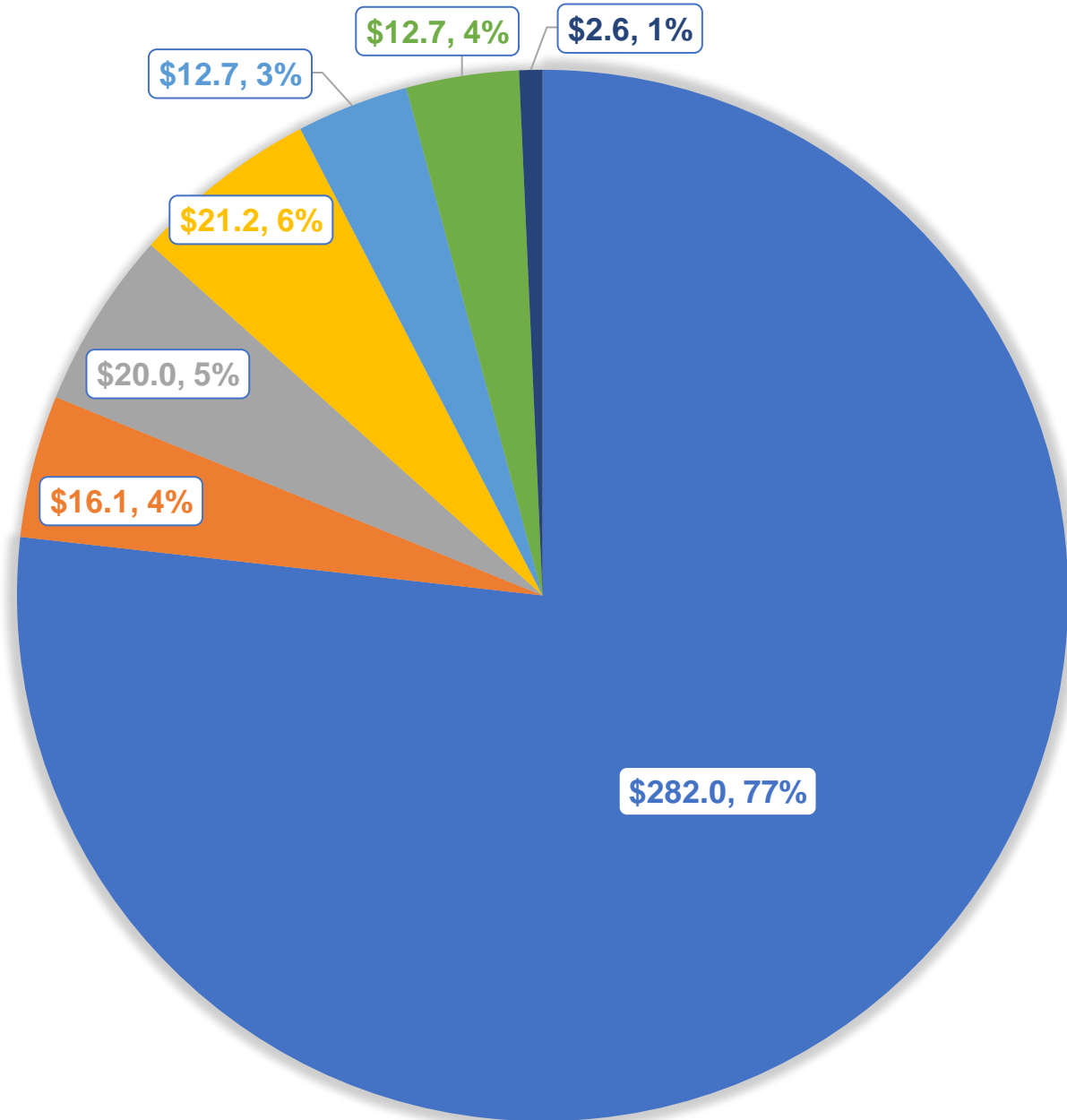
Other Revenues includes:
Investment Income, Facilities Rental, Fundraising,
Net Appropriated Assets and Building Sale Proceeds



FY25 Expenses by Object – Total \$367.3M

(\$ in millions)

- Personnel (including Benefits)
- Fixed Charges (including Debt Service)
- Contractual Services
- Materials & Supplies
- Scholarships and Waivers
- Travel, Utilities, Other
- Bad Debt (Uncollected Tuition)

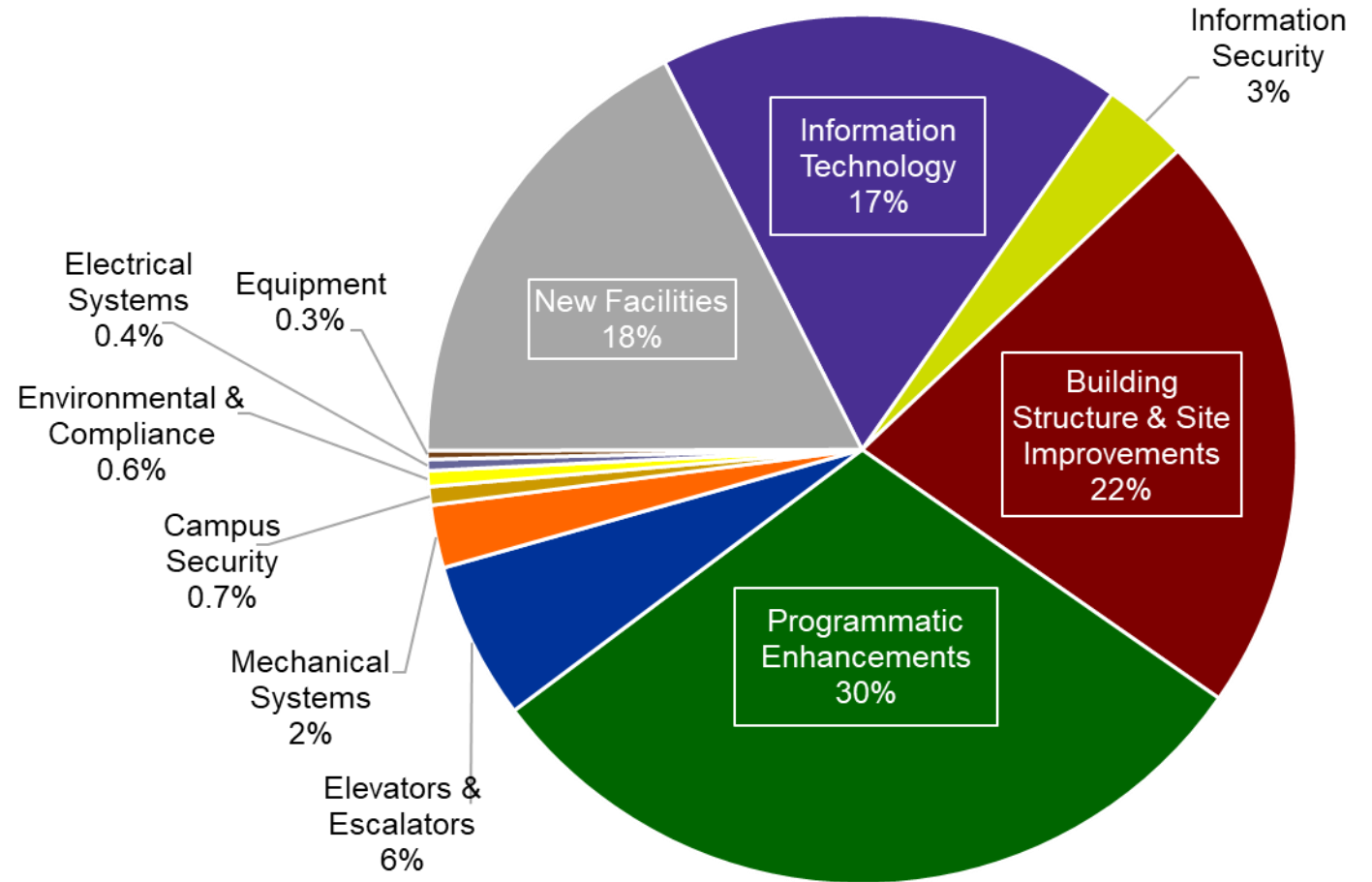


FY25 Capital Plan – Total \$77.0M

City Colleges embarks on a comprehensive Capital Plan every five years which prioritizes projects to support the academic vision, address student needs, and to maintain our physical and technological infrastructure.

The FY25 Capital Plan totals \$77.0 million and consists of new facilities, deferred maintenance, select programmatic enhancements, technology, information security, and technology infrastructure enhancements necessary for continued operation and meeting student needs.

- FY25 PROJECTS**
- Technology Infrastructure & Security
 - Boiler Replacements & HVAC Upgrades
 - Elevator Modernizations
 - Parking Lot & Site Upgrades
 - Roof Replacements
 - Programming & Design for a New Facility
 - Renovations for Academic Program Expansions

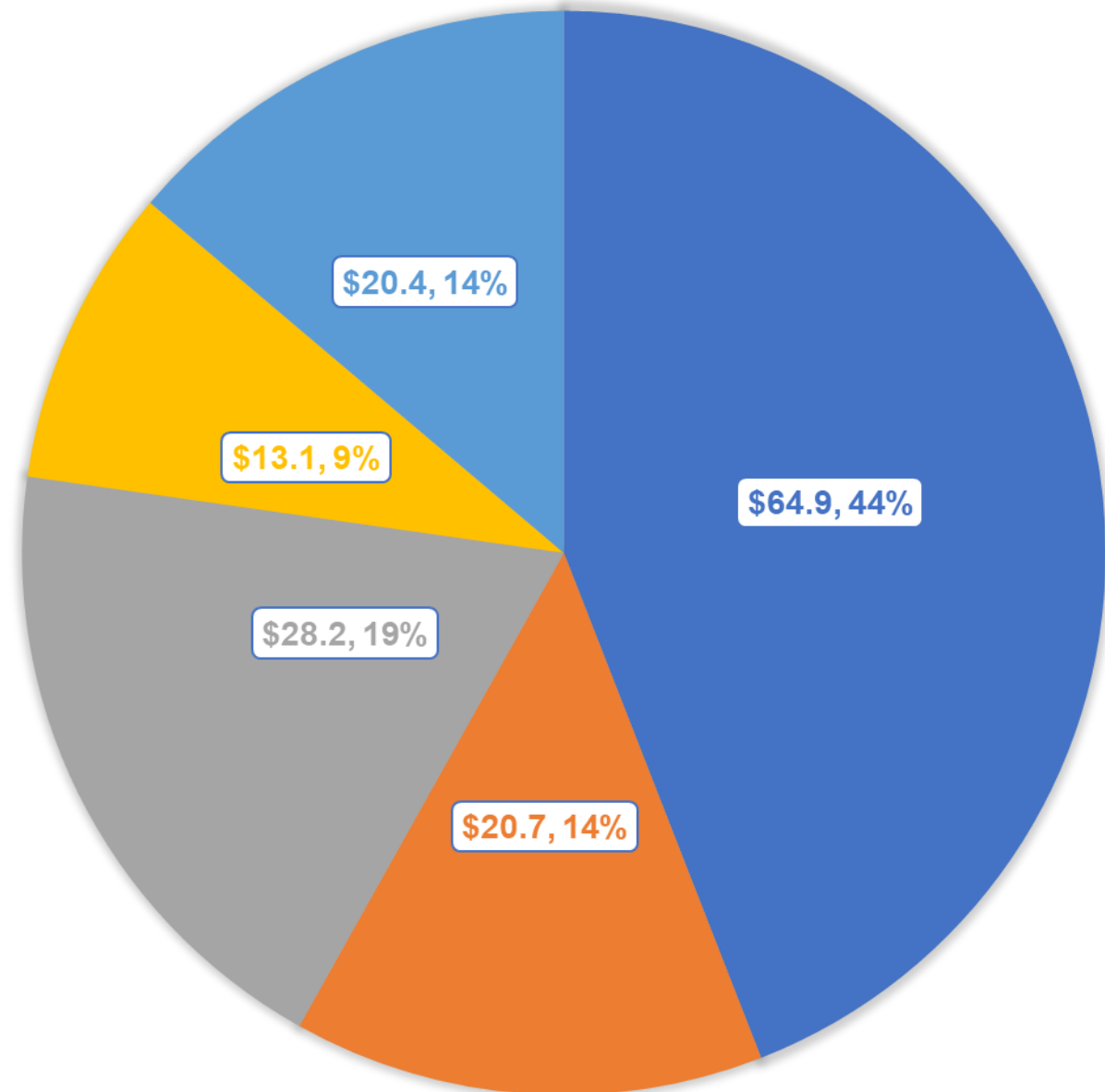


Note: Funding sources for the Capital Plan will be a combination of State funds and CCC cash reserves.

FY25 Restricted Revenue – Total \$147.3M

(\$ in millions)

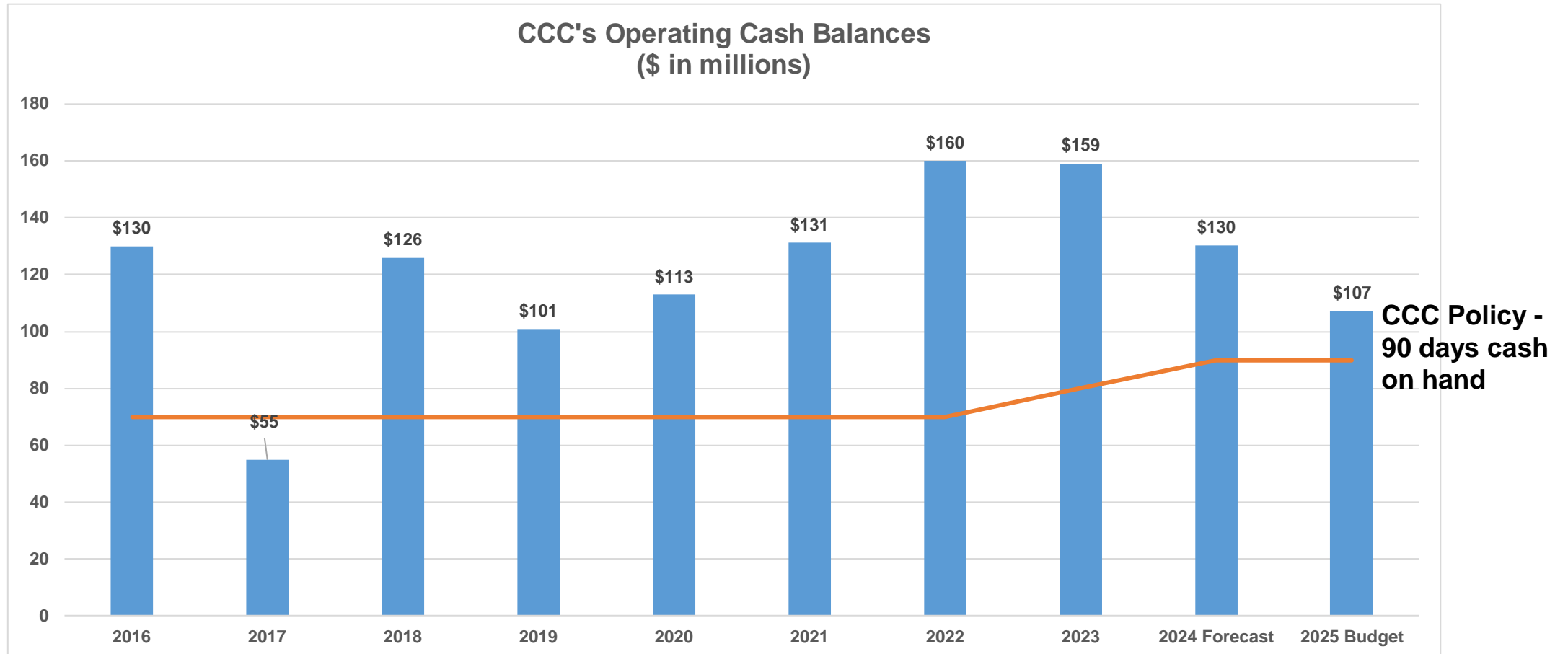
- Federal Financial Aid (Pell, Direct Loans)
- State Financial Aid (MAP)
- Federal Grants
- State Grants
- Local Grants



Cash Position Update

Cash Position Update

City Colleges will continue to maintain healthy cash levels



- Since arriving in May 2017, Chancellor Salgado has worked to improve CCC's cash position, including reductions in force of non-student facing, non-bargained for employees, and the sale of CCC's downtown headquarters that closed on September 30, 2019.
- During fiscal years 2021-2023, the stimulus funds have helped CCC to preserve its cash reserves.

Questions?