

**BOARD OF TRUSTEES  
PLANNING AND BUDGET COMMITTEE MEETING  
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
AND RICHLAND COLLEGIATE HIGH SCHOOL**

**District Office  
1601 South Lamar Street  
Lower Level, Room 007  
Dallas, TX 75215  
Tuesday, May 7, 2013  
3:00 PM**

**AGENDA**

- I. Certification of notice posted for the meeting
- II. 2012 - 2013 Budget: Spring Revision (*pp. 3 - 18*)
- III. Multi Year Financial Outlook and Plan FY 2013 – 2015 (*pp. 19 - 24*)
- IV. Questions/Comments from the Board and Chancellor
- V. Citizens desiring to address the Board regarding agenda items
- VI. Executive Session

The Board may conduct an executive session as authorized under 551.074 of the Texas Government Code to deliberate on personnel matters, including a discussion of the Chancellor's performance, his retirement date, and any prospective employee who is noted in Employment of Contractual Personnel.

The Board may conduct an executive session under 551.071 of the Texas Government Code to seek the advice of its attorney and/or on a matter in which the duty of the attorneys under the Rules of Professional Conduct clearly conflict with the Open Meetings Act.

- VII. Adjournment

**CERTIFICATION OF NOTICE POSTED  
FOR THE MAY 7, 2013  
PLANNING & BUDGET COMMITTEE MEETING OF THE  
DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
AND RICHLAND COLLEGIATE HIGH SCHOOL  
BOARD OF TRUSTEES**

I, Wright L. Lassiter, Jr., Secretary of the Board of Trustees of the Dallas County Community College District, do certify that a copy of this notice was posted on the 3<sup>rd</sup> of May 2013, in a place convenient to the public in the District Office Administration Building, and a copy of this notice was provided on the 3<sup>rd</sup> of May 2013, to John F. Warren, County Clerk of Dallas County, Texas, and the notice was posted on the bulletin board at the George Allen, Sr. Courts Building, all as required by the Texas Government Code §551.054.



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Wright L. Lassiter, Jr., Secretary

*Dallas County Community College District*

# 2012-13 Spring Revision

Presented May 7, 2013



Dallas County  
Community College District

IT ALL BEGINS HERE.

**DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
2012-13 PROPOSED CURRENT FUNDS OPERATING BUDGET  
ESTIMATED CURRENT FUNDS**

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CURRENT FUNDS	Proposed 2013 Budget
<b>UNRESTRICTED FUND:</b>	
Current Budget Approved 12/04/2012	\$ 357,282,135
Proposed Requested Spring Revision Budget 05/07/2013	360,189,158
<b>Proposed Change: Spring Revision vs. Current Budget</b>	<b>\$ 2,907,023</b>
 <b>UNRESTRICTED FUND RECONCILIATION:</b>	
Decrease: Miscellaneous College Revenue	\$ (51,712)
Increase: Federal Work Study	137,864
Increase: State Work Study	64,908
Increase: Miscellaneous District Revenue	2,305
Increase: Net Continuing Education Tuition	461,807
Increase: Use of Fund Balance (Major Repairs and Projects)	2,291,851
<b>Proposed Reconciliation Change: Spring Revision vs. Current Budget</b>	<b>\$ 2,907,023</b>



**DALLAS COUNTY COMMUNITY COLLEGE DISTRICT**  
**2012-13 PROPOSED CURRENT FUNDS OPERATING BUDGET**  
**ESTIMATED CURRENT FUNDS**

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**AUXILIARY FUND:**

Current Budget Approved 12/04/2012	\$ 9,920,259
Proposed Requested Spring Revision Budget 05/07/2013	9,807,111
<b>Proposed Change: Spring Revision vs. Current Budget</b>	<b>\$ (113,148)</b>

**AUXILIARY FUND RECONCILIATION:**

Decrease: Auxiliary - CET	\$ (374,798)
Decrease: Bookstore Commissions - Follett	(63,000)
Decrease: Sale of Assets	(100)
Decrease: Replacement Student ID Cards	(250)
Decrease: Copy Machine Income	(2,000)
Increase: Miscellaneous Income	100
Increase: Student Recreation Room	400
Increase: Student Newspaper Advertising	12,000
Increase: Use of Fund Balance	314,500
<b>Proposed Reconciliation Change: Spring Revision vs. Current Budget</b>	<b>\$ (113,148)</b>



**DALLAS COUNTY COMMUNITY COLLEGE DISTRICT**  
**2012-13 PROPOSED CURRENT FUNDS OPERATING BUDGET**  
 ESTIMATED CURRENT FUNDS

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**RESTRICTED FUND:**

Current Budget Approved 12/04/2012	\$ 140,847,835
Proposed Requested Spring Revision Budget 05/07/2013	140,847,835
<b>There is no Proposed Change: Spring Revision vs. Current Budget</b>	\$ -

**RICHLAND COLLEGIATE HIGH SCHOOL:**

Current Budget Approved 12/04/2012	\$ 2,846,427
Proposed Requested Spring Revision Budget 05/07/2013	3,138,019
<b>Proposed Change: Spring Revision vs. Current Budget</b>	\$ 291,592

**RICHLAND COLLEGIATE HIGH SCHOOL RECONCILIATION:**

Increase in State Funding	\$ 291,592
<b>Proposed Reconciliation Change: Spring Revision vs. Current Budget</b>	\$ 291,592

<b>TOTAL CURRENT FUNDS</b>	\$ 3,085,467
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**Dallas County**  
**Community College District**

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**DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
2012-13 PROPOSED ANNUAL BUDGET**

**PROPOSED UNEXPENDED PLANT FUND BUDGET**

<u>CURRENT UNEXPENDED PLANT FUND</u>	<u>Proposed 2013 Budget</u>
<b>UNEXPENDED PLANT FUND:</b>	
Current Budget Approved 12/04/2012	\$ 15,414,094
Proposed Requested Spring Revision Budget 05/07/2013	30,164,697
<b>Proposed Change: Spring Revision vs. Current Budget</b>	<b>\$ 14,750,603</b>
<b>UNEXPENDED PLANT FUND RECONCILIATION:</b>	
Increase: Construction (ADA Projects)	\$ 587,920
Increase: Construction (FY2012-13 Maintenance Projects)	11,700,000
Increase: Construction (Insurance Proceeds - NLC Roofing Projects)	1,319,194
Increase: Construction (District-Wide Wi-Fi Upgrade)	566,000
Increase: Construction (DSC-Disaster Recovery Initiative)	866,000
Decrease: Bldg & Physical Plant Repairs	(75,223)
Decrease: Architects/Design/Engineering	(213,288)
<b>Proposed Reconciliation Change: Spring Revision vs. Current Budget</b>	<b>\$ 14,750,603</b>



**DALLAS COUNTY COMMUNITY COLLEGE DISTRICT  
2012-13 PROPOSED ANNUAL BUDGET**

**PROPOSED DEBT SERVICE BUDGET**

<u>CURRENT DEBT SERVICE FUND</u>	<u>Proposed 2013 Budget</u>
<b>DEBT SERVICE PLANT FUND:</b>	
Current Budget Approved 12/04/2012	\$ 39,676,251
Proposed Requested Spring Revision Budget 05/07/2013	39,676,251
<b>There is no Proposed Change: Spring Revision vs. Current Budget</b>	<u>\$ -</u>

**PROPOSED QUASI-ENDOWMENT FUND BUDGET**

<u>CURRENT QUASI-ENDOWMENT FUND</u>	<u>Proposed 2013 Budget</u>
<b>QUASI-ENDOWMENT FUND:</b>	
Current Budget Approved 12/04/2012	\$ 332,250
Proposed Requested Spring Revision Budget 05/07/2013	332,250
<b>There is no Proposed Change: Spring Revision vs. Current Budget</b>	<u>\$ -</u>
<b>TOTAL UNEXPENDED PLANT, DEBT SERVICE &amp; QUASI-ENDOWMENT FUNDS</b>	<u><u>\$ 14,750,603</u></u>



Dallas County  
Community College District

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# *Operating (Current) Funds*

## **Overview**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
Unrestricted	\$ 357,282,135	\$ 2,907,023	\$ 360,189,158
Auxiliary	9,920,259	(113,148)	9,807,111
Restricted	140,847,835	-	140,847,835
Subtotal	\$ 508,050,229	\$ 2,793,875	\$ 510,844,104
RCHS <sup>1</sup>	\$ 2,846,427	\$ 291,592	\$ 3,138,019
Grand Total	\$ 510,896,656	\$ 3,085,467	\$ 513,982,123

<sup>1</sup> Richland Collegiate High School



**Dallas County  
Community College District**

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# *Unrestricted*

## **Revenues & Additions**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
State Appropriations	\$ 88,905,233	\$ -	\$ 88,905,233
Tuition	92,496,829	461,807	92,958,636
Taxes for Current Operations	152,222,660	-	152,222,660
Federal Work Study & Allowances	806,797	137,864	944,661
State Work Study	93,871	64,908	158,779
Investment Income	2,200,500	-	2,200,500
General Revenue	3,046,049	(49,407)	2,996,642
Use of Fund Balance & Transfers-in	17,510,196	2,291,851	19,802,047
Total	<u>\$ 357,282,135</u>	<u>\$ 2,907,023</u>	<u>\$ 360,189,158</u>



**Dallas County  
Community College District**

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# Unrestricted

## Expenditures & Uses

	Current Budget	Proposed Change	Spring Revision
Instruction	\$ 139,262,341	\$ 1,309,697	\$ 140,572,038
Public Service	4,827,307	(355,699)	4,471,608
Academic Support	17,338,013	194,137	17,532,150
Student Services	30,625,606	735,510	31,361,116
Institutional Support	61,294,141	826,528	62,120,669
Staff Benefits	24,912,971	307,438	25,220,409
Plant Operations & Maintenance	30,510,500	1,204,006	31,714,506
Repairs & Rehabilitation	15,621,163	1,657,252	17,278,415
Reserve - Campus	5,676,564	(2,047,058)	3,629,506
Reserve - Visiting Scholars	258,500	-	258,500
Reserve - Faculty/PSS/Adm - Scale/Job Eval.	500,000	-	500,000
Reserve - Technology	2,500,000	(1,491,000)	1,009,000
Reserve - Operating	1,000,000	(80,992)	919,008
Reserve - Staff Benefits Supp./ERS/ORP	3,500,000	(1,100,612)	2,399,388
Reserve - Potential State Reduction	639,642	-	639,642
Reserve - Facilities Projs./Operations Supp.	11,700,000	(11,700,000)	-
Mandatory Transfers	2,751,267	-	2,751,267
Non-mandatory Transfers	4,364,120	13,447,816	17,811,936
<b>Total</b>	<b>\$ 357,282,135</b>	<b>\$ 2,907,023</b>	<b>\$ 360,189,158</b>

<sup>1</sup> Includes approved use of fund balance.



Dallas County  
Community College District

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# Unrestricted

## Expenditures & Uses

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
Instruction	\$ 138,003,082	\$ 1,309,697	\$ 139,312,779
Public Service	4,815,959	(355,699)	4,460,260
Academic Support	17,003,174	194,137	17,197,311
Student Services	30,242,884	735,510	30,978,394
Institutional Support	59,591,799	826,528	60,418,327
Staff Benefits	24,910,440	307,438	25,217,878
Plant Operations & Maintenance	30,510,500	1,204,006	31,714,506
Repairs & Rehabilitation	1,804,008	(634,599)	1,169,409
Reserve - Campus	5,676,564	(2,047,058)	3,629,506
Reserve - Visiting Scholars	258,500	-	258,500
Reserve - Faculty/PSS/Adm - Scale/Job Eval.	500,000	-	500,000
Reserve - Technology	2,500,000	(1,491,000)	1,009,000
Reserve - Operating	1,000,000	(80,992)	919,008
Reserve - Staff Benefits Supp./ERS/ORP	3,500,000	(1,100,612)	2,399,388
Reserve - Potential State Reduction	639,642	-	639,642
Reserve - Facilities Projs./Operations Supp.	11,700,000	(11,700,000)	-
Mandatory Transfers	2,751,267	-	2,751,267
Non-mandatory Transfers	4,364,120	13,447,816	17,811,936
<b>Total</b>	<b>\$ 339,771,939</b>	<b>\$ 615,172</b>	<b>\$ 340,387,111</b>

<sup>1</sup> Excludes approved use of fund balance.



**Dallas County  
Community College District**

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# *Auxiliary*

## **Revenues & Additions**

	<u>Current Budget</u>	<u>Proposed Change</u>	<u>Spring Revision</u>
Sales & Services	\$ 5,062,831	\$ (427,648)	\$ 4,635,183
Investment Income	155,609	-	155,609
Transfers-in	4,290,797	-	4,290,797
Use of Fund Balance	<u>411,022</u>	<u>314,500</u>	<u>725,522</u>
Total	<u>\$ 9,920,259</u>	<u>\$ (113,148)</u>	<u>\$ 9,807,111</u>



Dallas County  
Community College District

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# *Auxiliary*

## **Expenditures & Uses**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
Student Activities	\$ 7,379,038	\$ 42,431	\$ 7,421,469
Sales & Services	2,106,324	(154,798)	1,951,526
Reserve - Campus	216,916	319	217,235
Reserve - District	114,279	-	114,279
Transfers-out	103,702	(1,100)	102,602
<b>Total</b>	<b>\$ 9,920,259</b>	<b>\$ (113,148)</b>	<b>\$ 9,807,111</b>

<sup>1</sup> Includes approved use of fund balance.



**Dallas County  
Community College District**

**IT ALL BEGINS HERE.**

# *Auxiliary*

## **Expenditures & Uses**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
Student Activities	\$ 6,969,916	\$ (22,069)	\$ 6,947,847
Sales & Services	2,104,424	(404,798)	1,699,626
Reserve - Campus	216,916	319	217,235
Reserve - District	114,279	-	114,279
Transfers-out	103,702	(1,100)	102,602
<b>Total</b>	<b>\$ 9,509,237</b>	<b>\$ (427,648)</b>	<b>\$ 9,081,589</b>

<sup>1</sup> Excludes approved use of fund balance.



**Dallas County  
Community College District**

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# *Richland Collegiate HS*

## **Revenues and Additions**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
State Funding	\$ 2,836,427	\$ 291,592	\$ 3,128,019
Investment Income	10,000	-	10,000
<b>Total</b>	<b>\$ 2,846,427</b>	<b>\$ 291,592</b>	<b>\$ 3,138,019</b>

## **Expenditures and Uses**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
Instruction	\$ 1,237,944	\$ 297,162	\$ 1,535,106
Public Service	240,728	59,272	300,000
Academic Support	253,087	(196,487)	56,600
Student Services	397,328	203,999	601,327
Institutional Support	712,340	(72,354)	639,986
Plant Operations and Maintenance	5,000	-	5,000
<b>Total</b>	<b>\$ 2,846,427</b>	<b>\$ 291,592</b>	<b>\$ 3,138,019</b>





# *Unexpended Plant*

## **Revenues and Additions**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
Investment Revenue	\$ 365,000	\$ -	\$ 365,000
Insurance Proceeds	-	1,319,194	1,319,194
Transfers-in	73,323	13,447,816	13,521,139
Use of Fund Balance	14,975,771	(16,407)	14,959,364
<b>Total</b>	<b>\$ 15,414,094</b>	<b>\$ 14,750,603</b>	<b>\$ 30,164,697</b>

## **Expenditures and Uses**

	<b>Current Budget</b>	<b>Proposed Change</b>	<b>Spring Revision</b>
Bldg & Physical Plant Repairs	\$ 75,223	\$ (75,223)	\$ -
Construction	14,212,536	15,039,114	29,251,650
Architects	1,126,335	(213,288)	913,047
<b>Total</b>	<b>\$ 15,414,094</b>	<b>\$ 14,750,603</b>	<b>\$ 30,164,697</b>



**Dallas County  
Community College District**

**IT ALL BEGINS HERE.**

# *Concluding Remarks*



Dallas County  
Community College District

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# **Dallas County Community College District**

## **Multi-Year Financial Outlook and Plan FY 2013 – 2015**

**DCCCD Board of Trustees  
Planning & Budget Committee Meeting  
May 7, 2013**

# 2014 – 2015 Revenue Assumptions

	<u>FY 2014</u>	<u>FY 2015</u>
<b>Credit Enrollment</b>	<b>2.5% decrease</b>	Flat
<b>Tuition Rate</b>	\$52	<b>\$52/\$59*</b>
<b>State Formula Funding</b>	<b>2.6% decrease</b>	No Change
<b>Tax Base</b>	4.4% increase	1% increase
<b>Tax Rate – M&amp;O</b>	<b>Just below Rollback*</b>	<b>Effective Tax Rate</b>

Notes:

- 1) State Funding estimate based on “worst case” of 4/17/2013 House submission of SB1
- 2) Assumption for 7.99% increase in tax revenue, FY 2014 and Spring 2015 tuition rate increase is based on funding model discussed with Board on 7/19/2012.

# 2014 – 2015 Expenditures Assumptions and Provisions

	<u>FY 2014</u>	<u>FY 2015</u>
Provision: Across-the-Board Compensation Adj's.	2,240,000	2,262,400
Provision: Compensation - Faculty Mkt. (\$1M/\$750K) & PSS Job Evaluation Cycle (\$250K/yr)	1,250,000	1,000,000
Provisions-Short Funded Benefits	3,500,000	3,500,000
Facilities Projects	16,000,000	16,000,000
Provision-Technology	2,500,000	2,500,000
Provision-Visiting Scholars	1,000,000	1,000,000
Provision- <del>Internal Momentum Points</del> Adjunct Rule Change Allowance	2,000,000	2,000,000
Provision-Instructional Equipment	1,500,000	1,500,000
IP Telephony Upgrades (years 1 & 2 of 5)	2,400,000	2,400,000
Provision-New Program Development	1,000,000	1,000,000
Provision-State/Enrollment Shortfalls	869,736	4,932,225

Color key: Green = College Resources    Purple = Split College/District ops    Black = District Ops/on Colleges' behalf

# Estimated Revenue 2013 - 2015

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
<b>State Revenue</b>	<b>88,905,233</b>	<b>86,576,298</b>	<b>86,576,298</b>
<b>Federal Work Study Funds</b>	<b>944,661</b>	<b>944,661</b>	<b>944,661</b>
<b>Tuition: Credit &amp; Non Credit</b>	<b>92,958,636</b>	<b>94,758,340</b>	<b>101,583,229</b>
<b>Taxes</b>	<b>152,222,660</b>	<b>168,222,660</b>	<b>168,222,660</b>
<b>Investment Revenue</b>	<b>2,200,500</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>Other Revenue</b>	<b><u>3,155,421</u></b>	<b><u>3,067,634</u></b>	<b><u>3,067,634</u></b>
<b>Total</b>	<b>340,387,111</b>	<b>355,069,593</b>	<b>361,894,482</b>

# Estimated Expenditures: 2013 - 2015

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
College Operations	281,456,957	284,616,625	284,616,625
Percent of Change		1.1%	0.0%
District Operations	28,528,396	27,478,791	27,478,791
Percent of Change		-3.7%	0.0%
Virtual College Operations	4,723,800	4,723,800	4,723,800
Provisions-Compensation	500,000	3,490,000	3,262,400
Provision-Prior Year Compensation			3,490,000
Provisions-ShortFunded Benefits	2,399,388	3,500,000	3,500,000
Facilities Projects	13,132,000	16,000,000	16,000,000
Provision-Technology	1,009,000	2,500,000	2,500,000
Provision-Visiting Scholars	258,500	in allocation	in allocation
Provision-Internal Momentum Pts-Adjunct Rule Change		in allocation	in allocation
Provision-Instructional Equipment		in allocation	in allocation
IP Telephony Upgrades (years 1 & 2 of 5)		2,400,000	2,400,000
Provision-New Program Development		1,000,000	1,000,000
Provision-State/Enrollment Shortfalls		869,736	4,932,225
Provision-Election Expense		500,000	
Reserves & Transfers	<u>8,379,070</u>	<u>7,990,641</u>	<u>7,990,641</u>
<b>Total</b>	<b>340,387,111</b>	<b>355,069,593</b>	<b>361,894,482</b>

Color key: Green = College Resources Purple = Split College/District Ops Black = District Ops/on Colleges' behalf

# *Budgetary Objectives*

- Maintain low cost of tuition; move toward Texas community college market rates
  - Remain “fee free”
  - Perhaps specific high cost user fees (i.e. assessment costs) could be considered?
- Maintain low tax rate
- Minimal change in state support expected
- Avoid further debt
- Reduce costs; maintain control of costs
- Avoid enrollment caps