

Board Workshop – February 25, 2025

AGENDA

- Executive Session
- Finance and Facilities Committee Report
 - End of Year Report
 - Resolutions / Discussion
- Liaison Report
 - DCC Foundation
 - DCC Association

FINANCE COMMITTEE
DRAFT REVENUE AND EXPENSE REPORT
FISCAL YEAR END RESULTS

JANUARY 13, 2025

FINANCE COMMITTEE

FEBRUARY 25, 2025

BOARD MEETING

DUTCHESS COMMUNITY COLLEGE
REVENUE AND EXPENSE REPORT
AS OF AUGUST 31, 2024

	2023/2024 <u>BUDGET</u>	2023/2024 <u>ACTUAL</u>	\$ VARIANCE <u>ACTUAL/BUDGET</u>	% <u>ACTUAL/BUDGET</u>
<u>REVENUES:</u>				
<u>Student Revenue:</u>				
Fall Tuition	\$ 7,661,600	\$ 8,346,792	\$ 685,192	108.94%
Winter Tuition	254,200	193,761	(60,439)	76.22%
Spring Tuition	6,610,200	7,371,107	760,907	111.51%
Summer Tuition	1,721,200	1,772,930	51,730	103.01%
College in Highschool	850,000	1,092,659	242,659	128.55%
Technology Fees	1,167,257	1,277,973	110,716	109.49%
 <u>Local Share</u>				
Sponsor's Contribution	17,123,656	17,123,656	-	100.00%
Chargeback Revenue	4,778,266	4,844,149	65,883	101.38%
Out of State/ Non-Resident Tuition	670,800	892,999	222,199	133.12%
 <u>State Aid - Operating and Rental</u>				
Operating	16,336,119	16,336,124	5	100.00%
Rental	413,531	413,531	-	100.00%
 <u>Offset Revenue:</u>				
Other Fees	1,182,669	2,421,990	1,239,321	204.79%
Course Fees	879,768	987,601	107,833	112.26%
Other Revenue - Credit Free	500,000	663,392	163,392	132.68%
TOTAL OPERATING REVENUE	<u>\$ 60,149,266</u>	<u>\$ 63,738,664</u>	<u>\$ 3,589,398</u>	<u>105.97%</u>
 <u>EXPENDITURES:</u>				
Personnel Service	\$ 38,939,965	\$ 37,013,887	\$ (1,926,078)	95.05%
Benefits	16,189,330	14,882,447	(1,306,883)	91.93%
Equipment	100,000	451,498	351,498	451.50%
Contractual Costs	9,879,940	9,220,599	(659,341)	93.33%
TOTAL EXPENDITURES	<u>\$ 65,109,235</u>	<u>\$ 61,568,431</u>	<u>\$ (3,540,804)</u>	<u>94.56%</u>
APPROPRIATED FUND BALANCE	<u>(\$4,959,969)</u>	<u>\$2,170,233</u>		

DUTCHESS COMMUNITY COLLEGE
BUDGET/ACTUAL EXPENSE REPORT
AS OF AUGUST 31, 2024

	Original <u>Budgeted</u>	<u>Actual</u>	\$ Variance <u>Actual/Budget</u>	% Variance <u>Actual/Budget</u>
<u>PERSONNEL</u>				
Instructional	\$16,417,769	\$16,531,323	\$113,554	100.69%
Administrative	11,457,044	10,621,804	(835,240)	92.71%
Support Staff	10,178,647	9,179,406	(999,242)	90.18%
Student Aids	886,505	681,355	(205,150)	76.86%
Total Personnel	<u>\$38,939,965</u>	<u>\$37,013,887</u>	<u>(\$1,926,078)</u>	<u>95.05%</u>
<u>FRINGE BENEFITS</u>				
Payroll Taxes	\$3,053,172	\$2,823,279	(\$229,893)	92.47%
Health Insurance	8,887,322	8,107,478	(779,844)	91.23%
Retirement Contributions	3,796,710	3,571,844	(224,866)	94.08%
Other taxes and Benefits	452,126	379,846	(72,280)	84.01%
Total Fringe Benefits	<u>\$16,189,330</u>	<u>\$14,882,447</u>	<u>(\$1,306,883)</u>	<u>91.93%</u>
<u>EQUIPMENT</u>	<u>\$100,000</u>	<u>\$451,498</u>	<u>\$351,498</u>	<u>451.50%</u>
<u>CONTRACTUAL EXPENSES</u>				
Advertising	\$210,400	\$198,193	(\$12,207)	94.20%
Bad Debts	220,000	662,771	442,771	301.26%
Dues and Subscriptions	101,234	89,364	(11,870)	88.27%
Food	59,650	92,734	33,084	155.46%
Insurance	520,000	553,156	33,156	106.38%
Internet Expense	206,178	151,016	(55,162)	73.25%
Library Books	50,000	44,136	(5,864)	88.27%
Maint/Service Contracts	1,942,675	1,468,840	(473,835)	75.61%
Other **	292,121	223,874	(68,247)	76.64%
Postage	61,990	45,462	(16,528)	73.34%
Printing	114,405	128,792	14,387	112.58%
Professional Services	2,302,430	2,439,363	136,933	105.95%
Rent (Facility & Equipment)	1,156,736	1,118,005	(38,731)	96.65%
Repairs and Maintenance	25,900	9,317	(16,583)	35.97%
Supplies Office	77,029	72,464	(4,565)	94.07%
Supplies Educational	372,913	306,476	(66,437)	82.18%
Supplies Other	330,674	328,912	(1,762)	99.47%
Telephone	76,854	58,810	(18,044)	76.52%
Travel	187,503	169,845	(17,658)	90.58%
Tuition/Employee Training	167,276	167,792	516	100.31%
Utilities	1,403,972	891,277	(512,695)	63.48%
Total Contractual	<u>\$9,879,940</u>	<u>\$9,220,599</u>	<u>(\$659,341)</u>	<u>93.33%</u>
TOTAL EXPENSES	<u>\$65,109,235</u>	<u>\$61,568,431</u>	<u>(\$3,540,804)</u>	<u>94.56%</u>

** Uniform, Gasoline, Waste Recycle, Sewer and Water Tax, Orientation

Summary

As of August 31, we are seeing revenues higher than budgeted due to higher than budgeted tuition, technology and course fees and interest revenue. Overall expenses are less than budgeted with the majority of the savings in personnel and benefits due to the numerous vacant positions. Although this is a draft it is expected that the College will add close to \$2.2 million to the fund balance.

The following are some additional revenue and expenditure details.

Revenue:

- ⇒ **Tuition Revenue:** Overall over budget for the year due in part to the increase in enrollment as a result of the grant funded DSP program that began in the fall with a cohort of 30 and was expanded in the spring with an additional cohort of close 130.
 - Fall Tuition Revenue:
 - 9% and \$685,192 over budget.
 - Winter tuition revenue:
 - 24% and \$60,439 under budget.
 - Spring Tuition Revenue:
 - 12% and \$760,907 over budget.
 - Summer Tuition Revenue:
 - 3% and \$51,730 over budget.

- ⇒ **College in the High School** – \$1,092,659 (this is net of \$95,419 College scholarship for free and reduced lunch)
 - Budget
 - 10,500 credits @ \$66.66/credit = \$700,000
 - 4,500 credits @ \$33.33/credit (Free and Reduced Lunch) \$150,000

- ⇒ **Technology Fees** – Charged @ \$13/credit
 - 9.5% or \$110,716 over budget

- ⇒ **Non-Resident Tuition** - Continuing to see a trend of students not submitting the certificate in time or at all, therefore they are charged dual tuition.
 - 23/24 breakdown non-resident charges
 - 42.68% - In-State did not supply certificate
 - 25.5% - Dutchess County did not sign affirmation
 - 31.82% - Non-NYS or Foreign

- ⇒ **Chargeback Revenue**
 - 1% or \$65,883 over budget

- In the general section below there is more detail about what chargeback revenue is.

⇒ **Offset Revenue**

- Other Fees – Interest income, SLN fees are trending higher than budgeted.
- Course Fees – Slightly over budget due to higher enrollment
- Interest income higher than budgeted. Interest rates have gone up and cash balances are higher than normal due to the receipt of some grants in advance of being spent.
- Other Revenue Credit Free – Workforce program revenue including HSE and ESL.
 - 32% or \$163,392 over budget

Expenses:

⇒ **Personnel:** 59.81% of total budget.

- All Salaries except for management confidential, credit free instructors and students are negotiated through union contracts.
- Salaries are lower than budget due to the number of vacant positions in each salary category.

⇒ **Benefits:** 24.86% of total budget

- Benefits are also down as compared to budget. This goes along with the salary savings that vacant positions have generated. In addition, the following also resulted in benefits savings.
 - Other Taxes and Benefits: Includes workers comp, life insurance, disability insurance etc. This line is impacted by rates and employment levels.
 - Health Insurance DEHIC once again issued a premium holiday for the month of December. This resulted in approximately \$490,000 in savings to the College and employees.

⇒ **Equipment:** Less than 1% of total budget

- All equipment purchases of any size are reflected on this line.

- Equipment purchases are over budget due to planned use of fund balance for several large purchases. Those purchases include:
 - Data Domain: 126K
 - MAC Computers for PVAC

⇒ **Contractual:** 15.2% of total budget

- All other operating expenses such as utilities, insurance, maintenance contracts etc. Overall expenses are down about 7% as compared to budget. Some areas to point out:
 - Bad Debts, Food Service, Insurance and Professional Services over budget.
 - Security Costs overspent due to unfilled salaries positions.
 - General Insurance overspent due to higher than anticipated insurance premium increase as a result of several lawsuits.
 - Savings in all other lines will offset these overages.
 - Largest savings was in utilities and maintenance/service contracts.
 - Moved cleaning for Fishkill and Airport in-house.
 - Computer maintenance contract costs underspent by 26%.

General Information

Revenue:

The community college structure relies on the following three main sources of revenue/funding formula:

State Support (40%), County Sponsor/Local Share (26.6%) and Students (33.3%)

Students = Tuition revenue (credit and non-credit) and mandatory fees (technology fees)

23/24 Tuition Rate: FT: \$2,400/Semester and PT: \$200/Credit. For the year tuition revenue was budgeted to be down overall 4.8% as compared to the prior year budget.

Local Share = Sponsor cash contribution, chargebacks, non-resident tuition and use of fund balance.

- ⇒ Sponsor Cash Contribution – Approved by DC Legislature each July prior to start of new fiscal year. Payments made by the County to the College begin in January.
- ⇒ Chargebacks – Rate/FTE charged to students of counties other than Dutchess who attend DCC. *Ed law 6305.2*
 - The student must submit a properly executed certificate of residence which has to be dated no earlier than 60 days prior to the start of the semester and no later than 30 days after the start of the semester.
 - 23/24 rate - \$6,700 per FTE
- ⇒ Non-Resident Tuition – NYS Ed Law 6301.2 defines a resident as “a person who has resided in the state for a period of at least one year and in the county, city or town for a period of at least six months. Non-resident tuition is charged to students who are out of state, have not been in the state for at least 1 year and/or county for 6 months or who do not submit a properly executed certificate of residence.
 - Ed law allows charges to be assessed up to 3x’s the resident rate. DCC charges 2x’s the resident rate.

State support = Operating and Rental Aid

- ⇒ Operating Aid for 23/24 greater of 100% of approved 21/22 budget or enacted per FTE rate.
 - 100% of 21/22 = 16,336,119
 - Rate/FTE = 14,085,391
- ⇒ Rental aid can be up to 50% of eligible rental costs but is typically closer to 40%. To be eligible, courses taught in the space must qualify for FTE reimbursement. Most courses not eligible for FTE aid are offered through Workforce Development.
 - Approved Rental Costs = \$1,028,769
 - Approved Rental Aid = \$413,531 or 40.2% of total costs.

Offset Revenue:

All other miscellaneous fees and revenues. Some examples:

- ⇒ Other fees – All other fees that are not course fees. Such as interest income, late fees and fines.
- ⇒ Course Fees
 - General fees charged depending on course and range from \$17-\$40. Also includes the fees for the AMT program which are \$11,232 for the program and \$2,150 for the tool kit.
- ⇒ Other Revenue Credit Free: Fees charged for non-state aid-able courses and training.

Fund Balance:

- ⇒ SUNY guidelines indicate that fund balance should be between 5%-15% of net operating costs.
- ⇒ Net operating costs are total costs less offset revenue.
- ⇒ Total fund balance as of 9/1/23 is \$19,341,292 of which unreserved is \$13,610,490 and reserved is \$5,730,802