



Budget Analysis Fiscal Year 2015

John A. Logan College

Cartersville, IL 62918

JOHN A. LOGAN COLLEGE
TABLE OF CONTENTS
BUDGET ANALYSIS
FY 2015

<u>ITEM</u>	<u>PAGE</u>
BUDGET CALENDAR.....	1
BUDGET PROCESS.....	2
FACTORS AFFECTING FY 2015 BUDGET PROCESS	3
BUDGET GOALS	3
STRATEGIC PLAN PROJECTS / ITEMS ADDRESSED IN FY 2015 BUDGET	4
OPERATING FUND DESCRIPTIONS.....	5
RESOURCE INFORMATION	6
RESOURCE COMPARISON WORKSHEET FY 2015 TENTATIVE BUDGET VERSUS FY 2014 ADOPTED BUDGET	7
REVENUES - OPERATING FUNDS – GRAPH.....	8
EXPENDITURE INFORMATION BY PROGRAM.....	9-10
EXPENDITURES COMPARISON WORKSHEET FY 2015 TENTATIVE BUDGET VERSUS FY 2014 ADOPTED BUDGET	11
EXPENDITURES BY PROGRAM - OPERATING FUNDS GRAPH.....	12
EXPENDITURES BY OBJECT - OPERATING FUNDS GRAPH	13
EXPENDITURE HISTORY – BUDGETED OPERATING FUNDS GRAPH	14
NON-OPERATING BUDGETARY FUNDS	15-16
EQUALIZED ASSESSED VALUATION	17

Budget Calendar – FY 2015

JANUARY to MARCH

Salary and Fringe Benefit Projections Developed
Budgeting Software Implemented
Historical Data Imported into Software
Multiple Trainings Held with Budget Officers & Staff to Explain Budget Development Tool

APRIL

Budget Officers Work to Build Detailed Departmental Budgets and Justify Requests

MAY

President and Vice-President's Meet with Dean Financial Operations to Discuss Budget
Budget Officers Submit Departmental Budgets to respective Deans

JUNE

Deans Submit Departmental Budgets to Division Heads
Budget Preparation by Dean for Financial Operations & Vice-President Business Services

JULY

Budget Presented to Board Finance Committee
Tentative Budget Submitted to Board of Trustees
Tentative Budget put on Public Display

AUGUST

Final Budget Review by Vice-Presidents and President for Possible Revisions
Board Finance Committee Meeting
Budget Hearing Held Prior to Board Meeting
Explanation of Changes from Tentative Budget to Proposed
Proposed Budget Submitted to the Board of Trustees

FACTORS AFFECTING FY 2015 BUDGET PROCESS:

- Implementation of budget development tool combined with zero-based approach
- Trainings with Budget Officers across all divisions
- Strategic Plan alignment
- Reorganization of reporting lines including the area of Institutional Effectiveness and Diversity
- Enrollment concerns
- Growing Technology needs

Millions Statement



BUDGET GOALS:

- Alignment with Strategic Plan
- Provide more line item detail and justification of expenditures
- Budget Officers given access to original requests compared to detailed final budget
- Deans and Division Heads more detailed review of total departmental expenditures
- Enhanced reporting capabilities during budget development
- Enhanced capability for historical comparison at line item level
- Expenditures better allocated to reflect appropriate department and expense category
- Breakdown certain areas into additional departments to better track cost centers
- Automation of entry of budget data into the ERP system
- Continue to develop a foundation for FY 2016 and future budgeting

OPERATING FUND DESCRIPTIONS:

John A. Logan College has two Operating funds: the Education Fund and the Operations and Maintenance Fund. The Education fund works in combination with the Operations and Maintenance fund to make up the College's General Fund.

EDUCATION FUND:

The Education Fund is used to account for the revenues and expenditures of the academic and service programs of the college. It includes the cost of instructional, administrative, and professional salaries; supplies and moveable equipment; library books and materials; maintenance of instructional and administrative equipment; and other costs pertaining to the educational programs of the college.

OPERATIONS AND MAINTENANCE FUND:

This fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and

OPERATING FUNDS RESOURCE INFORMATION

For this 2015 budget, it will be necessary to utilize fund balance from prior fiscal years to subsidize the shortfall of current year operating revenues as compared to budgeted expenditures. Operating expenditures actually reflect an increase of \$1,200,734 or an increase of 3.16% from the prior FY 2014 budget. This factor combined with an anticipated decline in state revenues along with a conservative approach to the budgeting of tuition revenue have resulted in an expected current year deficit.

Without considering the fund balance accumulated from prior years, the current operating revenue of \$33,655,318 reflects a \$250,638 or 0.74% decrease as compared to \$33,905,956 from FY 2014.

Local tax revenues are currently projected to be \$6,240,000. This amount is an increase of \$115,000 or a 1.88% projected increase. In other local sources, Corporate Personal Property Replacement Tax is budgeted at \$550,000 which is a level funding estimate compared to the prior budget.

State revenue sources reflect a decline in revenue. Based on anticipated course changes and discussion with the Illinois Community College Board, ICCB Base Operating grant funds are budgeted at a total of \$3,964,233 which is an estimated decrease of \$165,176 or 4.00% from FY 2014. Equalization grants account for \$7,394,685 which is an estimated decrease of \$308,112 or 4.00% from the FY 2014 allocation of \$7,702,797. FY 2014 amounts for base operating and equalization grants were allocated 75% to the Education fund and 25% to the Operations and Maintenance Fund. ICCB Vocational grants are budgeted at \$410,000 which is a budget reduction of \$3,000.

This year the College will again receive a special designated ICCB Veterans grant of \$54,900 and also \$20,000 is budgeted for Performance Based funding. The College has previously received Performance Based funding of \$20,175 and \$12,633 in FY 2013 and FY 2014, respectively. The ICCB allocation for performance based funding for all Illinois colleges remains unchanged in FY 2015 at \$360,000.

For FY 2015, the in-district tuition rate is \$99 per credit hour. Student tuition and fees are anticipated at

**RESOURCE COMPARISON BY SOURCE
OPERATING FUNDS**

BY SOURCE:	FY15 Tentative Budget	FY14 Adopted Budget	\$ Increase (Decrease)	% Increase (Decrease)	% of Total FY14 Revenue
CARRYOVER	\$ 13,000,000	\$ 14,226,090	\$ (1,226,090)	(8.62%)	
LOCAL TAXES	6,240,000	6,125,000	115,000	1.88%	18.54%
CHARGEBACKS	10,000	8,000	2,000	25.00%	0.03%
ICCB CREDIT HOUR GRANTS	3,964,233	4,129,409	(165,176)	(4.00%)	11.78%
ICCB EQUALIZATION GRANTS	7,394,685	7,702,797	(308,112)	(4.00%)	21.97%
ICCB VOCATIONAL GRANTS-INSTRUCTIONAL	410,000	413,000	(3,000)	(0.73%)	1.22%
ICCB PERFORMANCE ALLOCATION GRANT	20,000	20,000	-		0.06%
ICCB VETERANS GRANT	54,900	54,900	-		0.16%
CORPORATE PERSONAL PROPERTY REPLACEMENT TAX	550,000	550,000	-	0.00%	1.63%
TUITION / FEES	14,569,000	14,452,400	116,600	0.81%	43.29%
SALES & SERVICE FEES	233,000	279,000	(46,000)	(16.49%)	0.69%
INTEREST ON INVESTMENTS	33,000	36,450	(3,450)	(9.47%)	0.10%
FACILITY USE	32,000	30,000	2,000	6.67%	0.10%
OTHER INCOME	144,500	105,000	39,500	37.62%	0.43%
TOTAL	\$ 46,655,318	\$ 48,132,046	\$ (1,476,728)	(3.07%)	100.00%

Note: Includes Education and Operations & Maintenance Funds.

OPERATING FUNDS
EXPENDITURE INFORMATION – BY PROGRAM

As stated earlier, Budget officers across all departments of the campus were trained on the new budget development tool which utilized a modified zero-based budgeting model. Each one was given detailed

STUDENT SERVICES:

The area of Student Services represents 8.2% of this year's budget or \$3,218,487. This is an increase of 6.4% or \$193,252. This area primarily experienced increases in the areas of salaries and benefits.

PUBLIC SERVICES:

The area of Public Services represents 2.8% of this year's budget or \$1,094,057. This is an increase of 8.5% or \$86,016. This area experienced increases in salaries, benefits, and small increases in other areas of contractual services, supplies, and conference and meeting expenses.

INSTITUTIONAL SUPPORT:

The area of Institutional Support represents 19.1% of this year's budget or \$7,506,178. This is a \$700,715 or 10.3% increase. This is primarily a result of salary and employee benefit increases along with an increase in contractual services. Employee benefit increases are a result of a change to reflect staff tuition waivers as an employee benefit and relocate them from the program category of "Other, Scholarships, and Waivers" to the Institutional Support area. This restructuring brings staff waivers in line with instructions given in the ICCB Fiscal Management manual.

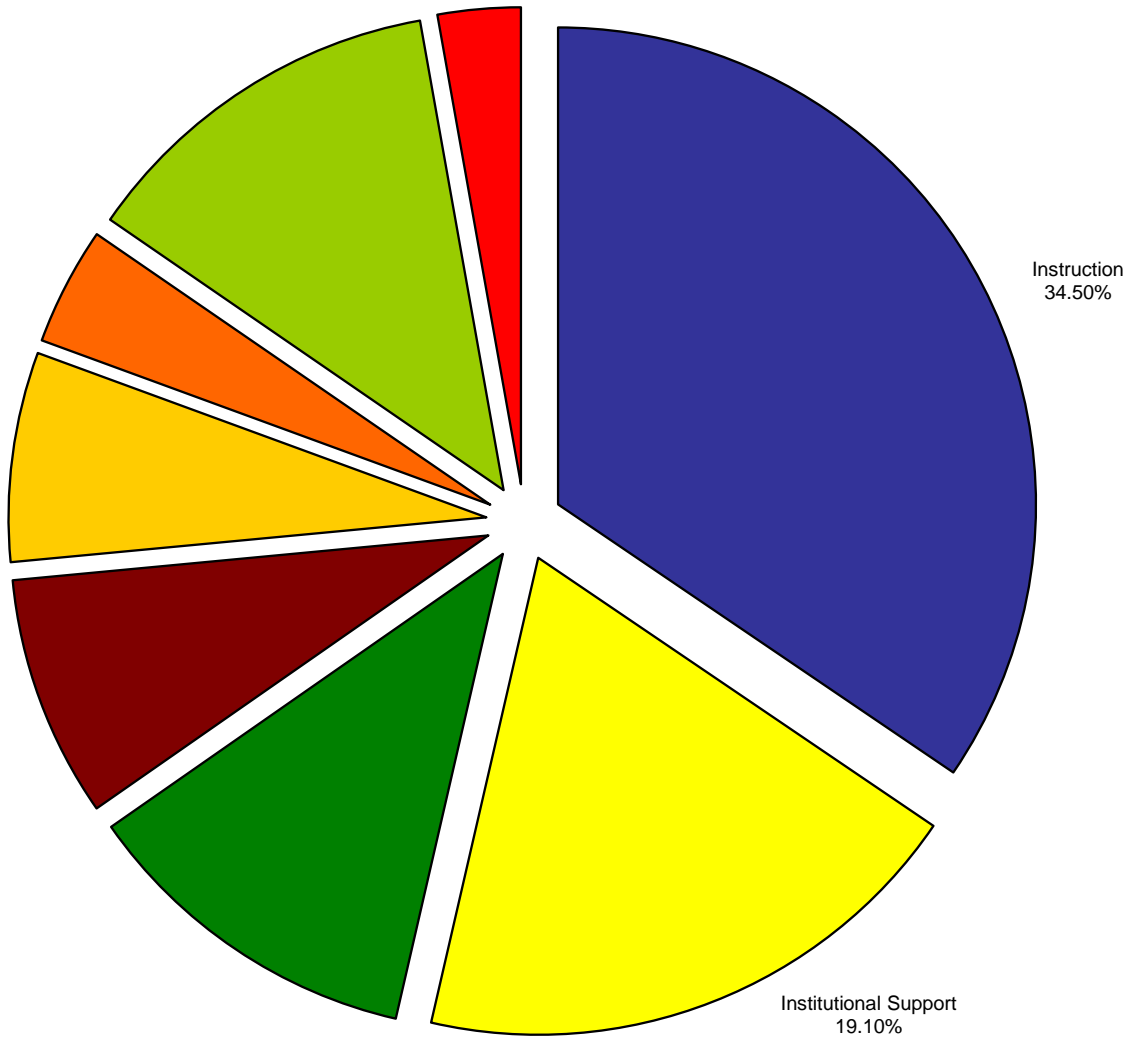
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FY 14

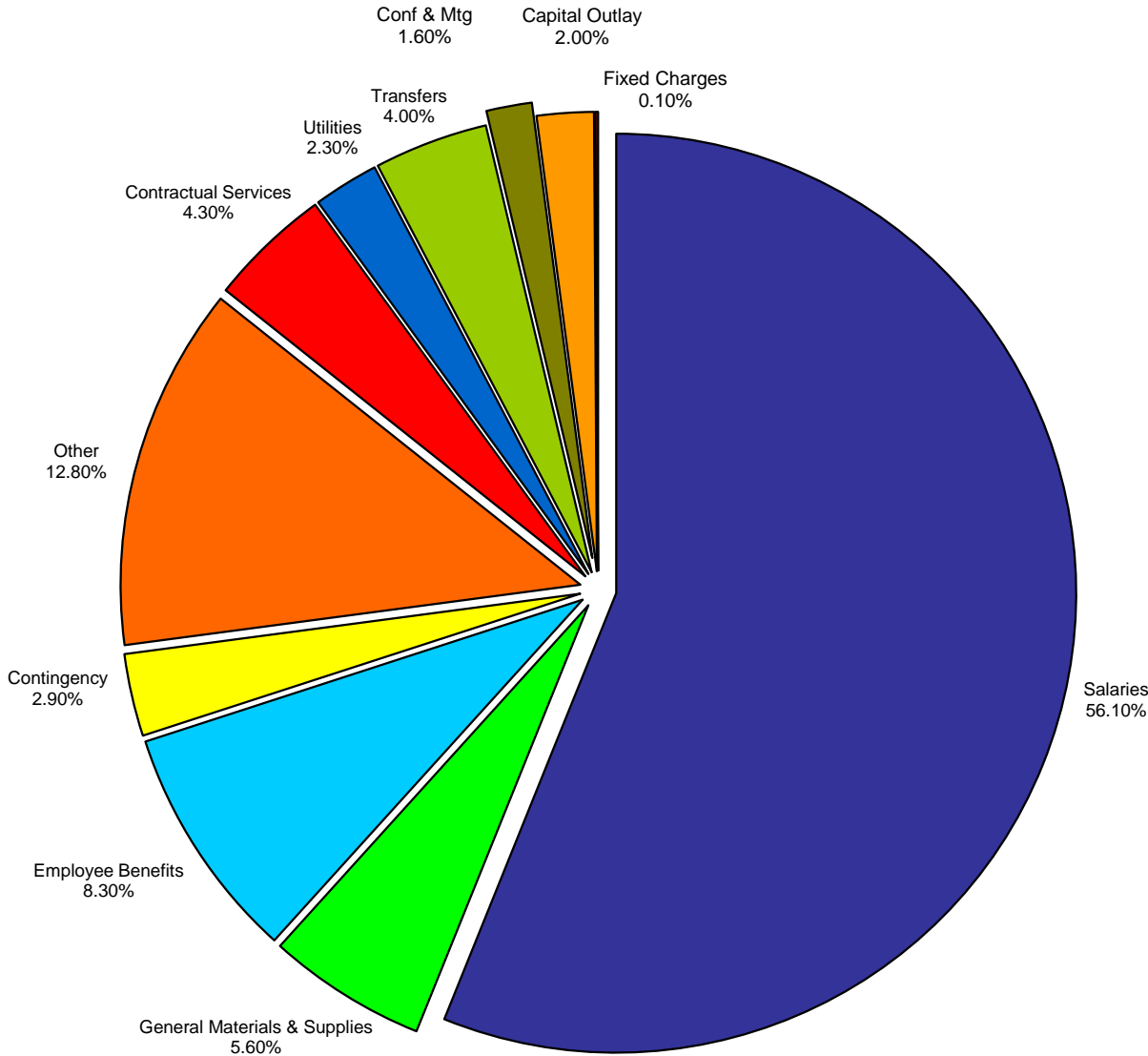
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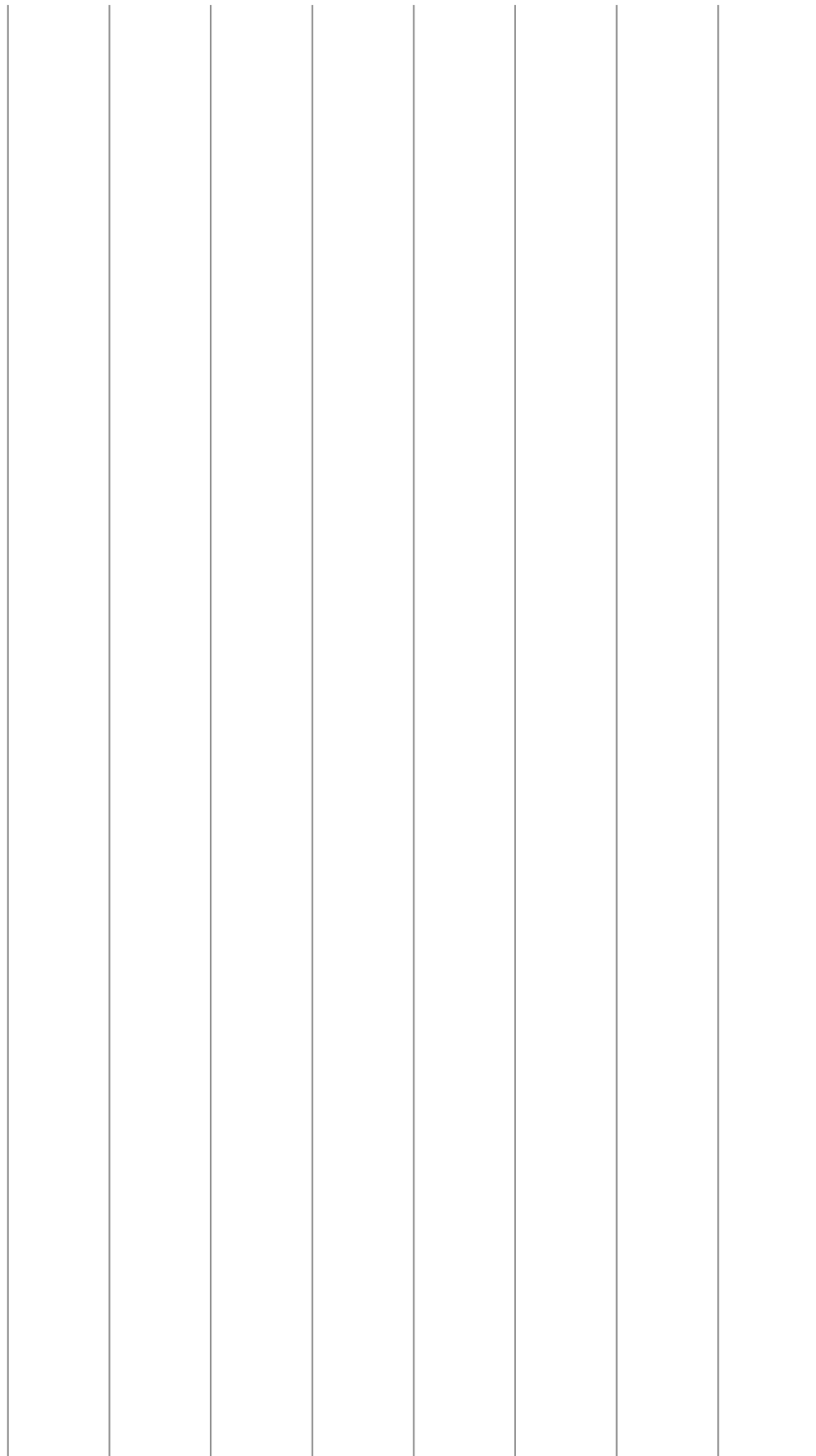
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Expenditures by Object Operating Funds FY 2015





EQUALIZED ASSESSED VALUATION				
COUNTY	2013 PAYABLE IN 2014	2012 PAYABLE IN 2013	\$ INCREASE (DECREASE)	% INCREASE (DECREASE)
Williamson	\$946,400,403	\$919,939,174	\$26,461,229	2.88%
Jackson	667,469,780	672,273,769	(\$4,803,989)	(0.71%)
Perry	83,815,165	83,641,699	\$173,466	0.21%
Randolph	10,198,758	10,416,804	(\$218,046)	(2.09%)
Franklin	77,755,623	77,500,710	\$254,913	0.33%
TOTAL	\$1,785,639,729	\$1,763,772,156	\$21,867,573	
			OVERALL INCREASE	1.24%