



Sauk Valley Community College

173 IL ROUTE 2
DIXON, IL 61021-9112

Office of the Secretary to the
SVCC Board of Trustees

Date: February 22, 2002

PUBLIC NOTICE OF MEETING

This is to provide public notice of the following meeting associated with
Valley Community College Board of Trustees:

WHO: Board of Trustees, District #506

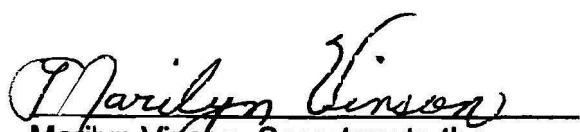
WHEN: February 28, 2002

TIME Noon

WHERE: Board

TYPE: Open and Closed

Board Agenda



Marilyn Vinson
Marilyn Vinson, Secretary to the
Board of Trustees, District #506

**SAUK VALLEY COMMUNITY COLLEGE
BOARD OF TRUSTEES**

**ANNUAL RETREAT
THIRD FLOOR BOARD ROOM
February 28, 2002**

AGENDA

12:00 Lunch
1:00 RETREAT

1. PEER GROUP PERSONNEL COMPARISONS	Discussion
2. BUDGET PROJECTIONS	Direction
3. ACCELERATED COLLEGE ENROLLMENT PROGRAM	Discussion

SAUK VALLEY COMMUNITY COLLEGE BOARD OF TRUSTEES RETREAT

February 28, 2002

The Board of Trustees of Sauk Valley Community College met in special session (Retreat) in the third floor Board Room of Sauk Valley Community College.

Call to Order: Chair Wolf called the meeting to order at 12:53 p.m. and the following members answered roll call:

Edward Andersen	Henry S. Dixon, Jr.
William Simpson	Robert J. Thompson
Nancy Varga	Pennie von Bergen Wessels
B.J. Wolf	Mathew Mathew

SVCC Staff: President Richard L. Behrendt
Vice President Ruth Bittner
Vice President Joan Kerber
Secretary to the Board Marilyn Vinson

Peer Group Personnel Comparisons: The Board discussed the attached tables which contained comparisons of staffing, salaries and benefits for SVCC and its seven peer group community colleges. The tables were compiled mainly from ICCB Salary Reports with supplemental information provided through surveys and telephone interviews with business officers at each institution.

Budget Projections: The Board discussed the projection of Sauk's financial results for the current fiscal year 2002, along with two estimates of the FY 03 budget at 2% and 5% enrollment increases over FY 01 and extensions through FY 08.

The administration pointed out two major questions that had to be answered before they can proceed with the FY 03 budget process—what will the tuition rate be and what will the raise be for non-faculty? After further discussion, it was the direction of the majority of the Board to raise tuition and fees by \$3, effective 2002 summer session. In regard to raises for non-faculty employees, it was the direction of the majority of the Board to approve 5% raises for support staff and professional/technical staff and 4% for

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administrators and put these two items on the agenda for the March meeting for official approval.

Accelerated
College
Enrollment
Program:

The vice presidents presented the attached report on the Accelerated College Enrollment Program. After discussion it was the direction of the majority of the Board to continue this program as approved at the February meeting.

Adjournment:

Since the scheduled business was completed, it was moved by Member Andersen and seconded by Member von Bergen Wessels that the Board adjourn. The next regular meeting will be held on March 25, 2002 in the third floor Board Room of the College at 7 p.m. In a roll call vote, all voted aye. Motion carried. Student Trustee Mathew advisory vote: aye.

The Board adjourned at 3:50 p.m.

Respectfully submitted:

Nancy L. Varga
Nancy L. Varga, Secretary



MEMORANDUM

To: SVCC Board of Trustees
From: Richard L. Behrendt
Date: February 21, 2002
Subject: Peer Group Personnel Comparisons

In addition to Vice President Bittner's attached analysis (completed in October), I offer these observations.

1. Number of Staff

When compared to the colleges in our peer group, it is clear we do not have too many administrators, non-teaching professionals, or classified staff. And our emphasis on maintaining full-time faculty is evident as we have the lowest number of FTE students per full-time faculty in our group.

Since we ranked 6th or 7th out of 8 for total numbers of non-teaching staff, clearly we do not have too many staff who are not teaching. We rank 7th of the 8 in size so ranking 6th or 7th in non-teaching staff seems appropriate.

We also rank second in the number of administrators per FTE student—further underscoring the conclusion that we do not have too many administrators. For other non-teaching staff we rank 4th—about in the middle—and third for total non-teaching staff per FTE student.

2. Full-time Faculty Salaries

Despite FY02's high percentage raise, our full-time faculty salaries are still below the peer group average. Will the contracted 5.5% (FY03) and 5.0% (FY04) raise us to the midpoint? Given that for the past three years most of the raises in our peer group have been less than 5%, one might assume that we will at least get closer to the average.

3. Administrative Salaries

A number of significant points need to be made here:

- a. The number of years' experience is a huge factor in determining administrative salaries. When we have people who have been here a while and/or have been hired with many years of experience, they rank high, whereas newer administrators or those hired with little administrative experience rank low in their comparison groups. The Vice Presidents offer a good example: for FY02 Ruth Bittner (who was hired with no experience at the vice presidential level) ranks seventh while Deborah Hecht (who was hired with 7 years as an academic vice president elsewhere) and Joan Kerber (who has been a vice president here for eight years) both ranked second. When Mike Seguin retired as a Dean, his experience pushed his \$78,317 salary to the highest among the five in his peer group, while his replacement, Patrick Kennedy, was hired with some academic administrative experience so his \$65,000 salary places him fourth of the five deans in the comparison group.
- b. Combining positions skews the results. We have two highly paid administrators—Cal Lyons and Linda Little— but both were very experienced when hired and ARE DOING THREE ADMINISTRATIVE JOBS: Cal Lyons is the Director of Public Relations and one-half of the Director of Development/Grants while Linda Little is the Director of Research and one half of the Director of Development/Grants. Interestingly, the smallest school in the comparison group (John Wood) has all three positions.
- c. There is both volatility and unreliability in these comparisons. With so few schools and so few positions, it is difficult to reach conclusions that cannot be challenged. For example, at Kishwaukee in FY00, they had a Dean at \$64,529 with no experience, the next year the same position with one year of experience was reported at \$78,180, and for the current year they now have someone with no experience making \$50,000. Another example: personnel officers' salaries range from \$34,184 to \$77,459— Sandburg, Spoon, and Wood all pay in the low thirties, Danville pays nearly \$80,000, and the remainder— including us— are in the \$50-\$55,000 range.

Hopefully, this detailed comparison will answer previous Board questions concerning numbers of positions and salaries at Sauk compared with our peer group.

TO: Richard Behrendt

FROM: Ruth Bittner *RB*

DATE: October 24, 2001

SUBJECT: Peer group personnel comparisons

The attached tables contain comparisons of staffing, salaries and benefits for SVCC and its seven peer group community colleges. The tables were compiled mainly from ICCB Salary Reports, with supplemental information provided through surveys and telephone interviews with business officers at each institution.

A comparison of personnel data across schools must be tempered by knowledge of the unique characteristics of each institution. Using a peer group helps control a study for enrollment, district population, demographics, and socio-economic factors, but other factors affect staffing as well. A college's unique facilities, specialty academic programs, grant contracts, special programs, outsourcing choices, organizational structure, and local Board priorities and philosophies all impact staffing and compensation decisions. On top of that, individual employees' qualifications and number of years of experience (or length of employment at that school) help determine their compensation. Equalizing for all of these factors would require one to obtain organization charts, job descriptions, and resumes for all employees of each college and then to conduct in-depth interviews to clarify how specific tasks are performed at each school. The cost of doing such an analysis is prohibitive. Therefore, one can expect only to suggest broad generalizations about staffing and compensation based on the data reasonably available for analysis.

Because of differences among schools, the important question to consider when analyzing staff size is whether the staffing is appropriate for a particular school's programs. That is, does the staff get the job done effectively and efficiently?

Table 1: Number of employees

In the FY 01 ICCB Salary Report, Sauk reported 18 full-time administrators, 25 professional/technical staff, 47 classified staff, and 50 faculty. Those staff sizes rank us sixth out of eight peer schools for number of administrators and professional/technical, seventh for classified staff, and fifth for faculty. The total non-faculty and total staff sizes both rank seventh. Sauk has the second highest ratio of students to administrators, fourth for professional-technical and classified staffs, and eighth for full-time faculty. The total non-faculty and total staff ratios both rank third. For non-faculty, a high ratio might mean high cost effectiveness; for faculty, a high ratio might mean high cost effectiveness, but a low ratio might mean faculty can spend more time with students.

(A side note: Danville appears to employ an unusually high number of non-faculty. Two main reasons are the age, size and character of their campus – it's quite large and is listed on the National Historic Register; and the number of grants and special programs they operate – including a large JTPA grant and a large child care center.)

Table 2: Faculty salaries

Sauk's faculty salaries still fall below the peer group average, despite receiving the highest percentage raise in the group this year. Comparing salary schedule amounts for a teacher with a Masters degree plus five years of experience, Sauk ranks sixth out of eight schools in FY 00, FY 01, and FY 02. In FY 00, Sauk's pay for that cell was 8.3% below the group average, 9.0% below average in FY 01, and 7.3% below average in FY 02. Sauk's average actual faculty salary was 0.8% below the group average in FY 00, 5.0% below in FY 01, and 5.1% below in FY 02.

It should be noted that the group averages are skewed by unusually high pay rates at Highland. Interestingly, Highland also has the highest ratio of students to faculty, at 38, while the other seven schools average 30.3. Without Highland in the salary group, Sauk's Masters/5 years pay was 4.1% below average in FY 00, 4.5% below average in FY 01, and 2.6% below average in FY 02. Sauk's average actual pay was 2.4% above average in FY 00 and 1.4% below average in both FY 01 and FY 02.

Table 3: Administrative salaries

Administrative salaries can only be evaluated on a position-by-position basis, and the data must take into consideration the years of experience and job duties of each individual. The accompanying chart does not include all administrative positions, but rather only those that most Illinois community colleges employ. The chart includes figures for some people who aren't considered administrators at each school, but who have generally similar duties to positions that Sauk classifies as administrative.

Sauk's salaries for the positions shown on the chart in FY 02 range from being within 0.2% of the group average to 23.7% away from the average, and their rankings range from first to seventh in the eight school group. The average Sauk ranking is 2.8, and the Sauk salary as compared to each position's average is 9.2% above average.

Similar to Highland with the faculty, although Sauk's average salaries rank is 2.8, its ratio of students to administrators ranks second.

Table 4: Administrative benefits

Sauk's fringe benefits package for administrators appears to be typical for the peer group. There are, of course, some differences among schools, and details of the health insurance plan in particular would need to be examined in order to perform an accurate comparison. However, one can say that Sauk's package is in line with the group.

TABLE 1

Sauk Valley Community College
Peer Group Comparison of Staffing by Category, & Student/Staff Ratios

	FY 01 Full-Time Staff (All Funds)						FY 00	
	Other			Total Non-Faculty	Full-Time Faculty	Total Staff	Credit Hours	FTE
	Administrators	Non-Teaching Professionals	Classified Staff					
Kishwaukee	15	65	51	131	72	203	65,601	2,187
Sandburg	24	56	50	130	65	195	58,178	1,939
Richland	32	30	69	131	58	189	53,490	1,783
Highland	25	21	59	105	46	151	52,395	1,747
Danville	49	16	94	159	52	211	47,988	1,600
Wood	32	35	55	122	48	170	44,427	1,481
Sauk	18	25	47	90	50	140	43,862	1,462
Spoon River	14	29	30	73	36	109	32,551	1,085
Sauk Rank	6	6	7	7	5	7	7	7

Number of FTE Students per Full-Time Employee						
	Other			Total Non-Faculty	Full-Time Faculty	Total Staff
	Administrators	Non-Teaching Professionals	Classified Staff			
Kishwaukee	145.8	33.6	42.9	16.7	30.4	10.8
Sandburg	80.8	34.6	38.8	14.9	29.8	9.9
Richland	55.7	59.4	25.8	13.6	30.7	9.4
Highland	69.9	83.2	29.6	16.6	38.0	11.6
Danville	32.7	100.0	17.0	10.1	30.8	7.6
Wood	46.3	42.3	26.9	12.1	30.9	8.7
Sauk	81.2	58.5	31.1	16.2	29.2	10.4
Spoon River	77.5	37.4	36.2	14.9	30.1	10.0
Sauk Rank	2	4	4	3	8	3

(Source: ICCB Fiscal Year 2001 Salary Report)

TABLE 2

Sauk Valley Community College Faculty Salary Comparison FY 00, FY 01, FY 02								
		Per Salary Schedule						
		Avg	Masters	Masters	Doctorate	Actual Base-9 Mo. Faculty		
		Raise	0 hrs/0 yrs	0 hrs/5 yrs	Max hrs/Max yrs	Low	Median	High
FY 00								
Danville	2.5%	30,000			54,303	29,242	34,901	54,303
Highland	5.2%	32,074	38,906		65,880	32,074	49,266	65,880
Kishwaukee	5.0%					27,000	41,163	68,645
Richland	3.7%	25,550	30,343		58,322	24,820	42,555	58,322
Sandburg	5.2%	28,680	29,790		63,890	28,100	43,715	62,080
Spoon River	4.4%	28,243	32,172		69,023	25,948	38,573	54,424
Wood	3.8%	27,890	30,440		52,563	28,940	35,940	48,341
SAUK	5.0%	25,275	29,144		57,152	29,144	41,207	57,152
Average	4.4%	28,245	31,799		60,162	28,159	40,915	58,643
SVCC Rank	3	7	6		5	3	4	5
SVCC +/- Avg		-10.5%	-8.3%		-5.0%	3.5%	0.7%	-2.5%
Average	4.8%	29,337	32,759		62,894	27,453	41,010	61,343
SVCC Rank	4	7	6		6	5	5	4
SVCC +/- Avg		-11.8%	-9.0%		-7.1%	-5.7%	-4.5%	-4.8%
FY 01								
Danville	4.9%	31,000			55,688	30,063	38,400	55,688
Highland	4.6%	33,357	40,462		68,515	34,591	51,870	68,515
Kishwaukee	5.0%					20,000	38,103	71,397
Richland	4.0%	26,572	31,556		60,655	24,820	41,603	58,322
Sandburg	4.4%	30,280	30,510		66,600	25,800	39,570	64,730
Spoon River	4.0%	29,498	32,446		70,476	28,534	41,272	56,665
Wood	7.0%	28,765	31,759		59,919	29,927	38,097	57,026
SAUK	4.6%	25,885	29,823		58,404	25,885	39,164	58,404
Average	4.8%	29,337	32,759		62,894	27,453	41,010	61,343
SVCC Rank	4	7	6		6	5	5	4
SVCC +/- Avg		-11.8%	-9.0%		-7.1%	-5.7%	-4.5%	-4.8%
FY 02								
Danville	7.0%	32,500			59,586	32,500	41,089	59,586
Highland	4.0%	34,691	42,080		71,255	34,032	54,916	71,355
Kishwaukee	5.0%					28,000	51,483	74,967
Richland	3.0%	27,369	32,503		62,475	26,137	42,691	62,475
Sandburg	4.8%	30,890	31,910		70,660	27,030	41,850	67,810
Spoon River	4.2%	30,846	32,751		73,372	32,378	42,488	59,092
Wood	5.5%	29,743	32,839		61,957	31,564	40,180	60,145
SAUK	7.0%	26,920	31,448		62,214	26,920	42,563	62,214
Average	5.1%	30,423	33,922		65,931	29,820	44,658	64,706
SVCC Rank	1	7	6		5	7	4	5
SVCC +/- Avg		-11.5%	-7.3%		-5.6%	-9.7%	-4.7%	-3.9%

(Source: ICCB Salary Reports, college business officers)

Sauk Valley Commt.
Administrative Salaries Comparison

	Avg	VP Finance		VP Academic		VP Student Svc		Dean Baccalaur		Dean Career		Dean Cont Ed		Dir Data Proc		Dir Research		Dir Devel/Grants	
	Raise	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs
FY 00																			
Danville	3.5%	86,954	10	83,990	2	70,225	9	61,755	6	57,171	8	54,496	12	45,311	4				
Highland	5.0%	70,185	6	74,209	4			69,223	4	67,902	2	43,050	4	56,784	0	59,850	3		
Kishwaukee	5.0%	71,600	22	83,002	6	75,249	19	64,529	0	67,344	3	69,840	19	75,973	21	45,000	0	65,835	5
Richland	3.5%	71,001	1	94,000	1	75,401	11	72,843	2	69,888	6	63,615	6	55,862	8			53,561	3
Sandburg	5.4%	78,910	9	77,220	10	73,440	0					63,780	7	54,110	7	38,740	4		
Spoon River	4.2%	74,900	4	72,331	4	60,157	9			60,164	5	54,548	1	54,764	2	47,421	5	37,744	2
Wood	3.8%	72,667	2	70,000	1	72,736	11							53,431	2	48,000	0		
SAUK	5.0%	72,500	0	85,000	0	75,000	4	71,172	29	65,000	0	62,573	5	71,345	28	59,000	0		
Count		8		8		7		5		6		7		8		6		3	
Average	4.4%	74,840	7	79,969	4	71,744	9	67,904	8	64,578	4	58,843	8	58,448	9	49,669	2	52,380	3
SVCC Rank	2	5		2		3		2		4		4		2		2			
SVCC +/- Avg		-3.1%		6.3%		4.5%		4.8%		0.7%		6.3%		22.1%		18.8%			
FY 01																			
Danville	4.5%	90,148	11	87,050	3	72,666	10	65,041	7	65,034	0	56,333	13	48,847	5				
Highland	7.3%	70,000	0	77,919	5	74,000	3	73,151	5	69,164	3	45,203	5	50,000	0				
Kishwaukee	4.9%	78,925	23	57,330	0	80,500	20	78,180	1	70,711	4	73,332	20	79,772	22	47,250	1	69,127	6
Richland	3.0%	73,486	2	97,290	2	78,040	12	75,393	3	60,550	0	65,842	7	63,000	15				
Sandburg	4.7%	82,660	10	80,890	11	76,930	1					66,810	8	56,690	8	40,300	5		
Spoon River	5.7%	80,518	5	77,756	5	63,887	10			66,167	0	56,839	2	55,387	3	49,413	6	39,329	3
Wood	4.0%	77,754	3	74,900	1	77,828	12			47,261	3	70,594	24	57,171	3	51,360	1	38,520	1
SAUK	4.8%	75,980	1	89,080	1	78,600	5	74,588	30	67,080	1	65,577	6	74,770	29	61,832	1		
Count		8		8		8		5		7		8		8		5		3	
Average	4.9%	78,684	7	80,277	4	75,306	9	73,271	9	63,710	2	62,566	11	60,705	11	50,031	3	48,992	3
SVCC Rank	4	6		2		2		3		3		5		2		1			
SVCC +/- Avg		-3.4%		11.0%		4.4%		1.8%		5.3%		4.8%		23.2%		23.6%			
FY 02																			
Danville	5.5%	93,828	12	90,637	4	75,821	11	67,968	8	67,960	1	58,998	14	51,288	6				
Highland	5.0%	68,000	0	81,815	6	77,700	0	76,809	6	72,622	4	47,463	6	52,500	1				
Kishwaukee	5.0%	85,620	24	92,000	0	89,530	21	50,000	0	73,500	5	76,732	21	82,300	23	49,700	2	72,427	7
Richland	3.0%	83,441	3	100,209	3	80,381	13	77,655	4	62,367	1	67,817	8	65,995	16			37,000	0
Sandburg	4.8%	86,590	11	84,740	12	80,590	2					69,990	9	59,390	9	42,220	6		
Spoon River	4.2%	83,900	6	81,022	6	66,570	11			68,946	1	55,000	0	58,710	4	51,488	7	41,295	4
Wood	5.5%	82,030	4	79,020	7	82,108	13					74,477	25	60,316	4	54,185	2	40,639	2
SAUK	5.0%	79,779	2	93,534	2	82,530	6	78,317	31	70,434	2	68,856	7	78,508	30	64,924	2		
Count		8		8		8		5		6		8		8		5		4	
Average	4.8%	82,899	8	87,872	5	79,404	10	70,150	10	69,305	2	64,917	11	63,626	12	52,503	4	47,840	3
SVCC Rank	3	7		2		2		1		3		4		2		1			
SVCC +/- Avg		-3.8%		6.4%		3.9%		11.6%		1.6%		6.1%		23.4%		23.7%			

Sauk Valley **College**
Administrative Salaries Comparison

	Dir Public Rel's		Dir Admissions		Dir Financial Aid		Dir Personnel		Control/Dir Busn		Dir Facilities		Dir Athletics	
	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs	Sal	Yrs
FY 00														
Danville	52,625	2	37,907	2	35,293	2	71,747	13	57,621	13	59,086	23	37,617	19
Highland	43,050	3	54,422	9	21,000	0	46,200	4	46,388	10	52,639	3	46,228	5
Kishwaukee			57,203	6	46,427	14					39,000	5	41,163	
Richland	39,635	2	69,504	6	39,957	0	48,345	5	47,460	5	52,736	1		
Sandburg	43,990	6	61,480	20	49,200	5	32,350	8	43,990	0	41,290	3		
Spoon River	31,410	2			39,145	6	31,274	2	39,639	5	35,069	7	31,260	0
Wood	43,325	21	42,238	9	44,912	5	34,922	2	34,922	2	44,104	20		
SAUK	57,000	0	51,238	0	42,667	1	49,500	7	49,000	5	57,379	5	46,000	6
Count	7		7		8		7		7		8		5	
Average	44,434	5	53,427	7	41,075	4	44,905	6	45,574	6	47,663	8	40,454	8
SVCC Rank	1		5		4		2		2		2		2	
SVCC +/- Avg	28.3%		-4.1%		3.9%		10.2%		7.5%		20.4%		13.7%	
FY 01														
Danville	42,988	0	42,893	3	40,162	3	74,256	14	59,495	14	61,025	24	37,617	1
Highland	45,203	4	63,000	10	32,550	1	48,510	5	48,707	11	55,271	4	48,539	6
Kishwaukee	53,667	0	60,063	7	48,748	15					40,950	6	43,221	
Richland	55,436	4	71,937	12	44,500	5	50,037	6	49,121	6	54,582	12		
Sandburg	46,080	7	64,410	21	51,540	6	34,000	9	46,080	1	43,260	4		
Spoon River	33,766	3			40,789	7	32,806	3	43,524	6	36,893	8	32,573	1
Wood	46,358	22	43,597	10	48,056	6	37,367	3	37,367	3	47,191	3	37,367	3
SAUK	59,736	1	53,697	1	44,715	2	51,876	8	51,352	6	60,133	6	48,208	7
Count	8		7		8		7		7		8		6	
Average	47,904	5	57,085	9	43,883	6	46,979	7	47,949	7	49,913	8	41,254	4
SVCC Rank	1		5		4		2		2		2		2	
SVCC +/- Avg	24.7%		-5.9%		1.9%		10.4%		7.1%		20.5%		16.9%	
FY 02														
Danville	52,400	1	47,491	4	46,342	4	77,459	15	62,255	15	63,832	25	39,721	2
Highland	48,828	5	66,150	11	34,178	2	50,936	6	48,500	0	58,035	5	50,966	7
Kishwaukee	58,200	1	63,363	8	51,185	16					43,300	7	45,383	
Richland	57,099	5	74,095	13	49,153	6	53,500	0	60,770	7	62,472	13		
Sandburg	48,270	8	67,470	22	53,990	7	35,500	10	48,270	2	45,320	5		
Spoon River	41,000	0			42,502	8	34,184	4	45,352	7	38,443	7	33,941	2
Wood	48,908	23	45,995	11	50,699	7	39,422	4	39,422	4	49,787	23	39,422	4
SAUK	62,723	2	56,382	2	46,950	3	54,470	9	53,920	7	63,140	7	50,618	8
Count	8		7		8			7	7		8		6	
Average	52,179	6	60,135	10	46,875	7	49,353	7	51,213	6	53,041	12	43,342	5
SVCC Rank	1		5		5		2		3		2		2	
SVCC +/- Avg	20.2%		-6.2%		0.2%		10.4%		5.3%		19.0%		16.8%	

Notes for Administrative Salaries Comparison

Sauk

Controller/Director of Business Services salary is full-time equivalent for employee who works .6 FTE (24 hours per week).

Director of Research also does Grants.

Director of Public Relations also does Development.

Danville

FY 01 and 02 Director of Public Relations salary is full-time equivalent for employee who works .6 FTE (24 hours per week). In FY 00 the employee was full-time.

Highland

Vice President of Student Services is shown as full salary, even though the person splits time with other duties.

Spoon River

VP Student Services is Dean of Students.

Director of Data Processing is Director of Technology.

Kishwaukee

FY 01 Director of Public Relations is full-time equivalent for .75 FTE employee.

Sauk Valley Community College
Administrative Benefits Comparison

Type of Benefit	Danville	Highland	Kishwaukee
Health insurance:			
Medical	yes	yes	yes
Vision	yes	no	no
Dental	yes	yes	yes
% of cost paid for employee	100%	90%	80% - 92%
% of cost paid for dependents	0	90%	0
Life insurance	no	yes	yes
Disability insurance	no	no	no
SURS paid by college:	no		no
For what positions		FT faculty, VPs	
% paid by college		8%	
Tuition at own college:			
For employee	yes	yes	yes
For dependents	yes	yes	yes
How much	100%	100%	100%
Tuition at other colleges:			
For employee	yes	yes	yes
For dependents	no	no	no
How much	\$90/credit hour	\$125/credit hour, up to \$2,000 every two years	\$500/year
Leave time:			
Vacation days per year	16	10 - 21	21
Sick days per year	13	12	12
Personal days per year	3	2	3
Other:			
Car allowance	no	no	no
Cell phone	no	no	no
Computer	no	no	no
PDA	no	no	no
Memberships	only if budgeted	no	no
Other:			

Sauk Valley Community College
Administrative Benefits Comparison

Type of Benefit	Richland	Sandburg	Spoon River
Health insurance:			
Medical	yes	yes	yes
Vision	no	no	yes
Dental	yes	yes	yes
% of cost paid for employee	100%	100%	85%
% of cost paid for dependents	50%	0%	85%
Life insurance	yes	yes	yes
Disability insurance	yes	yes	yes (SURS)
SURS paid by college:	no		no
For what positions		VPs	
% paid by college		8%	
Tuition at own college:			
For employee	yes	yes	yes
For dependents	yes	yes	yes
How much	100%	100%	employee pays \$1 per credit
Tuition at other colleges:			
For employee	no	up to \$500/year	yes
For dependents	no	no	no
How much			50%
Leave time:			
Vacation days per year	20	20	23
Sick days per year	12	15	15
Personal days per year	2	2	0
Other:			
Car allowance	no	no	no
Cell phone	yes-President's staff only	no	no
Computer	no	no	no
PDA	no	no	most administrators
Memberships	yes	no	no
Other:			

Sauk Valley Community College
Administrative Benefits Comparison

Type of Benefit	Wood	SAUK
Health insurance:		
Medical	yes	yes
Vision	yes	yes
Dental	yes	yes
% of cost paid for employee	100%	100%
% of cost paid for dependents	50%	about 80%
Life insurance	yes	yes
Disability insurance	yes	yes
SURS paid by college:	no	no
For what positions		
% paid by college		
Tuition at own college:		
For employee	yes	yes
For dependents	yes	yes
How much	100% (does not include fees)	100%
Tuition at other colleges:		
For employee	yes	yes
For dependents	no	no
How much	up to \$760/year (varies annually)	up to \$1,380/year if related to job
Leave time:		
Vacation days per year	12 in year 1; 20 in later years	24
Sick days per year	12	17 in first year/12 in later years
Personal days per year	3	2
Other:		
Car allowance	no	no
Cell phone	no	no
Computer	no	no
PDA	no	no
Memberships	no	only if approved in budget
Other:		

Sauk Valley

Community College

President's Office

Memorandum

TO: Board of Trustees

FROM: Richard L. Behnke 

DATE: February 25, 2002

SUBJECT: Budget Projections

The attached budget projections from Ruth Bittner are based on a \$3 tuition increase for each of the next two fiscal years, and a 5.5% salary increase in FY03 and 5.0% in FY04 for non-faculty. These salary increases would be identical to those approved by the Board for faculty in the remaining two years of their contract.

We recommend the Board give us direction to bring these two-year tuition and salary increases to them for approval at the March 25 Board meeting.

attachment

TO: Richard Behrendt
FROM: Ruth Bittner *RBB*
DATE: February 20, 2002
SUBJECT: Budget Projections

Attached is a projection of Sauk's financial results for the current fiscal year 2002, along with two estimates of the FY 03 budget (at 2% and 5% enrollment increases over FY 01) and extensions through FY 08.

The projections are consistent with last year's 10-year financial plan, as adapted for FY 01 and FY 02 activity. In the plan we expected to experience several years of deficit budgets followed by several years of surplus, for a net long-term balanced budget. That result is still what this new set of projections reflects.

FY 02 projection

We expect to see a gain of \$337,000 in FY 02, raising the operating fund balance to \$1,346,000.

The two areas expected to vary significantly from budget in FY 02 are directly related to this year's large enrollment increase: tuition and fees revenue, and tuition waivers expense. We project an 18% enrollment increase for the year, while the budget assumed no change in enrollment. Just over 8% of the increase stems from the transfer of Adult Education classes from Sterling Unit 5 to SVCC; the rest is due mostly to students from the former Northwestern Steel and Wire. We collect no tuition from Adult Education students, but accounting rules require us to record tuition revenue anyway, balanced by a corresponding amount of tuition waivers expense (in "Other" expenditures).

Another budget variance appears to occur in "Sales and Service Fees" and "Fees" revenues. This, however, is due to a switch in the accounts used to record Corporate and Community Services revenue from credit courses. CCS credit course fees are recorded in "Fees," while non-credit courses go into "Sales and Service Fees." The total does not differ significantly from budget.

The impact of enrollment is clear. While we had expected to lose \$100,000 in FY 02, we now expect instead to gain \$337,000.

FY 03 projection

There are two FY 03 projections, based on different enrollment assumptions. One assumption results in a loss of \$97,000, and the other shows a loss of \$174,000. That means the ending fund balance would be either \$1,249,000 or \$1,172,000.

The FY 03 projection applies a number of assumptions. The Consumer Price Index (CPI-U) is running at 1.9%, so the projection uses a general inflation rate of 2%. This is also the growth rate expected by our County Clerks for equalized assessed valuations (EAV). The CPI for medical costs is running at 4.9%, so the projection assumes a 5% increase in employee benefits expense. The faculty contract signed in 2001 grants an average raise of 5.5%, so that is used for all salaries expense. It is assumed that all operating fund equipment costs will continue to be paid through funding bonds. Given the State's current tight budget situation but the Governor's interest in education, and Sauk's 1% FY 01 drop in enrollment, the FY 03 projection assumes no change in State funding.

The projection assumes a \$3 per credit hour increase in the tuition rate, from \$48 to \$51 (plus the \$3 per hour technology fee, for total charges of \$54 per hour). It is assumed that this year's 8% enrollment increase from Adult Education students will hold steady, for no change in Adult Ed hours from FY 02 to FY 03. For general credit enrollment, one projection assumes a 2% increase, and the second projection assumes a 5% increase from FY 01 (not FY 02's extraordinary level). The reason for using 2% and 5% is that, even though we expect to lose most of this year's recently-unemployed students as they find new jobs, we also expect to retain those who choose to continue their education and to gain new students who hear through word-of-mouth about the positive experiences of this year's group.

The difference between a 2% and a 5% enrollment increase is significant. It causes a bottom-line variance of \$76,739 in FY 03, which compounds into a cumulative difference of \$472,594 for the following five years.

The ten-year financial plan prepared in April 2001 called for a transfer of \$100,000 of Working Cash Fund balance to the Operating Funds each year. These transfers began in FY 02. At the start of FY 02 there was about \$1.2 million available for transfer. (It's not advisable to spend down all of this available balance, since the interest earned on it goes to support routine operations; the fund acts like an informal endowment.) The FY 03 projection results include the transfer.

The FY 03 projection also partially restores budget for Conferences and Meetings and for Publications and Dues, both of which were cut severely in FY 02. Approximately \$5,000 is restored to Publications and Dues and \$50,000 to Conferences and Meetings. This represents about half of the cuts made in FY 02.

With a 2% increase in enrollment, the FY 03 projection results in a loss of \$174,000. Using a 5% enrollment increase, the loss is \$97,000.

FY 04 through FY 08 projections

The two sets of projections for FY 03 lead to two results for future years. The total gain or loss for the following five years will be either a gain of \$113,000 or a loss of \$359,000, depending on the FY 03 results. That means the fund balance in June 2008 would be either \$1,362,000 or \$813,000.

The two projections for future years build off the two options for FY 03 enrollment. Both long-term projections assume annual general inflation rates of 3%, medical inflation of 5% per year, a salary raise of 5% (per the faculty contract) for FY 04 and 4% per year after that, an 8% increase in State grants for FY 04 (because of the large FY 02 enrollment increase) and 3% per year after that, and annual increases of 2% in enrollment and \$3 in tuition.

Both long-term projections assume that new funding bonds will be issued to continue funding equipment outside of the regular operating budget after the current bonds expire at the end of FY 04.

The result of the FY 03 2% assumption is a net loss of \$359,000 for the five future years. That loss combined with FY 03 leaves a net six-year loss of \$533,000. The FY 03 5% assumption results in a net gain of \$113,000 for the five future years, and a net six-year gain of \$16,000.

Non-operating funds

Of the non-operating funds, only Working Cash is expected to experience a notable change in fund balance, because of the annual planned \$100,000 transfer of fund balance to the operating funds.

Critical questions for FY 03

Two major questions need to be answered by the Board of Trustees before proceeding with the FY 03 budget process:

1. What will the tuition rate be?
2. What will the raise be for non-faculty?

For tuition, the projections assume a \$3 increase in FY 03. Each dollar of tuition adds about 2%, or \$45,000, to revenue.

This year's SVCC tuition and fees rate of \$51 compares to a State average of \$51.65 and a Sauk peer group average of \$53.61. The rates statewide range from \$40 to \$68, and the peer group ranges from \$49 to \$63.50. It is highly likely that a number of other colleges will increase their rates. Sauk's peer group tentatively plans increases of \$2 to \$5, so the new peer average will be \$56.61, and the State average will be at least \$53.09.

Therefore, a \$3 increase, to \$54, will leave Sauk reasonably close to both the State and peer averages.

For salaries, FY 03 raises for full-time and part-time faculty, who account for just over half of the total operating funds salaries budget, have already been set at 5.5%. Each 1% raise for administrators costs about \$11,000, and for support staff each 1% costs about \$19,000.

Attachments

- A. Budget Projection Notes
- B. Planned Tuition and Fee Rates for FY 03
- C. Projection – With 2% FY 01-03 enrollment increase
- D. Projection – With 5% FY 01-03 enrollment increase

Budget Projection Notes
February 2002

FY 02 Projections

Property Tax – Projected to receive the budgeted amount.

State Government – Projected to receive the budgeted amount, plus \$20,000 of “Other” that’s already been recorded in the Ed Fund.

Federal Government – Projected to receive the budgeted amount, rounded down.

Tuition – Calculate FY 01 revenue + \$3 per hour ($\$3/\$45 = 6.67\%$) rate increase + 20% enrollment increase:

$$\text{Fd 01: } 1,805,980 \times 1.067 \times 1.20 = 2,312,377$$

$$\text{Fd 02: } 215,486 \times 1.067 \times 1.20 = 275,908$$

Fees – Lab fees 120,000 + Tech fees 110,000 + Misc. 15,000 + CCS credit courses 200,000 = 445,000.

Sales & Service Fees - CCS non-credit courses 50,000.

Facilities Revenue - 12/31 YTD revenue is 1,995, so double that amount is 4,000.

Investment Income – Projected at just under budget, because interest rates have been low.

Other – Fd 01 is already at 7,759, and Fd 01 is at 174, so projected at 10,000 for Fd 01 and 500 for Fd 02.

SURS – Projected at budgeted amount.

Salaries – 12/31 YTD appears to be on track for ending pretty close to budgeted amount overall.

Benefits – 2/15/02 YTD is running at budget.

Contractual, Supplies, Conferences, and Fixed Charges – All running pretty close to budgeted amounts.

Utilities – 12/31 YTD is slightly below budget (warm winter).

Capital Outlay – Should end up close to budget.

Other – Adult Ed Waivers expense is running high, to match higher enrollment from picking up Wallace Center program. Budgeted \$60,000, spent 138,454. FY 01 hours 1,293 x \$48 = \$62,064. FY 01 Fall hours 487; FY 02 Fall hours 2,359; increase 1,872 x

$2 = 3,744 \text{ increase in hours for the year} \times \$51 = \$190,944 \rightarrow \text{increase of } \$130,000 \text{ over FY 01; } \$52,000 \text{ more than current YTD actual of } 138,454.$ Other waivers are also running high due to increased enrollment; chargebacks should have \$20,000 more for Spring. Current YTD actual is $\$381,000 + 52,000 + 20,000 = \$453,000$ projected.

SURS – Projected at budgeted amount.

FY 03 Projections

Faculty contract gives 5.5% overall raise for full-time faculty. Board has committed to giving PT faculty the same raise. FY 02 budget: FT faculty 2,511,350; faculty overload 229,031; faculty summer 156,942; PT faculty 360,439; total faculty 3,257,762; administrators 1,092,990; support staff 1,875,899. Projection uses same raise for all employees.

Consumer Price Index for all urban consumers is 1.9%, so used 2.0% in projections.

CPI for medical costs is 4.9%, so used 5% for projections.

FY 01 enrollment was down and State budget is tight, so projected no change in State funding.

Assumed \$3 (6.25%) change in the tuition rate.

Assumed flat enrollment for Adult Ed, which is 8% above FY 01 total (3,744/42,686). Assumed 2% and 5% increases in other enrollment. So, projection uses 10% and 13% options vs. FY 01 levels.

Property tax increases at the rate of inflation.

Restored \$5,000 of cuts in Publications and Dues.

Restored \$50,000 of cuts in Conferences and Meetings.

Transfers: From Working Cash to Ed Fund 211,250; from Ed Fund to O&M 100,000. From Bookstore to O&M 12,000; From Working Cash to O&M 13,750; from Ed Fund to O&M 100,000.

Illinois Community Colleges
Planned Tuition and Fee Rates for FY 03
As of January 2002 (from ICCB)

School	Spring FY 02			Planned Increase	Planned Total FY 03
	Tuition	Fees	Total		
Sandburg	55.50	8.00	63.50	2.00	65.50
Wood	55.00	3.00	58.00	4.00	62.00
Spoon River	50.00	7.00	57.00	3.00	60.00
Highland	50.00	1.35	51.35	3.00	54.35
Kishwaukee	47.00	2.00	49.00	5.00	54.00
Sauk Valley	51.00		51.00	3.00	54.00
Richland	47.00	3.00	50.00	2.00	52.00
Danville	48.00	1.00	49.00	2.00	51.00
Peer group average	50.44	3.62	53.61	3.00	56.61
Harper	58.00	10.02	68.02		68.02
Prairie State	51.00	9.00	60.00		60.00
South Suburban	53.00	6.50	59.50		59.50
DuPage	50.03	5.47	55.50	3.00	58.50
Lewis & Clark	52.00	6.00	58.00		58.00
Illinois Valley	50.00	7.25	57.25		57.25
Oakton	50.00	1.25	51.25	4.80	56.05
Elgin	52.00		52.00	4.00	56.00
Moraine Valley	49.00	5.00	54.00	2.00	56.00
Chicago	50.00	3.47	53.47	2.00	55.47
Lake Land	43.00	10.80	53.80	1.50	55.30
Black Hawk	51.00	4.00	55.00		55.00
Lake County	50.00	5.00	55.00		55.00
Parkland	52.00	3.00	55.00		55.00
Joliet	46.00	7.00	53.00	0.00	53.00
Triton	48.00	5.00	53.00	0.00	53.00
Illinois Central	50.00	2.45	52.45	0.00	52.45
McHenry	46.00	5.00	51.00		51.00
Waubonsee	47.00	1.23	48.23	2.00	50.23
Lincoln Land	42.00	4.00	46.00	4.00	50.00
Logan	46.00		46.00	3.00	49.00
Southwestern	47.00		47.00	2.00	49.00
Heartland	44.00	4.00	48.00	0.00	48.00
Morton	47.00	1.00	48.00		48.00
Rock Valley	43.00	5.00	48.00		48.00
Southeastern	45.00		45.00	2.00	47.00
Rend Lake	45.00		45.00		45.00
Shawnee	38.75	3.25	42.00	2.00	44.00
Kaskaskia	41.00	2.00	43.00		43.00
Kankakee	39.50	2.50	42.00	0.00	42.00
Illinois Eastern	40.00		40.00		40.00
State average	47.94	4.52	51.65	2.25	53.09

Sauk Valley Community College
Summary of Financial Forecast
February 20, 2002

	Net Gain/(Loss)	Ending Fund Balance	CPI	Raise	Bens	ICCB	Tuition	Non-Ad Ed Enrollmnt
FY 02	337,210	1,346,079						
FY 03	-173,852	1,172,227	2.0%	5.5%	5.0%	0.0%	\$3.00	2.0%
FY 04	-102,049	1,070,178	3.0%	5.0%	5.0%	8.0%	\$3.00	2.0%
FY 05	-84,354	985,824	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%
FY 06	-69,139	916,685	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%
FY 07	-56,659	860,026	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%
FY 08	-47,186	812,840	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%

Description	Raise '04	5%	CPI	3%	ICCB '04	8%	Tuit '4/6/8	\$3	Enroll	2%
	FY 03 Proj	FY 04 Proj	FY 05 Proj	FY 06 Proj	FY 07 Proj	FY 08 Proj				
Property Tax	3,384,232	3,485,759	3,590,332	3,698,042	3,808,983	3,923,252				
State Government:										
ICCB Credit Hour Grant	1,568,438	1,693,913	1,744,730	1,797,072	1,850,984	1,906,514				
ICCB Equalization Grant	684,778	739,560	761,747	784,599	808,137	832,381				
ICCB Small School Grant	53,400	57,672	59,402	61,184	63,020	64,911				
Other	57,500	62,100	63,963	65,882	67,858	69,894				
ISBE Vocational Education	71,718	73,870	76,086	78,369	80,720	83,142				
Corp Pers Prop Replace Tax	350,786	361,310	372,149	383,313	394,812	406,656				
Total State Government	2,786,620	2,988,425	3,078,077	3,170,419	3,265,531	3,363,498				
Federal Government	17,000	17,000	17,000	17,000	17,000	17,000				
Student Tuition & Fees:										
Tuition	2,520,882	2,722,553	2,931,282	3,147,271	3,370,727	3,601,863				
Fees	417,914	426,272	434,797	443,493	452,363	461,410				
Total Tuition & Fees	2,938,796	3,148,825	3,366,079	3,590,764	3,823,090	4,063,273				
Other:										
Sales & Service Fees	56,610	58,308	60,057	61,859	63,715	65,626				
Facilities Revenue	4,080	4,202	4,328	4,458	4,592	4,730				
Investment Income	98,000	98,000	98,000	98,000	98,000	98,000				
Other	10,500	10,500	10,500	10,500	10,500	10,500				
SURS Revenue on Behalf	492,660	507,440	522,663	538,343	554,493	571,128				
Total Other	661,850	678,450	695,548	713,160	731,300	749,984				
TOTAL REVENUE	9,788,498	10,318,459	10,747,036	11,189,385	11,645,904	12,117,007				
Salaries	6,541,000	6,868,050	7,142,772	7,428,483	7,725,622	8,034,647				
Employee Benefits	1,120,350	1,176,368	1,235,186	1,296,945	1,361,792	1,429,882				
Contractual Services	351,900	362,457	373,331	384,531	396,067	407,949				
Materials & Supplies	706,760	727,963	749,802	772,296	795,465	819,329				
Conferences & Meetings	138,740	142,902	147,189	151,605	156,153	160,838				
Fixed Charges	47,940	49,378	50,859	52,385	53,957	55,576				
Utilities	306,000	315,180	324,635	334,374	344,405	354,737				
Capital Outlay	35,000	35,000	35,000	35,000	35,000	35,000				
Other	459,000	472,770	486,953	501,562	516,609	532,107				
SURS Expenditure on Behalf	492,660	507,440	522,663	538,343	554,493	571,128				
TOTAL EXPENDITURES	10,199,350	10,657,508	11,068,390	11,495,524	11,939,563	12,401,193				
TRANSFERS	237,000	237,000	237,000	237,000	237,000	237,000				
NET GAIN/(LOSS)	-173,852	-102,049	-84,354	-69,139	-56,659	-47,186				
FUND BALANCE, BEGINNING	1,346,079	1,172,227	1,070,178	985,824	916,685	860,026				
FUND BALANCE, ENDING	1,172,227	1,070,178	985,824	916,685	860,026	812,840				

Description	Raise = 5.5% CPI = 2.0%				Bens = 5.0% ICCB = 0.0%				Tuit Rate = 6.25% Enrollment = 10.00%			
	Total Operating Funds				Educational Fund				Operations and Maintenance Fund			
	FY 01 Actual	FY 02 Bud	FY 02 Proj	FY 03 Proj	FY 01 Actual	FY 02 Bud	FY 02 Proj	FY 03 Proj	FY 01 Actual	FY 02 Bud	FY 02 Proj	FY 03 Proj
Property Tax	3,247,673	3,317,874	3,317,874	3,384,232	2,893,428	2,955,979	2,955,979	3,015,099	354,245	361,895	361,895	369,133
State Government:												
ICCB Credit Hour Grant	1,444,370	1,568,438	1,568,438	1,568,438	1,285,489	1,395,910	1,395,910	1,395,910	158,881	172,528	172,528	172,528
ICCB Equalization Grant	534,145	684,778	684,778	684,778	475,389	609,452	609,452	609,452	58,756	75,326	75,326	75,326
ICCB Small School Grant	60,000	53,400	53,400	53,400	45,000	53,400	53,400	53,400	15,000	0	0	0
Other	159,790	37,500	57,500	57,500	138,098	0	20,000	20,000	21,692	37,500	37,500	37,500
ISBE Vocational Education	70,084	70,312	70,312	71,718	70,084	70,312	70,312	71,718	0	0	0	0
Corp Pers Prop Replace Tax	338,493	343,908	343,908	350,786	301,259	306,064	306,064	312,185	37,234	37,844	37,844	38,601
Total State Government	2,606,882	2,758,336	2,778,336	2,786,620	2,315,319	2,435,138	2,455,138	2,462,665	291,563	323,198	323,198	323,955
Federal Government	3,484	17,700	17,000	17,000	3,484	17,700	17,000	17,000	0	0	0	0
Student Tuition & Fees:												
Tuition	2,021,466	2,189,300	2,588,000	2,520,882	1,805,980	1,961,500	2,312,000	2,252,159	215,486	227,800	276,000	268,723
Fees	266,285	211,000	445,000	417,914	266,285	211,000	445,000	417,914	0	0	0	0
Total Tuition & Fees	2,287,751	2,400,300	3,033,000	2,938,796	2,072,265	2,172,500	2,757,000	2,670,073	215,486	227,800	276,000	268,723
Other:												
Sales & Service Fees	238,816	170,000	55,500	56,610	233,391	164,000	50,000	51,000	5,425	6,000	5,500	5,610
Facilities Revenue	7,603	6,200	4,000	4,080	0	0	0	0	7,603	6,200	4,000	4,080
Investment Income	115,229	104,000	98,000	98,000	97,616	95,000	90,000	90,000	17,613	9,000	8,000	8,000
Other	35,088	8,000	10,500	10,500	34,794	7,000	10,000	10,000	294	1,000	500	500
SURS Revenue on Behalf	437,860	483,000	483,000	492,660	401,372	455,000	455,000	464,100	36,488	28,000	28,000	28,560
Total Other	834,596	771,200	651,000	661,850	767,173	721,000	605,000	615,100	67,423	50,200	46,000	46,750
TOTAL REVENUE	8,980,386	9,265,410	9,797,210	9,788,498	8,051,669	8,302,317	8,790,117	8,779,937	928,717	963,093	1,007,093	1,008,561
Salaries	5,735,301	6,226,650	6,200,000	6,541,000	5,325,992	5,812,162	5,800,000	6,119,000	409,309	414,488	400,000	422,000
Employee Benefits	981,716	1,063,803	1,067,000	1,120,350	868,427	957,345	960,000	1,008,000	113,289	106,458	107,000	112,350
Contractual Services	360,704	350,846	345,000	351,900	292,496	289,346	290,000	295,800	68,208	61,500	55,000	56,100
Materials & Supplies	782,673	692,681	688,000	706,760	685,572	597,981	598,000	614,960	97,101	94,700	90,000	91,800
Conferences & Meetings	158,103	87,900	87,000	138,740	155,589	85,800	85,000	136,700	2,514	2,100	2,000	2,040
Fixed Charges	84,026	46,560	47,000	47,940	84,026	46,560	47,000	47,940	0	0	0	0
Utilities	460,652	335,880	300,000	306,000	0	480	0	0	460,652	335,400	300,000	306,000
Capital Outlay	478,571	35,000	30,000	35,000	433,761	0	0	0	44,810	35,000	30,000	35,000
Other	358,787	295,500	450,000	459,000	358,787	295,500	450,000	459,000	0	0	0	0
SURS Expenditure on Behalf	437,860	483,000	483,000	492,660	401,372	455,000	455,000	464,100	36,488	28,000	28,000	28,560
TOTAL EXPENDITURES	9,838,393	9,617,820	9,697,000	10,199,350	8,606,022	8,540,174	8,685,000	9,145,500	1,232,371	1,077,646	1,012,000	1,053,850
TRANSFERS	448,886	237,000	237,000	237,000	391,862	111,250	111,250	111,250	57,024	125,750	125,750	125,750
NET GAIN/(LOSS)	-409,121	-115,410	337,210	-173,852	-162,491	-126,607	216,367	-254,313	-246,630	11,197	120,843	80,461
FUND BALANCE, BEGINNING	1,417,990	1,008,869	1,008,869	1,346,079	1,146,156	983,665	983,665	1,200,032	271,834	25,204	25,204	146,047
FUND BALANCE, ENDING	1,008,869	893,459	1,346,079	1,172,227	983,665	857,058	1,200,032	945,719	25,204	36,401	146,047	226,508

Sauk Valley Community College
Summary of Financial Forecast
February 20, 2002

	Net Gain/(Loss)	Ending Fund Balance	CPI	Raise	Bens	ICCB	Tuition	Non-Ad Ed Enrollmt
FY 02	337,210	1,346,079						
FY 03	-97,113	1,248,966	2.0%	5.5%	5.0%	0.0%	\$3.00	5.0%
FY 04	-19,650	1,229,316	3.0%	5.0%	5.0%	8.0%	\$3.00	2.0%
FY 05	3,901	1,233,217	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%
FY 06	25,173	1,258,390	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%
FY 07	43,917	1,302,307	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%
FY 08	59,866	1,362,173	3.0%	4.0%	5.0%	3.0%	\$3.00	2.0%

<u>Description</u>	<u>FY 03 Proj</u>	<u>FY 04 Proj</u>	<u>FY 05 Proj</u>	<u>FY 06 Proj</u>	<u>FY 07 Proj</u>	<u>FY 08 Proj</u>
Property Tax	3,384,232	3,485,759	3,590,332	3,698,042	3,808,983	3,923,252
State Government:						
ICCB Credit Hour Grant	1,568,438	1,693,913	1,744,730	1,797,072	1,850,984	1,906,514
ICCB Equalization Grant	684,778	739,560	761,747	784,599	808,137	832,381
ICCB Small School Grant	53,400	57,672	59,402	61,184	63,020	64,911
Other	57,500	62,100	63,963	65,882	67,858	69,894
ISBE Vocational Education	71,718	73,870	76,086	78,369	80,720	83,142
Corp Pers Prop Replace Tax	350,786	361,310	372,149	383,313	394,812	406,656
Total State Government	2,786,620	2,988,425	3,078,077	3,170,419	3,265,531	3,363,498
Federal Government	17,000	17,000	17,000	17,000	17,000	17,000
Student Tuition & Fees:						
Tuition	2,589,633	2,796,804	3,011,226	3,233,106	3,462,657	3,700,096
Fees	425,902	434,420	443,108	451,970	461,009	470,229
Total Tuition & Fees	3,015,535	3,231,224	3,454,334	3,685,076	3,923,666	4,170,325
Other:						
Sales & Service Fees	56,610	58,308	60,057	61,859	63,715	65,626
Facilities Revenue	4,080	4,202	4,328	4,458	4,592	4,730
Investment Income	98,000	98,000	98,000	98,000	98,000	98,000
Other	10,500	10,500	10,500	10,500	10,500	10,500
SURS Revenue on Behalf	492,660	507,440	522,663	538,343	554,493	571,128
Total Other	661,850	678,450	695,548	713,160	731,300	749,984
TOTAL REVENUE	9,865,237	10,400,858	10,835,291	11,283,697	11,746,480	12,224,059
Salaries	6,541,000	6,868,050	7,142,772	7,428,483	7,725,622	8,034,647
Employee Benefits	1,120,350	1,176,368	1,235,186	1,296,945	1,361,792	1,429,882
Contractual Services	351,900	362,457	373,331	384,531	396,067	407,949
Materials & Supplies	706,760	727,963	749,802	772,296	795,465	819,329
Conferences & Meetings	138,740	142,902	147,189	151,605	156,153	160,838
Fixed Charges	47,940	49,378	50,859	52,385	53,957	55,576
Utilities	306,000	315,180	324,635	334,374	344,405	354,737
Capital Outlay	35,000	35,000	35,000	35,000	35,000	35,000
Other	459,000	472,770	486,953	501,562	516,609	532,107
SURS Expenditure on Behalf	492,660	507,440	522,663	538,343	554,493	571,128
TOTAL EXPENDITURES	10,199,350	10,657,508	11,068,390	11,495,524	11,939,563	12,401,193
TRANSFERS	237,000	237,000	237,000	237,000	237,000	237,000
NET GAIN/(LOSS)	-97,113	-19,650	3,901	25,173	43,917	59,866
FUND BALANCE, BEGINNING	1,346,079	1,248,966	1,229,316	1,233,217	1,258,390	1,302,307
FUND BALANCE, ENDING	1,248,966	1,229,316	1,233,217	1,258,390	1,302,307	1,362,173

Raise/CPI				Bens/ICCB				Tuit/Enrollmt			
Total Operating Funds				Educational Fund				Operations and Maintenance Fund			
FY 01 Actual	FY 02 Bud	FY 02 Proj	FY 03 Proj	FY 01 Actual	FY 02 Bud	FY 02 Proj	FY 03 Proj	FY 01 Actual	FY 02 Bud	FY 02 Proj	FY 03 Proj
3,247,673	3,317,874	3,317,874	3,384,232	2,893,428	2,955,979	2,955,979	3,015,099	354,245	361,895	361,895	369,133
1,444,370	1,568,438	1,568,438	1,568,438	1,285,489	1,395,910	1,395,910	1,395,910	158,881	172,528	172,528	172,528
534,145	684,778	684,778	684,778	475,389	609,452	609,452	609,452	58,756	75,326	75,326	75,326
60,000	53,400	53,400	53,400	45,000	53,400	53,400	53,400	15,000	0	0	0
159,790	37,500	57,500	57,500	138,098	0	20,000	20,000	21,692	37,500	37,500	37,500
70,084	70,312	70,312	71,718	70,084	70,312	70,312	71,718	0	0	0	0
338,493	343,908	343,908	350,786	301,259	306,064	306,064	312,185	37,234	37,844	37,844	38,601
2,606,882	2,758,336	2,778,336	2,786,620	2,315,319	2,435,138	2,455,138	2,462,665	291,563	323,198	323,198	323,955
3,484	17,700	17,000	17,000	3,484	17,700	17,000	17,000	0	0	0	0
2,021,466	2,189,300	2,588,000	2,589,633	1,805,980	1,961,500	2,312,000	2,313,581	215,486	227,800	276,000	276,052
266,285	211,000	445,000	425,902	266,285	211,000	445,000	425,902	0	0	0	0
2,287,751	2,400,300	3,033,000	3,015,535	2,072,265	2,172,500	2,757,000	2,739,483	215,486	227,800	276,000	276,052
238,816	170,000	55,500	56,610	233,391	164,000	50,000	51,000	5,425	6,000	5,500	5,610
7,603	6,200	4,000	4,080	0	0	0	0	7,603	6,200	4,000	4,080
115,229	104,000	98,000	98,000	97,616	95,000	90,000	90,000	17,613	9,000	8,000	8,000
35,088	8,000	10,500	10,500	34,794	7,000	10,000	10,000	294	1,000	500	500
437,860	483,000	483,000	492,660	401,372	455,000	455,000	464,100	36,488	28,000	28,000	28,560
834,596	771,200	651,000	661,850	767,173	721,000	605,000	615,100	67,423	50,200	46,000	46,750
8,980,386	9,265,410	9,797,210	9,865,237	8,051,669	8,302,317	8,790,117	8,849,347	928,717	963,093	1,007,093	1,015,890
5,735,301	6,226,650	6,200,000	6,541,000	5,325,992	5,812,162	5,800,000	6,119,000	409,309	414,488	400,000	422,000
981,716	1,063,803	1,067,000	1,120,350	868,427	957,345	960,000	1,008,000	113,289	106,458	107,000	112,350
360,704	350,846	345,000	351,900	292,496	289,346	290,000	295,800	68,208	61,500	55,000	56,100
782,673	692,681	688,000	706,760	685,572	597,981	598,000	614,960	97,101	94,700	90,000	91,800
158,103	87,900	87,000	138,740	155,589	85,800	85,000	136,700	2,514	2,100	2,000	2,040
84,026	46,560	47,000	47,940	84,026	46,560	47,000	47,940	0	0	0	0
460,652	335,880	300,000	306,000	0	480	0	0	460,652	335,400	300,000	306,000
478,571	35,000	30,000	35,000	433,761	0	0	0	44,810	35,000	30,000	35,000
358,787	295,500	450,000	459,000	358,787	295,500	450,000	459,000	0	0	0	0
437,860	483,000	483,000	492,660	401,372	455,000	455,000	464,100	36,488	28,000	28,000	28,560
9,838,393	9,617,820	9,697,000	10,199,350	8,606,022	8,540,174	8,685,000	9,145,500	1,232,371	1,077,646	1,012,000	1,053,850
448,886	237,000	237,000	237,000	391,862	111,250	111,250	111,250	57,024	125,750	125,750	125,750
-409,121	-115,410	337,210	-97,113	-162,491	-126,607	216,367	-184,903	-246,630	11,197	120,843	87,790
1,417,990	1,008,869	1,008,869	1,346,079	1,146,156	983,665	983,665	1,200,032	271,834	25,204	25,204	146,047
1,008,869	893,459	1,346,079	1,248,966	983,665	857,058	1,200,032	1,015,129	25,204	36,401	146,047	233,837

SAUK VALLEY COMMUNITY COLLEGE

MEMORANDUM

TO: Richard Behrendt

FROM: Joan E. Kerber, Deborah Hecht and Ruth Bittner

DATE: February 13, 2002

SUBJECT: Accelerated College Enrollment Program

The Fall 2001 newsletter from the University of Illinois' Office of Community College Research and Leadership focused on dual credit/enrollment partnerships of high schools and community colleges. The six newsletter articles discuss the rapid evolution and success of such programs in Illinois and nationwide. The following points from the newsletter are especially noteworthy:

In a recent speech in Bloomington, Illinois, Carol D'Amico, Assistant Secretary of the U.S. Office of Vocational and Adult Education, made it clear that the expansion of dual enrollment programs is a priority for the current administration in Washington. (*Elisabeth Barnett, OCCRL Update editor*)

Policymakers see the community college as pivotal in helping to create seamless P-16 systems (pre-school through baccalaureate education) where every student is able to smoothly and successfully progress through the different levels of education to accomplish their goals.

Despite the emerging fiscal crisis in the states, there is no evidence that state policy makers are showing any hesitancy in continuing to promote greater cooperation between secondary, two-and four-year colleges and universities as a means to ensure more seamless education systems. ("Dual Enrollment Programs: Accessing the American Dream," *Katherine Boswell, Center for Community College Policy, Education Commission of the States*)

Enrollments by high school students in Illinois community colleges have risen significantly over the past few years. In the fall semester of 2000, 5,767 high school students attended Illinois community colleges, up 26.6% from 1999, up 38.7% from 1998, and up a staggering 100.6% from 1997.

Since FY 2001, the ICCB has dedicated 2.5 million to the Accelerated College Enrollment (ACE) grants. These funds allow community colleges to expand services they offer high schools students by providing funds to cover tuition and fee costs. (*"Articulation: A Primer on Partnerships,"* *Rob Kerr, Illinois Community College Board*)

Dual credit saves students time and money on their journey to earning a degree in higher education, and supports the P-16 movement that is emerging as a priority throughout the nation. (*"Dual Credit Partnerships,"* *Robert Mees and Julia Schroeder, John A. Logan College*)

Implications for SVCC:

For fiscal year 2001, the State allocated \$12,500 of Accelerated College Enrollment Grant (ACE) funds for SVCC. The program was met with great enthusiasm by high school administrators and proved to be very successful. Last year we had a total of 88 high school students enrolled in the program for a total of 568 credit hours. By December 2000 we had already spent the year's allotment of grant money, and the Board of Trustees approved tuition waivers to continue the program into Spring 2001. The State then issued Sauk an additional \$2,500 at the end of the fiscal year, bringing the total grant to \$15,000. The high school students enrolled in courses worth \$29,010 of tuition, so Sauk ended up waiving \$14,010 for the year. We are pleased to report that of last year's 88 ACE students, 32 are enrolled again this year, in 556 credit hours.

For fiscal year 2002, the State budgeted \$15,000 for Sauk; they have since revised the grant downward to \$14,686. We began the Summer and Fall semesters by again providing full tuition for participating students. By October, with some Fall registrations still to be entered and Spring registration just starting on November 1, the 30% increase in credit hours taken made it evident that the grant money was nearly exhausted. So, for Spring 2002, instead of accepting students on a "first come, first serve" basis, which would have meant some high schools (the early registrants) would be able to take advantage of the program while others did not, we decided that for the Spring semester we would ask students to pay 50% of their tuition. (Subsequently, the Amboy High School Board of Education demonstrated their support by voting to pay that 50% for their students.)

It was our hope that the 50% policy would enable us to fund the dual enrollment program for all participants for the Spring semester. However, due to the program's popularity (9% growth from Spring 2001 to Spring 2002), we have already fallen \$3,797 short. Once all students are registered for courses that have been planned with the high schools for Spring, we estimate that the grant will fall about \$14,000 short. Given the current State fiscal position, it is not likely that any extra grant money will be awarded to Sauk at the end of the fiscal year.

It is clear that this program is highly popular among district high school students and their parents. Although the program is still young, we believe it provides students with an enriching educational experience, encourages them to attend college, and has raised Sauk's profile in the high schools. It is effective at increasing Sauk's enrollment.

The current ICCB/IBHE budget request for FY 03 lists Sauk as receiving \$17,280 for next year's Accelerated College Enrollment program. At that level, we will once again face a shortfall of money for a very popular and growing program. Currently we offer only General Education courses to ACE students, but if we were to open it up to technology courses, it would likely expand at an even faster pace.

ACE offers both an excellent opportunity to increase credits and to provide a valuable service to area high school students. However, it presents Sauk with a funding dilemma. We considered various solutions for future semesters:

1. Grant ACE students a full 100% tuition waiver, with advance Board approval to cover amounts greater than the ICCB grant through Operating Funds, with the understanding that we will provide an annual report to the Board of Trustees.
2. Grant ACE students a 50% tuition waiver, with advance Board approval to cover amounts greater than the sum of the ICCB grant plus student payments through Operating Funds, with the understanding that we will provide an annual report to the Board of Trustees. We could urge area high school districts to consider following Amboy's lead in picking up the students' 50% share.

The Board of Trustees passed the second option for the 2002-2003 academic year.

Other alternatives:

Other alternatives were discussed by the Board of Trustees and considered by the administration.

Pro-rated program:

The first alternative was to pro-rate the waiver after-the-fact. We could do so by either requiring full payment up-front, with a partial refund later when the total need was determined relative to the available grant funds; or, we could waive 100% (or 50%) up-front and then attempt to bill and collect enough money from students to cover the grant shortfall later. However, we decided this was not a viable option because of the following reasons: (a) students and parents would not know the amount of tuition at the time of registration, (b) the mechanics of this type of process are cumbersome, (c) the "later collection" option would doubtless result in uncollectible tuition and (d) pro-rating would be certain to curtail the growth of enrollment in this program. Finally, it is likely this pro-rating system would result in negative PR and dull the positive image the program has earned.

Need-based program:

A second alternative that was discussed was to consider some form of a need-based program. We have no procedure for determining these students' financial need. The best method is through completion of a Free Application for Federal Student Aid (FAFSA). It is the one application for all federal and state aid programs. Unfortunately the FAFSA is not an easy or quick form to complete. Completing the FAFSA requires 2-4 weeks of processing time by the federal government, before the college will even have anything to begin determining financial

need. It also requires that the applicant provide specific tax information, parent's social security numbers, and other asset information that may be difficult to gather since these students are not technically eligible for financial aid.

If the high school students did agree to complete the FAFSA information, the information gathered from the form could not be disclosed to the high school without written permission from the student. FAFSA information can only be distributed to the applicant, the federal and state awarding agencies, and the college that the applicant selects.

When we had the Honors Credit In Escrow Program, we had scholarship money from our foundation to award to one "needy" student in each high school. High school counselors sometimes found that process difficult and problematic for even one student. To ask them to determine need for all ACE students, with no good determining factor, would place them and the College in an indefensible position.

Allowing individual high school counselors to determine need for all students in the ACE program would be capricious and could create issues of inequity with state funds. Dispersing state funds in a manner which may be construed as unequal, could be a potential financial liability if we are audited on this program by the state. State funds must be distributed in a consistent and equal manner, and allowing individual high schools to determine what is or isn't needy violates this policy.

Advanced Placement Program:

The third alternative that was discussed after the Board of Trustees meeting was to have the students complete the Advanced Placement Program instead of going through the Accelerated College Enrollment Program. This is not an acceptable option for three reasons.

First, the Advanced Placement Program does not provide SVCC any credit hours or pay any tuition dollars. Students submit their scores and are granted college level credit – this does not benefit the college and does not encourage students to enroll in Sauk courses.

Second, students are less enthusiastic about taking A.P. courses rather than ACE courses because they are not guaranteed college credit even if they successfully complete the course work. They only are granted credit if they register, pay an entry fee, and successfully complete the Advanced Placement Exam which is given two times per year.

Third, Sterling and Dixon high schools are currently the only institutions that offer courses in preparation for the A.P. exam. Therefore, preparation for the Advanced Placement Exam is not available to most of our area high school students.

ACE Benefits to the College:

It is important to recognize that this program is not a cost to the college, but rather a revenue generator. High school student enrollment at Sauk has dramatically increased during the past two years because of the ACE program students. Therefore, these are NEW students that we

probably would not have had enrolled if not for this program. Even if none of these students attend Sauk after high school graduation, we still have received a financial benefit for the time they did attend.

These students generally attend a class that is held here on campus, which increases the average class size with no increase in cost to the institution. Larger average class sizes are revenue producers, since we would hold the class anyway, regardless of whether the dual high school students were enrolled or not. Expenses remain the same, but are amortized over that many more students, thus making the average cost per student less.

As a final point, we must remember that we will receive apportionment for these students. While we receive only one-half our tuition rate (assuming we continue to waive 50%), we will receive full apportionment in subsequent years. Every credit hour earned by students in this program qualifies for ICCB Credit Hour Grant reimbursement to Sauk two years later and impacts several other ICCB grant payments as well. (We receive approximately \$55 in ICCB grants for each credit hour.) So, even if we grant ACE students the waiver, we still earn some money from their enrollment. Not only do we earn the State funds, but the waiver might also encourage more students to think positively about attending Sauk after high school graduation, thereby compounding both the educational and financial benefits.

Therefore, this waiver can be seen as a revenue generator to improve the financial position of the institution, as well as providing a quality educational experience for the high school students in our district.

Summary:

In the State of Illinois, this was the fourth consecutive year that the ACE programs have had exceptional growth. These programs are fast becoming the *programs of choice* in Illinois for keeping secondary school students challenged and interested during their last years of high school. According to an Illinois Community College research brief, dual-credit and dual-enrollment programs in Illinois community colleges have expanded 406 percent since 1996-1997 when ICCB rules changed on credit hour grants. In 2000-2001, there were 11,117 high school students enrolled, and 98 additional high schools reported entering into these programs in the fall of 2001. In Spring 2001, Sauk enrolled 70 high school students; in Spring 2002, that number increased by 83% to 128. The prognosis for a successful and growing program for ACE is very high in Illinois and at Sauk.