



**ESTRELLA MOUNTAIN
COMMUNITY COLLEGE**

A **MARICOPA** COMMUNITY COLLEGE

Financial Resources Plan

Financial Resource Plan

PHILOSOPHY

The Financial Resource Plan serves as a framework to develop and implement an effective, multi-year strategic resource allocation and budget development plan. The plan addresses and responds to the college's Strategic Directions, Priorities using Learning College Principles. The purpose of the Financial Resource plan is –

to provide a holistic planning document that outlines the effective and efficient utilization and allocation of Estrella Mountain Community College (EMCC) resources.

Estrella Mountain Community College (EMCC) financial resource planning process is part of a larger District financial resource planning process and incorporates district-wide budget planning initiatives and processes as well as those specific to the College. EMCC's fiscal practices and procedures are subject to the policies and regulations set by Maricopa County Community College District (MCCCD) Governing Board and are supported by centralized services and technical support provided by the District Office Business Service Division. These services include general accounting, auditing, purchasing, auxiliary services, accounts payable, and budgeting.

EMCC STRATEGIC SUPER GOALS

Super Goal 1: Increase the number of Graduates/Completers by 25% with equity by Academic Year

Super Goal 2: Achieve an Annualized Enrollment Growth Rate of 3% with Equity

Super Goal 3: Make EMCC a Great Place to Work - Achieve a Grade of B or Higher for all EMCC Core Values

REVENUE SOURCES

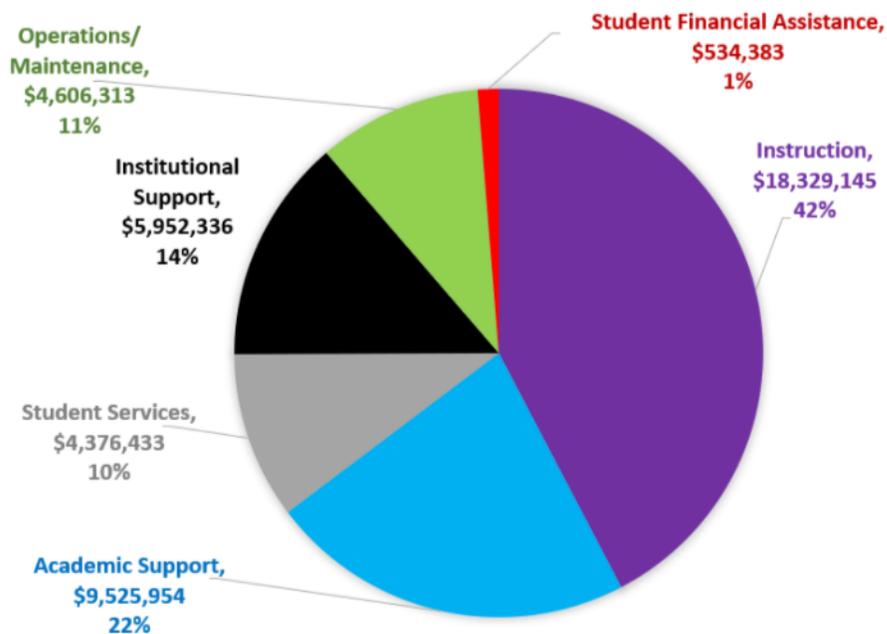
- General fund (Fund 1) – the largest and primary operating fund for the College. The General Fund accounts for unrestricted resources that will be expended in the current year for operating purposes such as instruction, public service, academic support, student services, institutional support, operation/maintenance of plant, plus scholarships.
- Auxiliary Fund (Fund 2) – includes revenues and expenditures that support a variety of self-supporting activities, including non-credit instruction, and food services.
- Plant/Bond Fund (Fund 7) – MCCCD's capital fund. The major sources of revenue are from transfers from the General Fund. For Budgeting purposes, General Obligation (GO) Bond funds are considered unrestricted as they can be directed or redirected in accordance with the operational needs of the College.

GENERAL OPERATING - FUND 1 BUDGET

Estrella Mountain's General Fund adopted budget for FY2021-22 is \$43.3 million (includes Western Maricopa Education Center (West-MEC)); this is an increase of 4% over FY2020-21 adopted budget. Instructional expenses make up the largest share of the budget.

- **Instruction**, \$18.3 million (42%), is the largest share of the budget and is dedicated to support instruction and academic expenses such as faculty salaries and related benefits.
- **Academic Support**, \$9.5 million (22%), is intended to provide funding in support of the instructional priorities and initiatives, i.e., libraries, academic success center, information commons, instructional services, and faculty professional growth funding.
- **Student Services**, \$4.4 million, (10%), is targeted to fund academic activities and instructional services in support of students. Examples include counseling, academic advisement, disability resources and services, admissions and records, and financial aid.
- **Institutional Support**, \$5.9 million, (14%), supports cost of salaries and benefits for administration and staff. Also supports the institutional services that are vital to the overall operation of the College. Examples include marketing and public relations, institutional planning, campus security, and expenses related to liability insurance, postage, etc.
- **Operations/Maintenance**, \$4.6 million, (11%), funds expenses related to operation and maintenance of the campus such as the cost of electricity, grounds, water, and gas
- **Student Financial Assistance**, \$534k, (1%), supports students who excel in academics, have a financial need and are from targeted and diverse backgrounds. (e.g. first generation college student, President/Chancellor Scholars, Athletics, Native American, etc.).

Operating (Fund 1) - Budget Allocations



GOALS AND STRATEGIES (2018-2023)

The following institutional long-term goals and subsequent strategies are designed to reinforce the alignment of College resources with the strategic goals. These goals and strategies span a period of three years and are updated annually.

Goal 1: *Maintain alignment between the budget allocation process and the College's strategic goals.*

Over 86% of the operational budget is allocated to fund salaries and benefits. Therefore, it is vital for the remaining 14% of the budget to be prioritized to address the College's strategic initiatives as well as its ongoing operational needs.

Strategies:

- Continue to improve the FRC including budget request processes, membership, objectives, etc.
- Ensure the budget development process addresses the Strategic Directions, the Program Review outcomes, division plans and/ or operational needs.
- Enhance training in developing division budgets, prioritizing expenditures, establishing department/division accountability, and monitoring college financial stability measures.
- Work with Division Chairs and Unit Directors to include a three-year prioritized budget in their Divisional Planning

Goal 2: *Enhance the College's budget monitoring to ensure efficiency of the funding allocation process, financial stability and college accountability.*

Strategies:

- Ensure that funds are set aside to participate in the 3.0% -3.5% carryforward program to safeguard the College financial stability and to enhance support for the learning environment.
- Provide multiple venues for budget presentations and sharing of financial forecast through the Financial Resource Committee, Leadership Council, President's Cabinet, President's Community Advisory Council, and others.
- Continue to provide ad-hoc financial reports to division leadership and the College senior leadership for critical decision making.
- Ensure all divisions have a full understanding of the budget development process, the College's available resources, the prioritized expenditures, and the expectation for accountability and monitoring of accounts.

Goal 3: *Support EMCC operational, capital and systemic (physical infrastructure) needs.*

Strategies:

- Enhance capital development planning via strong collaboration with Facilities Planning and Information Technology with the College planning groups.
- Continue to transfer 1.5% - 2% of the General Fund budget to the capital budget on an annual basis to provide funding for replacement and purchase of new capital equipment.
- Identify long-term financial challenges related to continued replacement of capital equipment.
- Enhance the college procedures and processes to ensure well-defined and concise procedures to monitor and safeguard the campus capital assets.
- Review and enhance current strategies and plans to ensure the remaining G.O. bond funds for technology and occupational programming are used in a manner to support a broader base of the College community.

Goal 4: *Facilitate budget processes to accommodate fluctuating enrollment trends.*

Strategies:

- Enhance the existing budgetary foundation that allows for projections and subsequent planning for future growth.
- Enhance the existing system to ensure student fees are identified during the development of program or course, properly budgeted for, and the course fees are sufficient to cover the costs associated with the fees.
- Continue to collaborate with the Office of Planning and Institutional Effectiveness (OPIE) to utilize the feasibility cost analysis system that ensures the college can support new curricular and programs areas before they are developed.
- Work with the appropriate administrators to ensure that before any programs are added, a plan including resources needed to adequately support successful delivery of instruction to the students is prepared and approved by the senior leadership.