

Fiscal Year 2022

BUDGET-IN-BRIEF

Fiscal Year Ending June 30, 2022

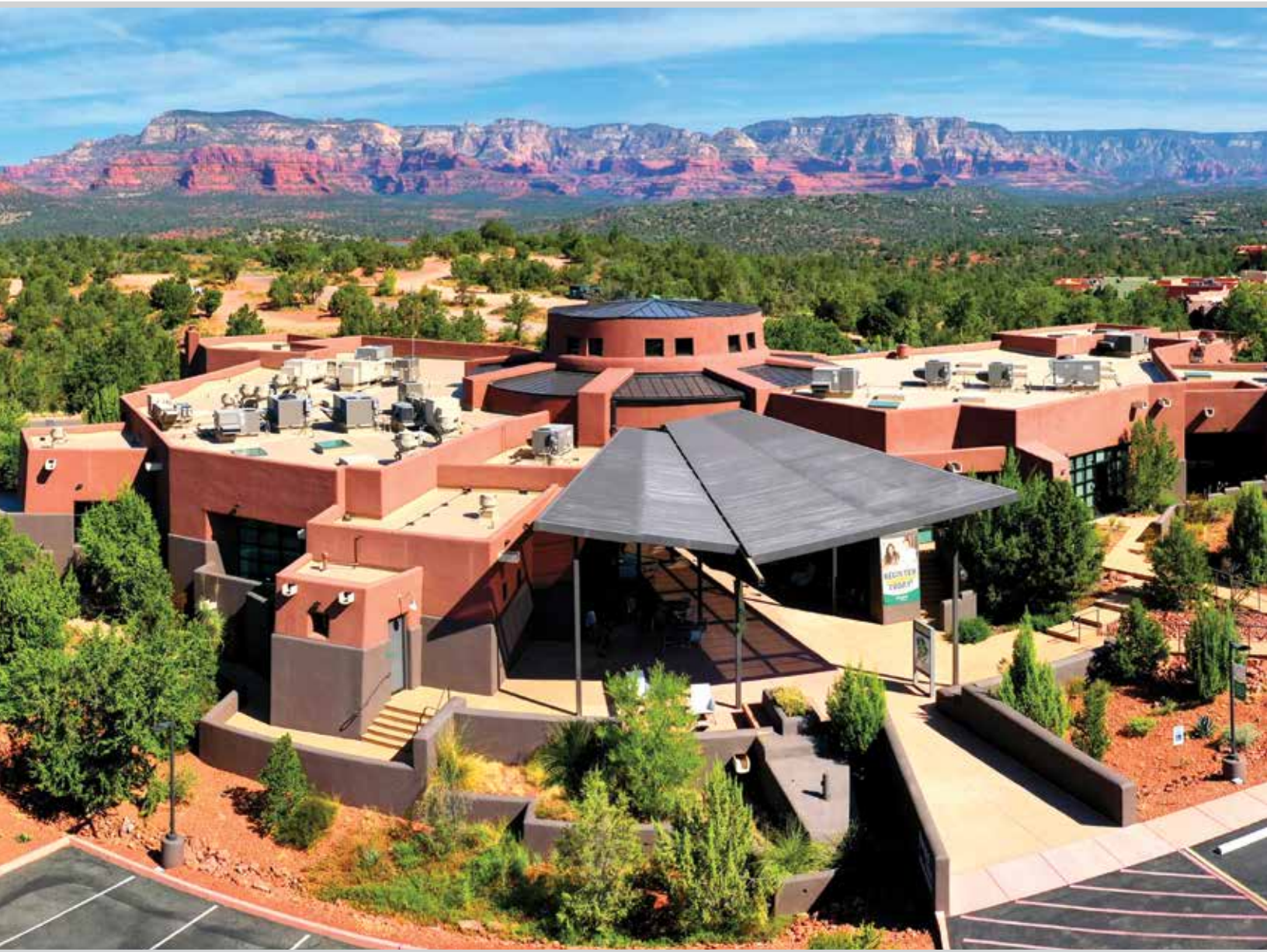


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MISSION

The mission of the College is to provide quality higher learning and cultural resources for the diverse populations of Yavapai County.

VISION

Yavapai College makes our Community a premier place to learn, work, and live.

ENDS

Yavapai College exists to fulfill 3 goals (Ends) at a justifiable cost (what YC pays to suppliers and employees):

1. Provide Educational classes and support services to students at an affordable price (what students pay YC)
2. Support Economic Development throughout our county
3. Enrich our Community by providing a variety of social and cultural opportunities



PHOTOS TOP TO BOTTOM: Prescott Campus, Verde Valley Campus, Prescott Valley Center, Career & Technical Education Center, Chino Valley Center

COVER PHOTO: Sedona Center



A MESSAGE FROM THE PRESIDENT

When selected as Yavapai College's tenth president in February of 2019, I was humbled and proud to lead such a wonderful institution focused on meeting the educational, economic, and social & cultural needs of Yavapai County. In March 2020, only a year in as president, COVID-19 hit the nation, impacting the health, economic security and way of life for all of us and our educational model was severely disrupted. The traditional model for delivering much of our instruction and services was simply at odds with the reality and limitations imposed by the pandemic. Yavapai College reacted instantaneously ensuring minimal disruption in our delivery of courses and services to ensure that we continued to meet the needs of our communities.

As we slowly move out of the pandemic and incrementally return to face-to-face interactions, we are proud to say that we adjusted operations during the pandemic in a manner that built College capacity for meeting the changing needs of the post-COVID world.

We recognize that the pandemic and resulting economic downturn has made the need for short-term training options more urgent and apparent. Our three-fold focus on affordability, flexible education delivery and connections to our regional economies, positions YC to provide our region with access to an expanding array of educational options that prepare students to work in living wage jobs.

We see ourselves as an engine of recovery for our local economy and have worked diligently to reallocate existing resources to allow us to begin to address these challenges in FY22. This year's budget includes expanded career and technical programs throughout the county such as plumbing, electrical, heating and air-conditioning and advanced manufacturing in the Verde Valley, while adding innovative programs like the country's first 3D Construction program.

Recognizing the pandemic's impact on our community, we proposed to not increase the property tax levy or tuition rates. We are proud to be able to say that YC has some of the lowest tuition and property tax rates in the country.

As a learning-centered community, Yavapai College is dedicated to providing educational opportunities by promoting excellence in teaching and learning. We celebrate our excellence in learning, service and relationships. Most of all, we honor the trust placed in us by the public and uphold it through quality programs, integrity of actions and efficient use of our resources. To those who so carefully and thoughtfully contributed to the preparation of this budget, thank you.

A handwritten signature in black ink that reads "Lisa B. Rhine". The signature is fluid and cursive, with a large initial "L" and "R".

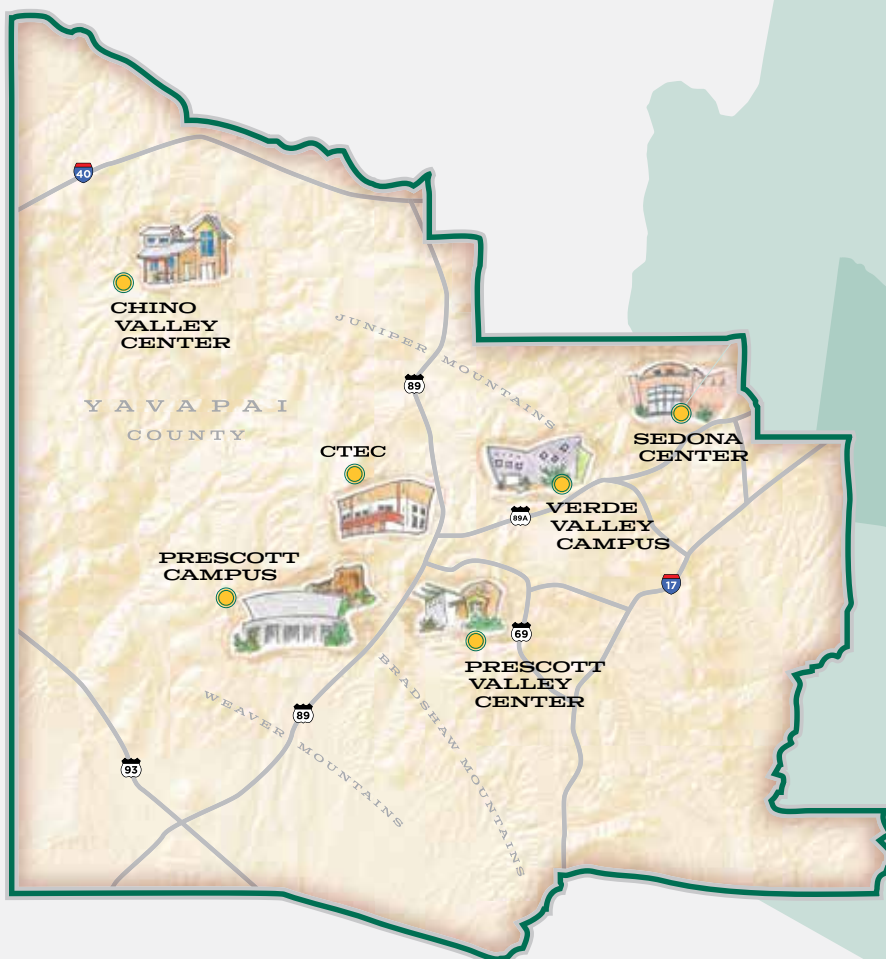
Lisa B. Rhine, Ph.D.
President

YAVAPAI COLLEGE AT A GLANCE

Institutional Profile

Per the District Governing Board, YC exists to provide quality educational opportunities, to support economic development, and to enhance cultural opportunities for our communities. The College will achieve these at a justifiable cost.

- Over 10,000 credit and non-credit students choose Yavapai College every year.
- YC offers 7 Associates Degrees in two broad categories of baccalaureate transfer or career & technical education. Transfer degrees include Associate of Arts, Associate of Arts in Education, Associate of Arts in Fine Arts, Associate of Business, Associate of General Studies, and Associate of Science. The Associate of Applied Science prepares graduates to enter the workforce in more than 25 career & technical fields. In addition, the College offers more than 75 certificates in career and technical fields.
- Unique destination programs include Aviation, Gunsmithing, Northern Arizona Regional (Police) Training Academy, the award-winning Southwest Wine Center, the Sedona Culinary Institute, and 3D Construction.
- Yavapai College is accredited by the Higher Learning Commission. As such, the majority of our general education classes are accepted at Arizona's public universities, which saves students money should they decide to continue their studies beyond an Associate's Degree. In addition, accreditation allows our students to access federal grants and loans.
- More than 1 in 4 Yavapai County high school graduates choose to attend YC.
- In addition to offering classes in high schools and online, YC services the 8,100 square miles of Yavapai County through 800,000 sq. ft of buildings on 260 acres of property at 6 locations (see below). Per an independent assessment, YC is one of the better-maintained colleges—we do this because it lowers the total costs of ownership.



YAVAPAI COUNTY

ECONOMIC IMPACT



739
FULL-TIME / PART-TIME
EMPLOYEES

YC employed 739 full-time and part-time employees. The vast majority of our payroll is spent in the county.



\$160M
ADDED ECONOMY
INCOME

In Fiscal Year 17-18, YC added \$160M of income to the Yavapai County economy.



**INCREASED SKILLS
AND EARNINGS**

Yavapai College provides workforce training to support the local economy, including public service programs such as police, firefighter, nurses, paramedics, and other healthcare workers. People can increase their skills and earnings by taking courses at YC.



\$368,000
MORE EARNINGS WITH
ASSOCIATE DEGREES

On average, people with Associate degrees earn \$368,000 more during their careers than people with only a high school diploma. For every \$1 students invest at YC, they make a 22.3% return.



\$1 = \$7.20
TAXPAYERS
INVESTMENT

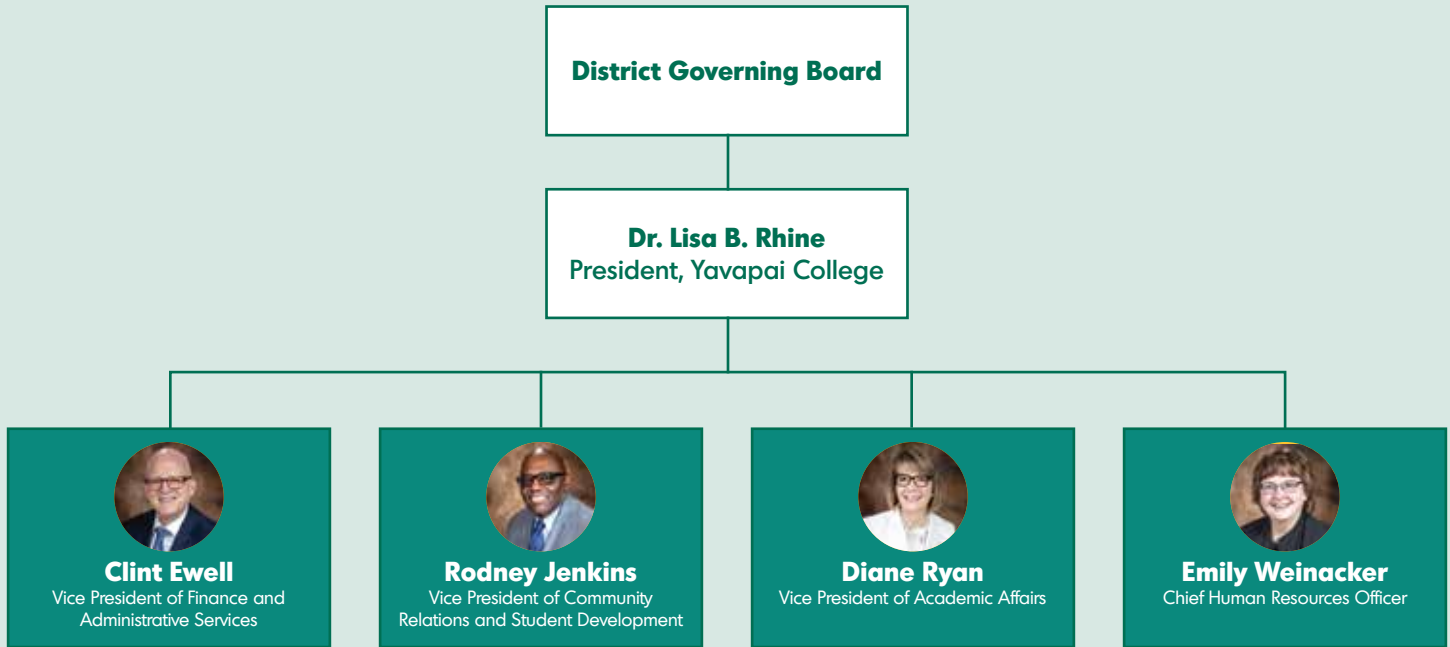
For every \$1 taxpayers invest in YC, Society gains \$7.20 in added income and social savings.



1:7
MORE JOBS REQUIRING
1-2 YEAR DEGREES

For every job requiring a master's degree, there are 2 jobs that require a bachelor's degree and 7 that require a 1-year certificate or 2-year associate's degree.

ORGANIZATION CHART



DISTRICT GOVERNING BOARD



Ray Sigafos
Board Secretary
District 1

Badger, Bagdad, Castle Hot Springs 1 and 2, Congress, Copper Basin, Hidden Valley, Hillside, Holiday/Well Fargo, Kirkland, Mile High, Miller Valley East and West, Montana, Mountain Club, Northside, Pine Knoll, Pine Lakes, Ponderosa, Prescott Heights, Prescott Northwest, Prescott South, Prescott Southwest, Prescott West, Rincon, Rose Lakes, Senator, Skull Valley, Taylor Hicks, Thumb Butte/Dearing Pk, Walnut Grove, White Spar, and Yarnell



Deb McCasland
Board Chair
District 2

Aqua Fria, Beaver Creek, Camp Verde 1 and 2, Canyon, Cherry Creek, Cordes Lakes, Cornville, Crown King, Humboldt, Mayer, Middle Verde, Montezuma, Prescott Country Club, Stoneridge, Sugarloaf and Verde Lakes



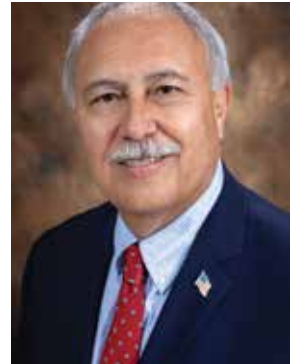
Paul Chevalier
District 3

Big Park, Bridgeport 1 and 2, Clarkdale, Clemenceau, Coffee Pot, Cottonwood, Fir, Jacks Canyon, Jerome 1 and 2, Mingus, Orchard, Quail Springs, Red Rock 1 and 2, Red Rock East, Red Rock West, Verde Village, Western, and Wild Horse



Chris Kuknyo
District 4

Antelope, Ashfork, Big Chino, Camp Wood, Chino Valley 1 and 2, Country Park, Cougar, Coyote Springs, Deep Well, Drake, Granite, Perkinsville, Pinon Oaks, Sandretto, Seligman, Shadow Valley, Spruce, Williamson Valley, West Chino, and Willow



Mitch Padilla
District 5

Castle, Diamond Valley, Glassford, Granville, Groom Creek, Horseshoe, Lynx Creek, Mountain View, Prescott Valley 1/Navajo, Prescott Valley 2, Pronghorn View, Roundup, Superstition, and Yavapai Hills

FISCAL YEAR 2022 INITIATIVES



Enhancing CTE in Verde Valley

Based on community feedback, YC upgraded and expanded its Career Technical Education programs. In addition to the award-winning Southwest Wine Center (2014) and state-of-the-art Sedona Culinary Institute, YC renovated space in Building L to house a variety of STEM programs including Advanced Manufacturing and Health Professions. In Fall of 2021, YC will open the Verde Valley Skilled Trades Center which will offer programs in Construction (traditional and 3D), Electrical, Plumbing and HVAC.



Single Stop Support Services

This one-stop tool will help students remove non-academic barriers while accessing post-secondary training and education. Single Stop partners with higher education institutions to provide access to federal and state public benefits and access to local community resources. This partnership seeks to harness and connect two of the most effective anti-poverty tools: access to public benefits and post-secondary education. Students at Yavapai College will be able to log on to the software platform via their YC portal to determine eligibility and then directly apply for federal and state benefits. These benefits include food, child care, housing, medical assistance, and community resources such as free tax or legal services, mental health resources, or food pantries.



Online Student Experience

With 20 years of delivering remote courses, YC has a wealth of experiences of how to use the right tools and pedagogy to provide a quality learning experience. But we can do more. We are incorporating more best practices into our standard operating practices, piloting free learning materials (Open Educational Resources), and improving our ability to provide remote support services such as advising and tutoring.



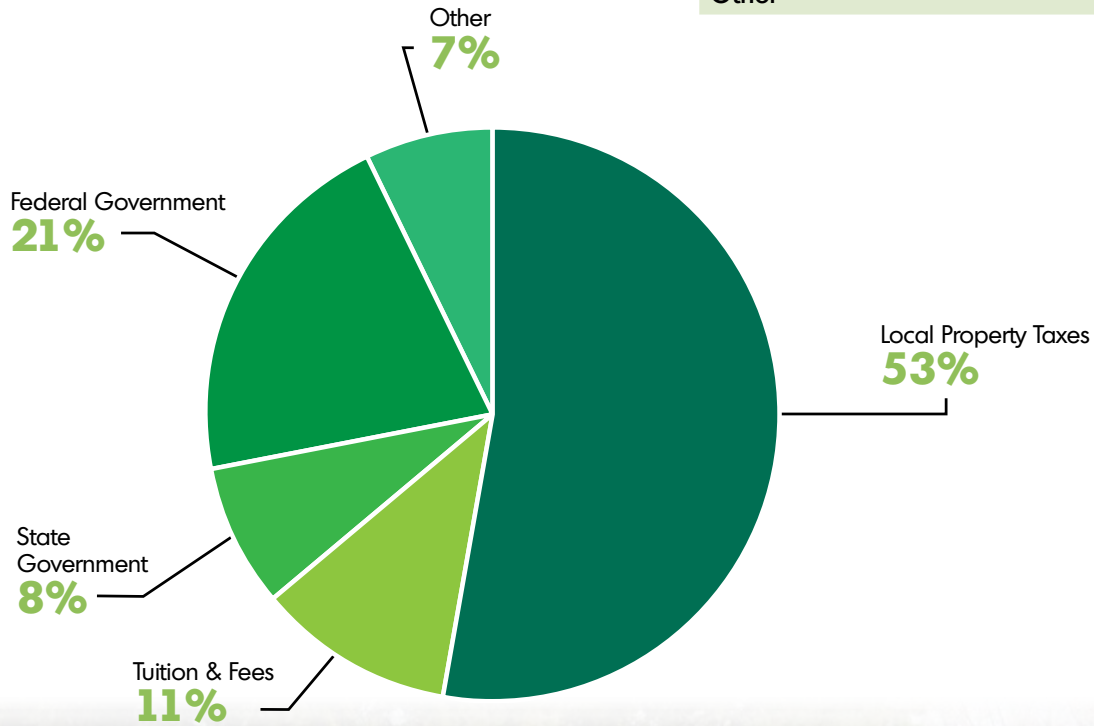
REDC Expansion

The Regional Economic Development Center has become a valued member of the business community providing a variety of economic information and analyses to aid decision-making for cities, towns and economic development agencies as they seek to grow and attract businesses. Based on demand for this service, the REDC will expand its offerings to include Corporate Training which will be on-demand non-credit training to meet the unique needs of the employer. REDC will also offer Career Services helping connect students to employers through internships, job boards, and other events. Furthermore, the REDC plans to develop incubator space to provide a supportive environment in which entrepreneurs can start their business.

BUDGETED REVENUES

Yavapai College has a diversified revenue structure consisting of local property taxes, student tuition and fees, federal and state aid, and other institutionally generated revenues.

SOURCES	AMOUNT
Local Property Taxes	\$ 48,329,600
Tuition & Fees	10,574,000
State Government	6,987,800
Federal Government	19,520,000
Other	6,417,500



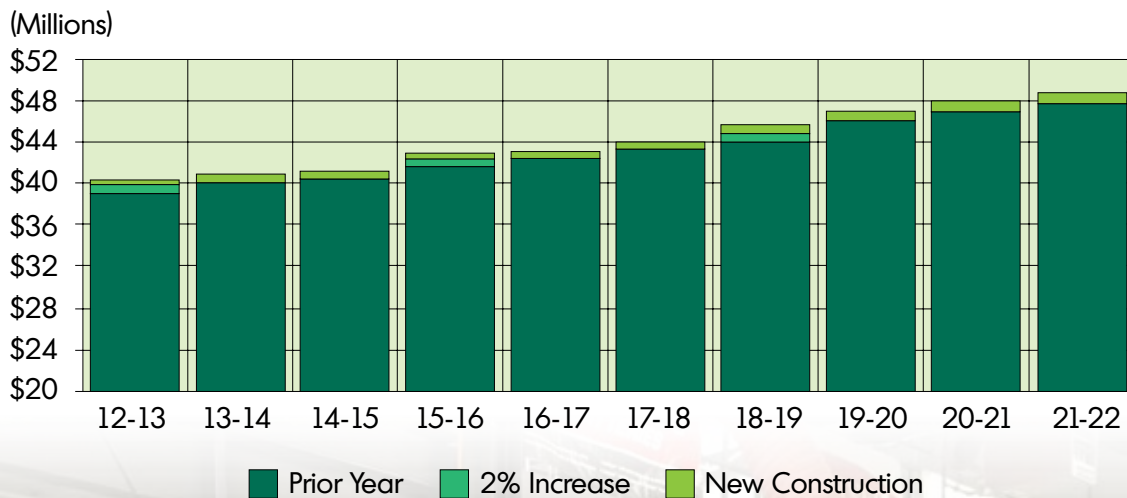
PROPERTY TAXES

As the State stopped supporting community colleges, local businesses and residents generously made up the difference with property taxes. Having said that, YC property taxes are still very reasonable.

- Per taxfoundation.org, Arizona has the 8th lowest business property tax rates in 2020 and the 13th lowest personal property tax rate in 2018
- YC property tax rates are near the average for AZ Community Colleges

As part of the annual budget process of the College, the District Governing Board may increase the tax levy by 2%. Through sound Fiscal Stewardship, YC has been able to limit increases to 2% every 3rd year over the past decade.

PRIMARY LEVY



TUITION & FEES

In accordance with the Constitution of Arizona, YC strives to keep tuition as low as possible without impairing the quality of programs and services.

Yavapai County's median income is 18% below the national average. At \$95 per credit, our tuition is 24% below the national community college average, keeping the college dream affordable and accessible.

In addition, YC offers scholarships and discounts to support strategic goals:

- >\$1.2M in discounts to students in high school taking college courses
- Promise scholarships allow local high school graduates the opportunity to earn a free degree if they complete within 2 years
- 20%+ discount to encourage students to be full time
- 25% discount to older residents as a thank you for their support



\$95

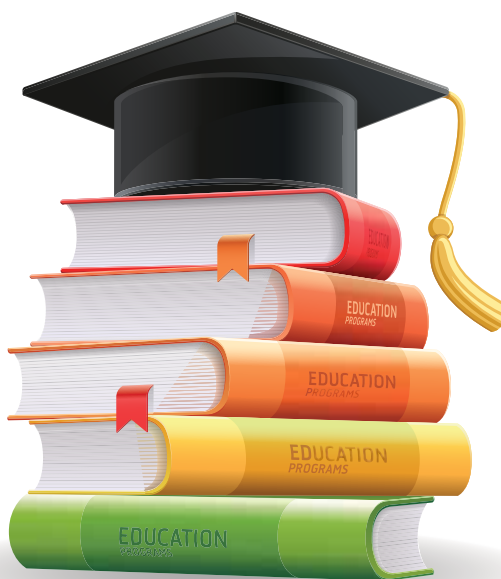
PER CREDIT

**24% BELOW THE
NATIONAL AVERAGE**

Cost Comparison: Annual Tuition & Fees 30 Credits/FY21

\$12,389

Arizona 4-Year University
average



\$3,770

National Community College
average

\$2,280

Yavapai College Tuition

Source: University Tuition: AZ Board of Regents (ABOR) Tuition history & Annual Report
National CC Average: American Association of Community Colleges (AACC)

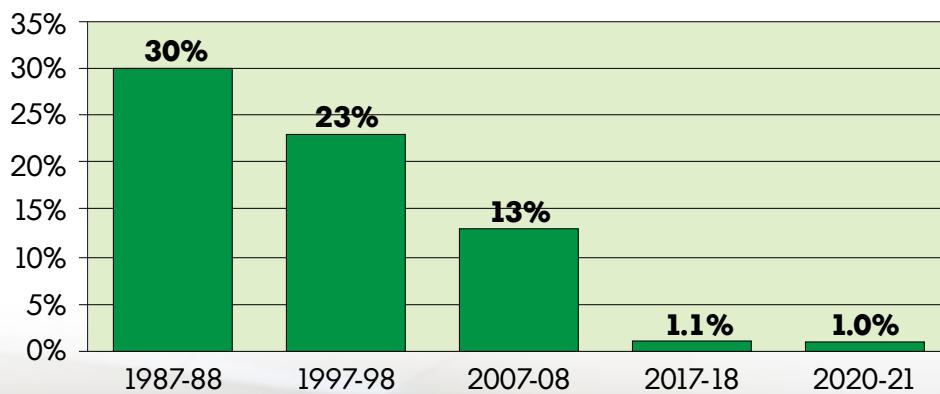
STATE GOVERNMENT

State appropriations are monies received from the State of Arizona. The monies are used to support operations and specific programs within the College.

REVENUE SOURCES	AMOUNT
Operations & Maintenance	\$ 596,500
One-time Operational Support	3,500,000
Science Technology Engineering & Math (STEM)	701,300
Prop 301 (to invest in Workforce Development programs)	880,000
Prop 207 (Workforce Development, Job Training, CTE, STEM)	900,000
Adult Basic Education	287,000
Other	123,000

Arizona has steadily defunded community colleges over the past 30 years. Today YC receives 8% of its total revenues from the state. Only 1% of its unrestricted revenues come from the state.

**ARIZONA DEFUNDED COMMUNITY COLLEGES
(State Appropriations/ Unrestricted Funds)**



BUDGETED EXPENDITURES

General Fund: This fund reflects the operating budget needed to conduct the day to day business of the College.

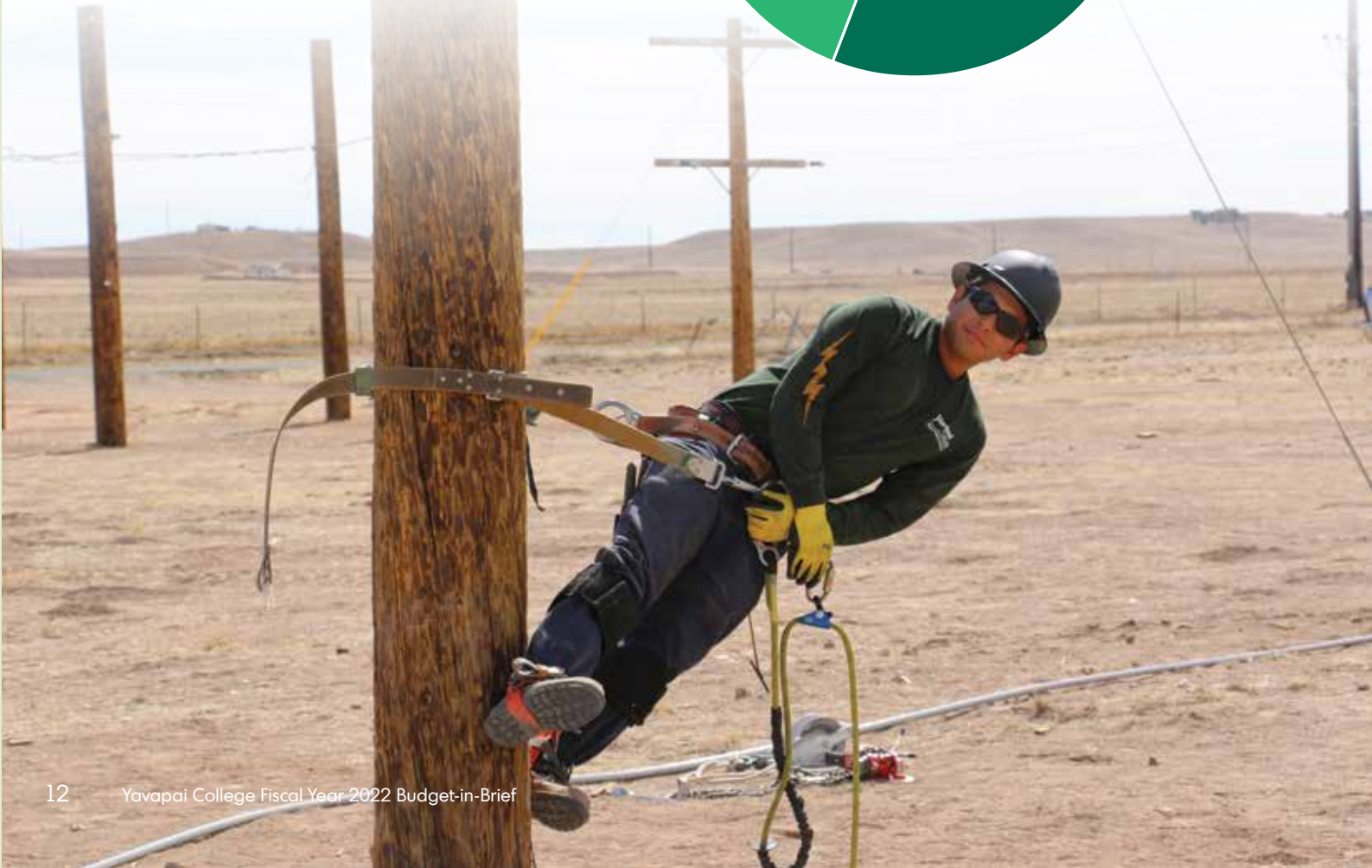
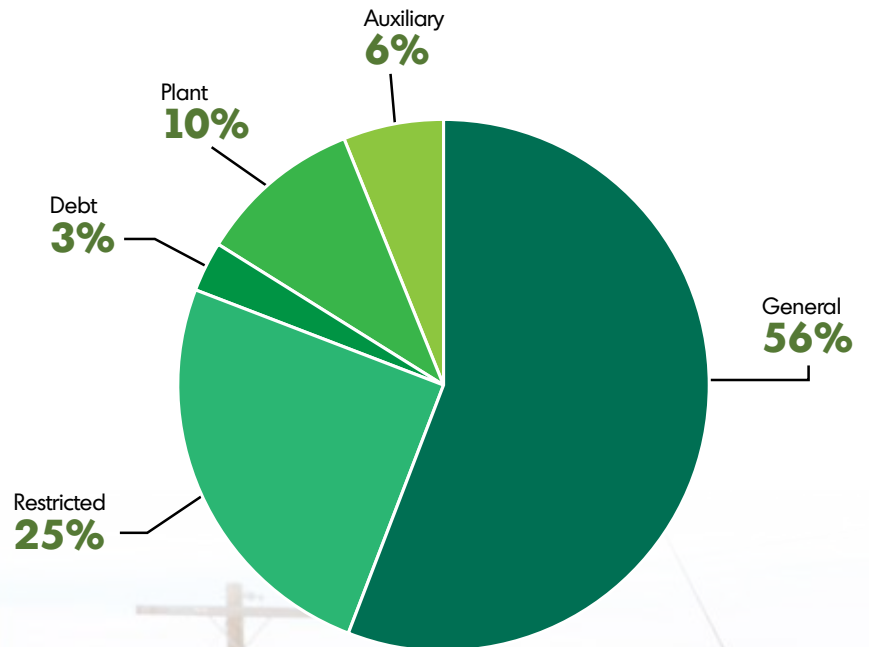
Restricted Fund: This fund accounts for monies that were given to the College on the condition they be used for a specific purpose, such as gifts, grants, or contracts.

Debt Fund: This fund tracks the issuance or repayment of principal, interest, and other related fees for long term debt.

Capital (Plant) Fund: This fund records large improvements in building, infrastructure, and grounds, which are then depreciated over time.

Auxiliaries Fund: This fund tracks revenues and expenses for non-core services provided to students, employees, and the general public.

FUND	AMOUNT
General	\$ 52,034,800
Restricted	23,618,500
Debt	2,260,900
Capital	9,654,300
Auxiliary	5,368,200
TOTAL	\$ 92,936,700



GENERAL FUND

This fund reflects the operating budget needed to conduct the day-to-day business of the College.

Instruction: Educational activities that occur in the classroom or lab.

Public Service: Non-instructional activities which primarily benefit people external to the institution such as REDC or YCPAC.

Student Services: Support services to recruit students and help them enroll in the right program of study, as well as activities that support the students' development outside of the classroom.

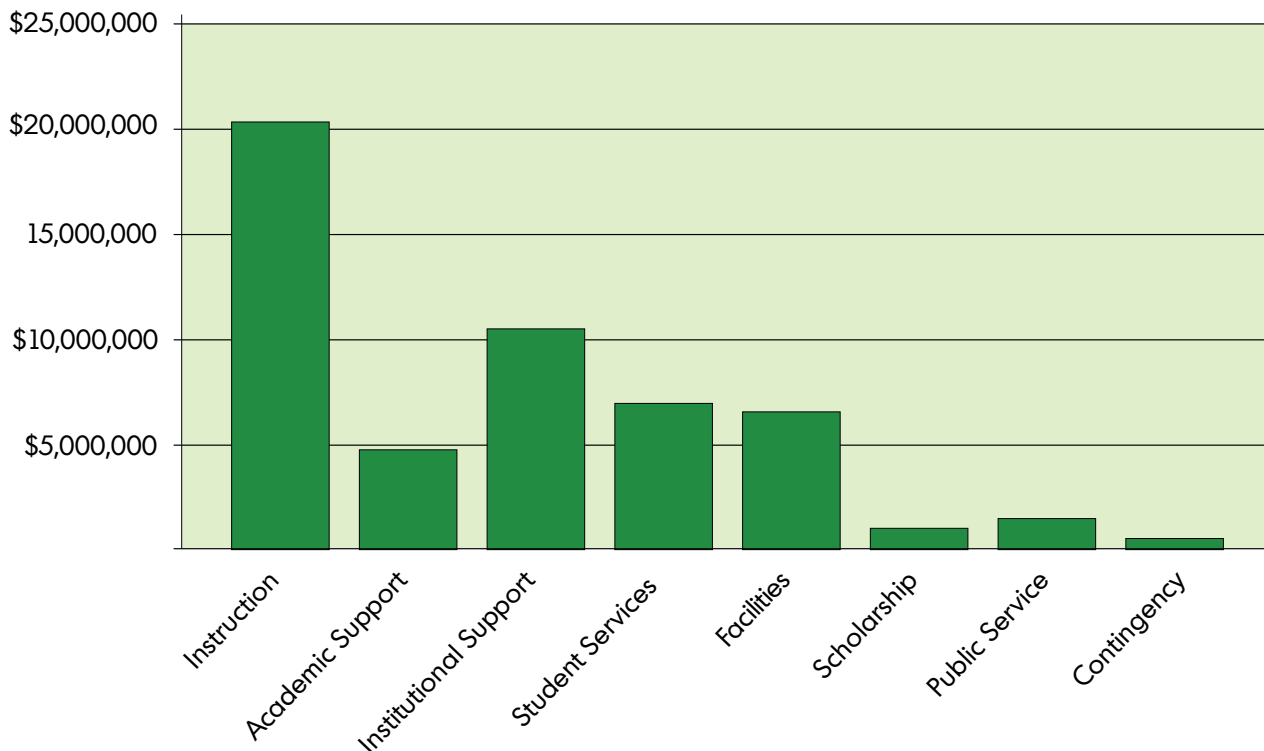
Academic Support: Those services which directly support Instruction such as libraries, galleries, deans, and audio-visual.

Institutional Support: Those administrative functions needed to plan and manage the college including executives, accounting, human resources, information technology, marketing, etc.

Facilities: Those activities associated with the operations of the college's physical facilities including maintenance, grounds, and custodial services.

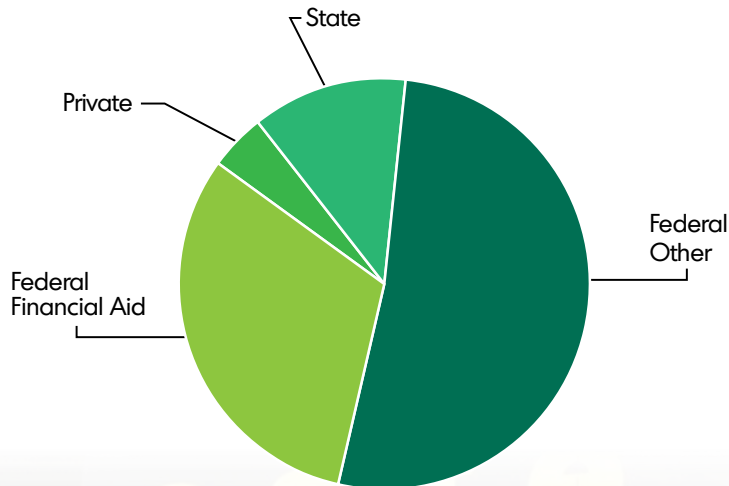
Scholarships: Financial aid awarded to students to lower their costs of attending college.

GENERAL FUND BUDGET by Program 2021-2022



RESTRICTED FUND

This fund accounts for monies that were given to the College on the condition they be used for a specific purpose, such as gifts, grants, or contracts.



This year, the College brought \$23.6M of revenues to be spent in Yavapai County.

Federal Financial Aid is money to help students pay for College. This includes a host of programs such as:

- Federal Pell Grants
- Federal Work-Study
- Federal Direct Loans
- Federal Plus Loans
- Federal VA Benefits
- Federal CARES scholarships for students impacted by COVID-19

Other grants support workforce development programs, provide Adult Basic Education for students wishing to earn their General Equivalency Diploma (GED), encourage first-generation college students to enroll, prevent substance abuse, and create lifelong learning opportunities for older adults.



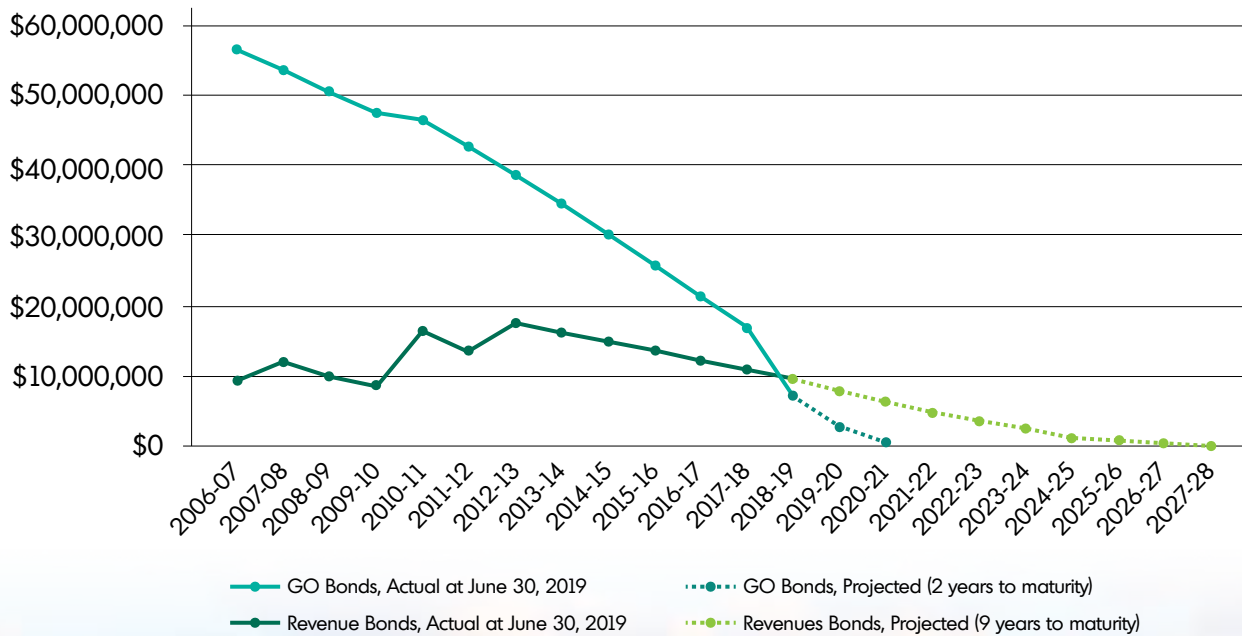
DEBT FUND

This fund tracks the issuance or repayment of principal, interest, and other related fees for long term debt.

Credit Ratings

Yavapai College's GO Bonds have been rated Aa2 from Moody's and AA- from S&P. These strong ratings indicate these investment experts believe that YC is a good credit risk, with a stable financial outlook and sound fiscal practices.

LONG TERM DEBT Actual and Projected Principal Payments



CAPITAL (PLANT) FUND

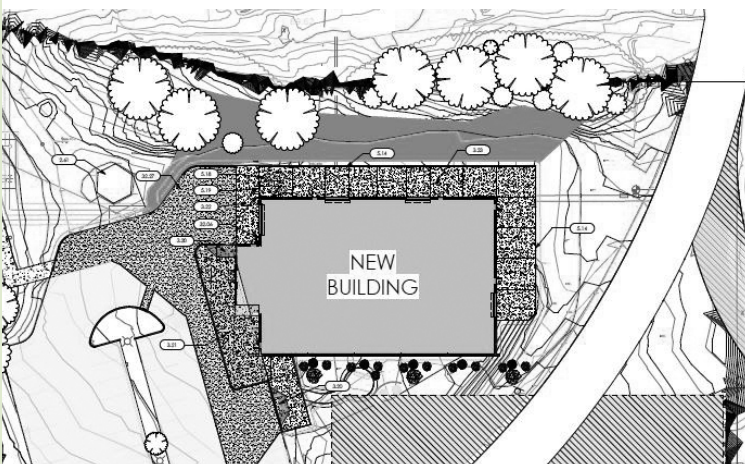
This fund records large improvements in building, infrastructure, and grounds, which are then depreciated over time.

Yavapai College reinvests in its buildings and infrastructure on an annual basis. We do this because it extends the useful life of our buildings and lowers our Total Costs of Ownership. YC has been working with Sightlines, a firm specializing in higher education facilities. Per their independent assessment of Net Asset Value, (NAV), our buildings are 89% as good as new, placing YC in the top decile of colleges and universities.

YC also reinvests annually in equipment to help employees remain productive and to provide students access to the tools they will encounter when they enter the workforce.



Construction started for the Technical Theater, Prescott Campus



Site for Skills Trade Center, Verde Valley Campus

FY2021-22 Capital Improvement Plan Budget Rationale

CTEC: Food Service Area

The CTE Center is now our 2nd largest provider of face-to-face classes. With classes from early in the morning until late at night, we believe that expanded food services would be a welcome service by students and faculty alike—especially in light of the lack of nearby restaurant options.

Prescott: Technical Theater Building

In support of our growing Performing Arts division, the College is expanding its Technical Theater program, which will tie in with CTED offering throughout the County.

Prescott Valley: Land (Adjacent to Bldg. 40)

As the youngest and fastest-growing community in Yavapai County, YC needs to expand its PV footprint to allow for future expansion

Prescott Valley: Deceleration Lane

Construction of a deceleration lane on Glassford Hill Road into/out of the Prescott Valley Center. This project will provide safer ease of access to and from the Center.

Verde: Verde Valley Skills Trades Center

The College will finish construction of phase 1 of The Verde Valley Skilled Trades Center. This will be used to offer a variety of career technical education programs including Construction, Electrical, HVAC, and Plumbing. The VVSTC will launch in Fall of FY22.

Campus Master Plan

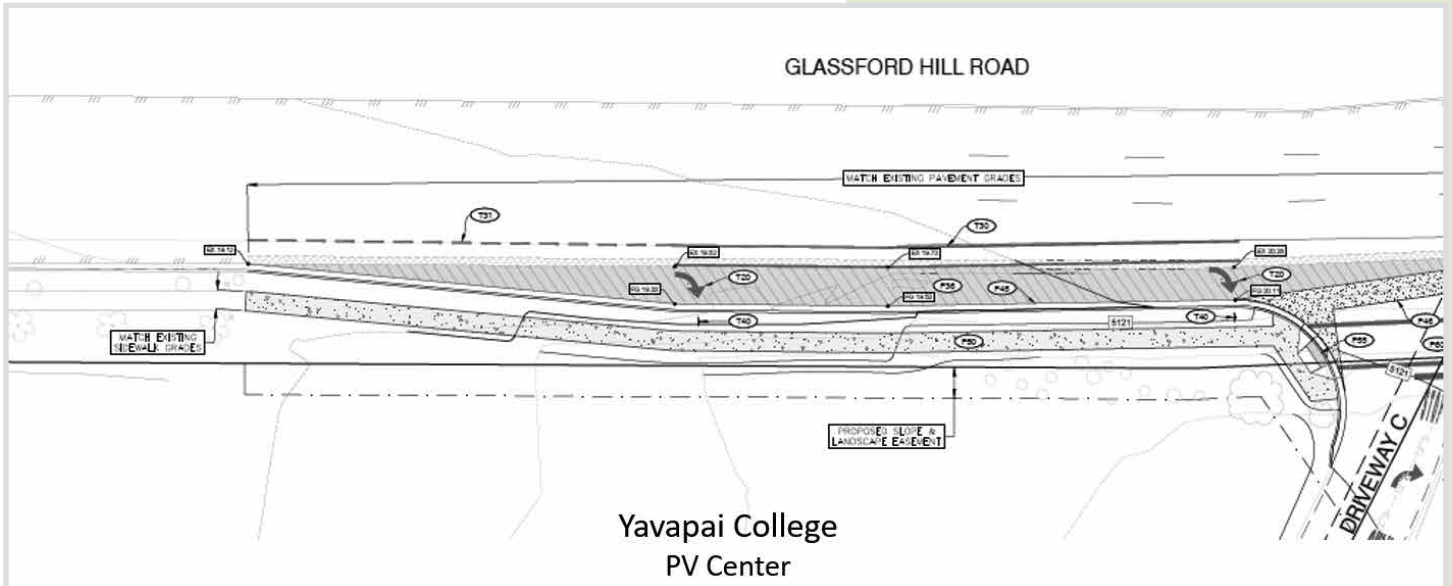
The majority of Capital Projects envisioned in the 2013 Campus Master Plan have been completed. We will update the CMP as today's environment is very different from the 2013 environment in which the last plan was developed. Remaining 2013 CMP projects will be considered along with emerging capital needs, given our fiscal constraints.

Verde Valley Campus Signage

Continuation of project to address campus visibility by installing electronics marquees adjacent to major highways. Preliminary design has been completed for Verde Valley Campus, however parcel of land has yet to be identified.



Prescott Valley Center potential Land expansion to the North



Prescott Valley Center deceleration lane will add a second point of ingress/ egress on South side of YC's property

AUXILIARY FUND

This fund tracks revenues and expenses for non-core services provided to students, employees, and the general public.

Residence Halls: YC has 220 beds on its Prescott Campus

Food Services: YC contracts with food service experts to operate cafeterias at both campuses, a coffee bar in our Prescott Library, and two Grab and Go self-service convenience stores.

Bookstore: YC contracts with Follett to provide books, educational supplies, and branded items.

Family Enrichment Center: YC operates a preschool as a hands-on learning lab for adult students in our Early Childhood Education program.

Southwest Wine Center: YC students cultivate 12 varieties of grapes on 13 acres, making YC one of the few academic Estate Wineries in the country. The annual harvests are converted into award-winning wines and marketed in the Tasting Room of the SWC.

Community Events: YC offers a variety of community events throughout the county. This includes performances by the college Music and Theater departments, as well as sponsoring nationally touring artists. The majority of events are held at the 1100 seat Yavapai College Performing Arts Center but also have been held in a variety of venues, including the Mabery Pavilion at the YC Verde Valley Campus and the Sedona Performing Arts Center.

Each year, approximately 13,000 grade and middle school students attend the Curtain up! Education series which features 5-7 shows designed to engage students with the arts and enhance their educational experience.



Residence Halls

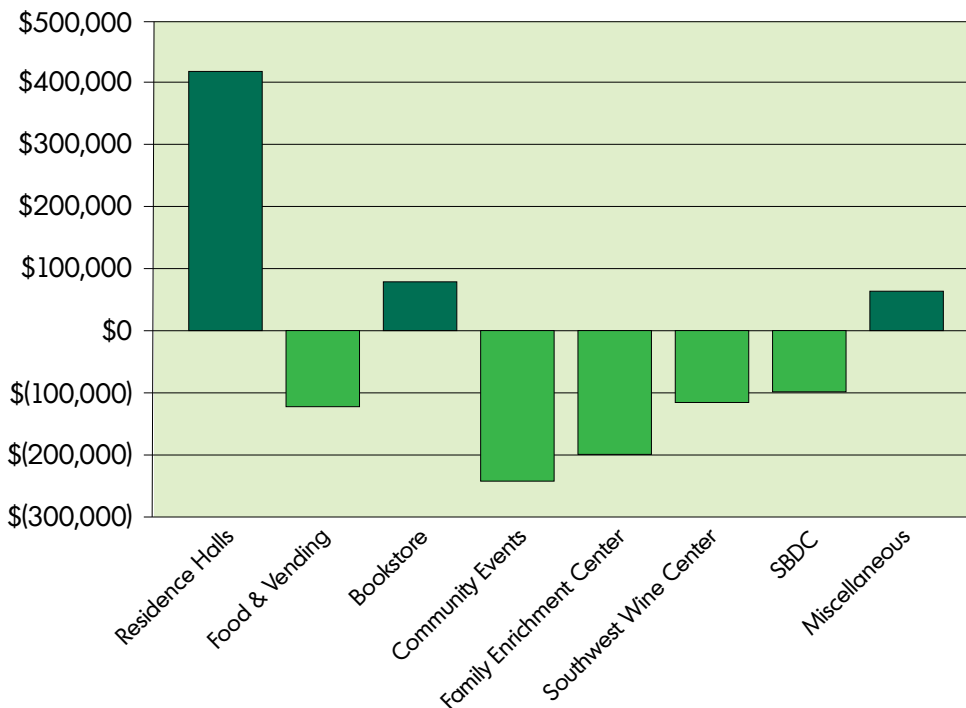


Food Services



Bookstore

AUXILIARIES BUDGETED SURPLUS/ (DEFICIT) Without Overhead Allocation FY2021-22





Family Enrichment Center



Southwest Wine Center



Community Events

Office of Vice President of Finance and Administrative Services
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Prepared by
Frank D'Angelo, Controller
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Ivonne Zuniga, Coordinator

The purpose of this Budget-in-Brief is to give the college community an overview of the FY2022 Budget. More information can be found on the college's website: www.yc.edu/budget

