

BOARD OF TRUSTEES MEETING - MAY 14, 2020

PROPOSED COLLEGE BUDGET REVISION

Due to the current economic environment and the on-going COVID-19 pandemic, Highline College is projecting to fall short of our revenue target for the remainder of the FY2019-2020. As such, the College is proposing a revised Operating Budget to ensure a balanced budget by June 30, 2020.

Revenue Sources:

- With the exception of the state allocation, we are expecting to fall short of revenue target for every other revenue source.
- Tuition collection is projected to be at least \$1M short of target by the end of the year.
- International Student revenue is estimated to be over \$1M or more than 25% off of target for the year.
- Running Start is likely the only category to be minimally due to existing reimbursement arrangements with the local school districts.
- Due to the closure of the physical campus, all proprietary revenue sources, including Food Service, Conference Service, Parking, and various grants and contracts, are estimated to lose most of their normal revenue during spring quarter.
- Total revised revenue for FY2019-20 is projected at \$70.3M. This is a reduction of \$4.9M from the earlier adopted revenue budget of \$75.2M.

Expenditures:

- A reduction of \$500K is planned in the Professional/Exempt category by not filling vacancies.
- Faculty (full-time and part-time combined) is expected to exceed budget due to the alreadycommitted spring quarter and end-of-spring balloon payments.
- Savings of approximately \$2M is projected for suspending all non-essential acquisitions and freezing of travel.
- With the campus closure, the Bookstore is expected to reduce its COGS by approximately \$274K
 in merchandise purchases.
- All internal transfers will be reduced by \$600K.
- Total revised expenditure budget for FY2019-20 is estimated to be at \$69.4M. This is a reduction of approximately \$2.8M from the earlier adopted expenditure budget of \$72.3M.

CARES Act:

As of May 1, 2020, Highline College is expected to receive approximately \$3.5M of grant funding
from the Federal stimulus CARES Act. This grant is not currently included in this proposed budget
revision due to some of the uncertainty regarding spending requirements. We will update the
Board upon receiving confirmation of the full award as well as all other detail clarifications.

HIGHLINE COLLEGE FISCAL YEAR 2019-2020 REVISED BUDGET

REVENUE State Allocation Tuition Running Start International Student Programs Grants & Contracts Student Fees Extended Learning Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid SUBTOTAL	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	REVISED ROJECTION 33,275,669 11,377,570 9,528,791 2,983,275 7,697,426 1,514,037 782,301 750,000 1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED ROJECTION	% OF TOTAL 47.3% 16.2% 13.5% 4.2% 10.9% 2.2% 1.1% 1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0% % OF TOTAL	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	33,263,669 12,455,543 9,597,776 4,048,198 8,140,310 2,724,870 819,853 800,000 1,757,183 909,146 141,696 615,878 1	% OF TOTAL 44.2% 16.5% 12.8% 5.4% 10.8% 3.6% 1.1% 1.1% 2.3% 1.2% 0.2% 0.8% 0.0% 100.0%		CHANGE FROM DOPTED 12,000 (1,077,973) (68,985) (1,064,923) (442,884) (1,210,833) (37,552) (50,000) (462,437) (199,490) (68,543) (259,107) - (4,930,727)
Tuition Running Start International Student Programs Grants & Contracts Student Fees Extended Learning Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	11,377,570 9,528,791 2,983,275 7,697,426 1,514,037 782,301 750,000 1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED	16.2% 13.5% 4.2% 10.9% 2.2% 1.1% 1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	12,455,543 9,597,776 4,048,198 8,140,310 2,724,870 819,853 800,000 1,757,183 909,146 141,696 615,878 1	16.5% 12.8% 5.4% 10.8% 3.6% 1.1% 1.1% 2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$ \$ \$ \$ \$ \$	(1,077,973) (68,985) (1,064,923) (442,884) (1,210,833) (37,552) (50,000) (462,437) (199,490) (68,543) (259,107)
Running Start International Student Programs Grants & Contracts Student Fees Extended Learning Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	9,528,791 2,983,275 7,697,426 1,514,037 782,301 750,000 1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED	13.5% 4.2% 10.9% 2.2% 1.1% 1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	9,597,776 4,048,198 8,140,310 2,724,870 819,853 800,000 1,757,183 909,146 141,696 615,878	12.8% 5.4% 10.8% 3.6% 1.1% 1.1% 2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$ \$ \$ \$ \$	(68,985) (1,064,923) (442,884) (1,210,833) (37,552) (50,000) (462,437) (199,490) (68,543) (259,107)
International Student Programs Grants & Contracts Student Fees Extended Learning Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	2,983,275 7,697,426 1,514,037 782,301 750,000 1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED	4.2% 10.9% 2.2% 1.1% 1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	4,048,198 8,140,310 2,724,870 819,853 800,000 1,757,183 909,146 141,696 615,878	5.4% 10.8% 3.6% 1.1% 1.1% 2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$ \$ \$ \$	(1,064,923) (442,884) (1,210,833) (37,552) (50,000) (462,437) (199,490) (68,543) (259,107)
Grants & Contracts Student Fees Extended Learning Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	7,697,426 1,514,037 782,301 750,000 1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED	10.9% 2.2% 1.1% 1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$ \$ \$	8,140,310 2,724,870 819,853 800,000 1,757,183 909,146 141,696 615,878	10.8% 3.6% 1.1% 1.1% 2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$ \$ \$	(442,884) (1,210,833) (37,552) (50,000) (462,437) (199,490) (68,543) (259,107)
Extended Learning Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	1,514,037 782,301 750,000 1,294,746 709,656 73,153 356,771 1 70,343,396	2.2% 1.1% 1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$	2,724,870 819,853 800,000 1,757,183 909,146 141,696 615,878	3.6% 1.1% 1.1% 2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$ \$ \$	(1,210,833) (37,552) (50,000) (462,437) (199,490) (68,543) (259,107)
Extended Learning Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$ \$	782,301 750,000 1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED	1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$ \$	819,853 800,000 1,757,183 909,146 141,696 615,878	1.1% 1.1% 2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$ \$	(37,552) (50,000) (462,437) (199,490) (68,543) (259,107)
Interest & Investments Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$ \$ \$ \$ \$	750,000 1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED	1.1% 1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$ \$	800,000 1,757,183 909,146 141,696 615,878	1.1% 2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$ \$	(50,000) (462,437) (199,490) (68,543) (259,107)
Bookstore Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$	1,294,746 709,656 73,153 356,771 1 70,343,396 REVISED	1.8% 1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$ \$	1,757,183 909,146 141,696 615,878	2.3% 1.2% 0.2% 0.8% 0.0%	\$ \$ \$ \$	(462,437) (199,490) (68,543) (259,107)
Parking & Transportation Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$	709,656 73,153 356,771 1 70,343,396 REVISED	1.0% 0.1% 0.5% 0.0% 100.0%	\$ \$ \$	909,146 141,696 615,878	1.2% 0.2% 0.8% 0.0%	\$ \$ \$	(199,490) (68,543) (259,107)
Food Service Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$ \$	73,153 356,771 1 70,343,396 REVISED	0.1% 0.5% 0.0% 100.0%	\$ \$ \$	141,696 615,878 1	0.2% 0.8% 0.0%	\$ \$ \$	(68,543) (259,107)
Auxiliary Enterprises Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$ \$	356,771 1 70,343,396 REVISED	0.5% 0.0% 100.0% % OF	\$ \$ \$	615,878	0.8%	\$ \$	(259,107)
Other Contributions TOTAL EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$ \$	1 70,343,396 REVISED	0.0% 100.0% % OF	\$ \$	1	0.0%	\$	<u>-</u>
EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$	REVISED	100.0% % OF	\$	75,274,123			(4,930,727)
EXPENDITURES Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid		REVISED	% OF		75,274,123	100.0%	\$	(4,930,727)
Professional/Exempt Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid								
Hourly Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid					ADOPTED BUDGET	% OF TOTAL	CHANGE FROM ADOPTED	
Faculty FT Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$	11,711,657	16.9%	\$	12,205,711	16.9%	\$	(494,054)
Faculty PT Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$	1,958,356	2.8%	\$	2,123,805	2.9%	\$	(165,449)
Classified Staff Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$	11,019,384	15.9%	\$	12,174,530	16.8%	\$	(1,155,146)
Benefits Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$	10,649,689	15.3%	\$	8,818,704	12.2%	\$	1,830,985
Contracts, Goods & Services Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$	7,769,718	11.2%	\$	7,741,891	10.7%	\$	27,827
Travel Equipment Debt Service Cost of Goods Sold Student Aid	\$	14,136,304	20.3%	\$	14,108,188	19.5%	\$	28,116
Equipment Debt Service Cost of Goods Sold Student Aid	\$	5,846,734	8.4%	\$	7,501,484	10.4%	\$	(1,654,750)
Debt Service Cost of Goods Sold Student Aid	\$	534,808	0.8%	\$	661,397	0.9%	\$	(126,589)
Cost of Goods Sold Student Aid	\$	1,202,127	1.7%	\$	1,454,623	2.0%	\$	(252,496)
Student Aid	\$	170,000	0.2%	\$	170,000	0.2%	\$	-
	\$	829,637	1.2%	\$	1,104,000	1.5%	\$	(274,363)
SUBTOTAL	\$	1,942,625	2.8%	\$	1,942,625	2.7%	\$	-
	\$	67,771,039	97.6%	\$	70,006,958	96.8%	\$	(2,235,919)
To Operational Contingencies	\$	953,590	1.4%	\$	1,100,000	1.5%	\$	(146,410)
To Capital Contingencies		337,781	0.5%	\$	750,000	1.0%	\$	(412,219)
To ISP Foundation Contract	\$	408,478	0.6%	\$	450,000	0.6%	\$	(41,522)
SUBTOTAL CONTINGENCIES	\$ \$	1 (00 040	2.4%	\$	2,300,000	3.2%	\$	(600,151)
TOTAL (including TRANSFERS)		1,699,849				100.00/	\$	(2,836,070)
NET	\$ \$	69,470,888	100.0%	\$	72,306,958	100.0%		<u> </u>