

Fiscal Year 2023

# BUDGET-IN-BRIEF

Fiscal Year Ending June 30, 2023





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## MISSION

Yavapai College enriches our community by providing accessible, quality workforce, transfer, lifelong, and cultural learning opportunities.

## VISION

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

## PRIORITIES

Yavapai College exists so communities within Yavapai County have access to and are equipped with the knowledge and skills to improve quality of life. The College will achieve these results at a cost the Board believes is justifiable.

### 1. Education:

- Job seekers
- Transfer students
- Adult Basic Education
- Lifelong learners
- Maximize persistence and completion
- Students understand how to access financial resources and support programs

### 2. Economic:

Communities in Yavapai County are supported in their efforts to lead economic development, with emphasis on generating and sustaining economic base jobs.

### 3. Community:

Yavapai County residents have access to 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: Verde Valley Campus, Building L



# FROM THE PRESIDENT

## Members of the District Governing Board and Citizens of Yavapai County Community College District:

As you are well aware, COVID-19 has ravaged the nation impacting the health, economic security and way of life for all of us and disrupting our educational model. As we move out of the pandemic and have gained our ability to return to campuses and face-to-face interactions, we are proud to say that during the pandemic we worked hard to make structural and operational changes that have built capacity for us as an institution with an eye toward changing needs of the post-COVID world. The pandemic has changed the way employees understand and carry out their work and the way students understand and experience learning. Students are choosing more online and hybrid courses and want more flexibility in scheduling and course delivery modalities.

The need for short-term training options has never been more urgent and apparent resulting from the economic downturn. Our focus on affordability, flexible education delivery and connections to our local workforce and regional economies, makes us well positioned to provide our region with access to an expanding array of educational options that prepare students for work. We see ourselves as an engine of recovery for our local economy and have worked diligently to reallocate existing resources to make our programs and services even more accessible and affordable for our community.

Recognizing the state of our community, again this year, we proposed no increase in the property tax levy. We've maintained one of the most affordable tuition rates in the state and the country. We've implemented a number of ways to reduce costs for students. We are continuing to expand course offerings utilizing Open Educational Resources in lieu of expensive textbooks eliminating textbook costs altogether for many more courses. We are planning an expansion of our nationally- recognized College Promise program to serve not only graduates right out of high school but also adult learners pursuing career and technical degrees. The College Promise refunds student out-of-pocket expenses for tuition. We are continuing our

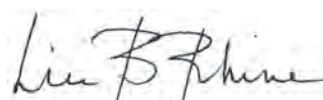


full-time student discount and our senior discount and, this year, reduced the cost for students in high school who are enrolled in college courses concurrently making our programs increasingly accessible and more affordable.

Our AZ governor signed SB 1453 allowing community colleges to offer four-year degrees this year. We are on track to be the first rural college in AZ to offer baccalaureate degrees beginning in Fall of 2023. This offers a promising solution that will help the college to address the low rates of underserved students and residents with a bachelors degree in our county.

Our objective is to present a balanced budget in a manner that allows the institution, despite challenges imposed by post-COVID realities, to move forward with our aggressive strategic plan focused on creating a sense of belonging, improving support for adult learners, ensuring programs lead to living wage jobs and providing flexible delivery models. 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.

  
Lisa B. Rhine, Ph.D.  
President

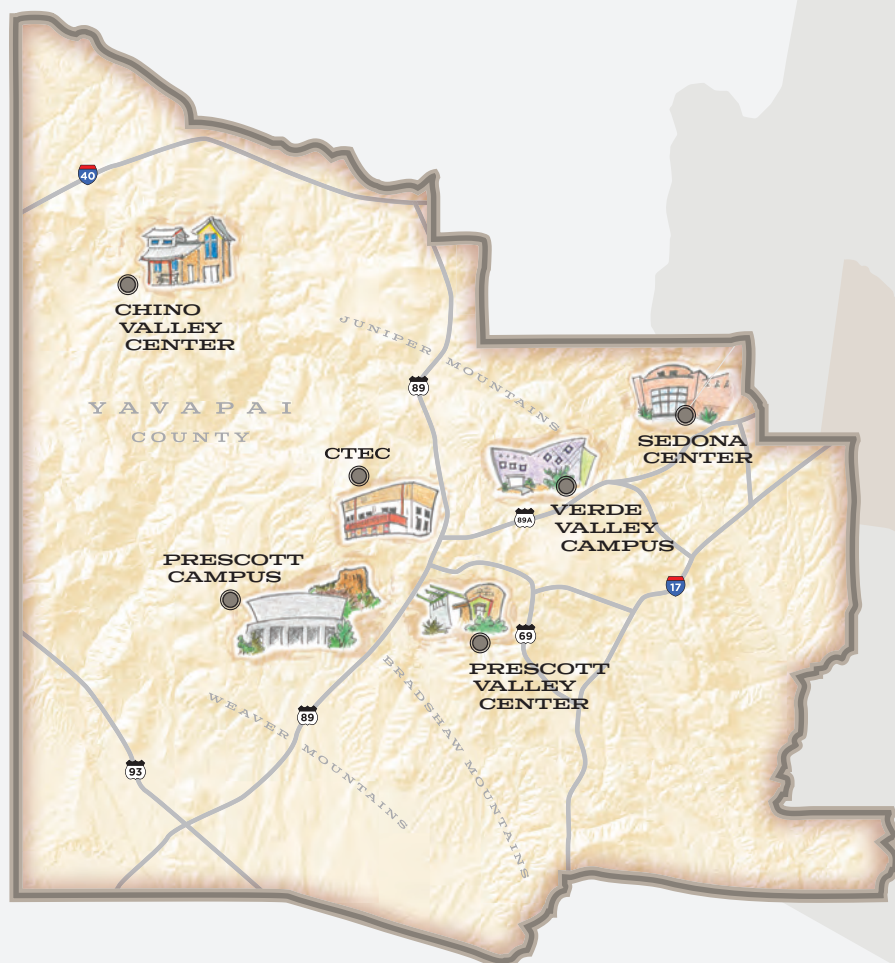


# YAVAPAI COLLEGE AT A GLANCE

## 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 3 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

# FINANCIAL FACTS

## LOW TUITION



2ND LOWEST IN STATE AND  
ONE OF LOWEST IN US

## LOW COST PER STUDENT



- PER AZ CONSTITUTION, COST IS SAME OR LOWER THAN 1980 WHEN ADJUSTED FOR INFLATION
- NEAR NATIONAL AVERAGE

## LOW PROPERTY TAXES



- AVERAGE RATE FOR AZ COMMUNITY COLLEGES
- AZ IS 11<sup>TH</sup> LOWEST IN US

## STRONG CREDIT RATINGS



- MOODY'S AA2
- STANDARD AND POOR AA-

## WELL-MAINTAINED FACILITIES



BEST-IN-CLASS NET  
ASSET VALUE RATINGS

## VALUE



**\$368,000**

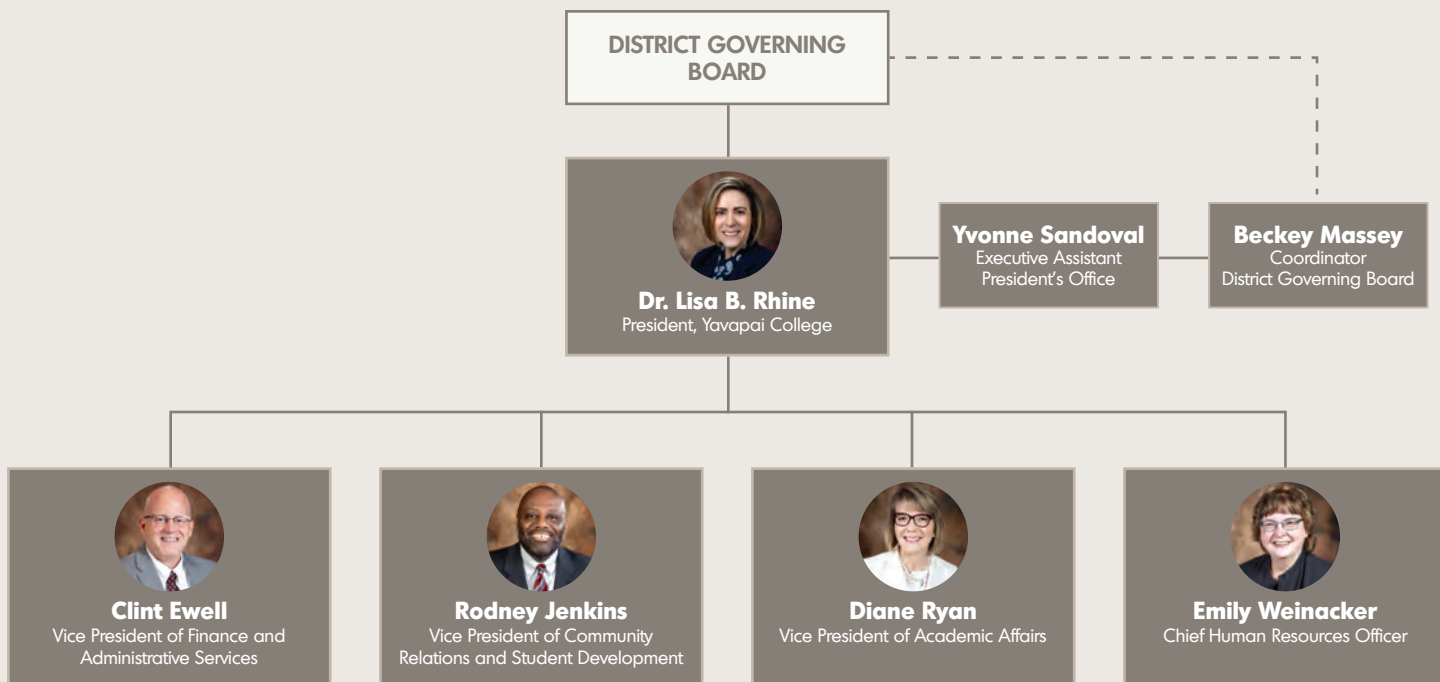
MORE EARNINGS WITH  
ASSOCIATE DEGREES



**\$1 = \$7.20**

TAXPAYERS  
INVESTMENT

# 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 Yamell



**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

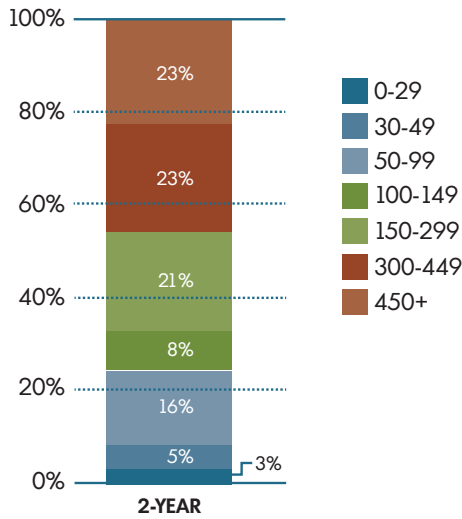
Antelope, Ashfork, Big Chino, Camp Wood, Chino Valley 1 and 2, Country Park, Cougar, Coyote Springs, Deep Well, Drake, Granite, Perkinsville, Pinon Oaks, Sandretto, Seligman, Shadow Valley, Spruce, Williamson Valley, West Chino, and Willow



**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 2023 INITIATIVES



**AVERAGE CASELOAD** 292

SOURCE: TYTON PARTNERS



## Create Early College Academy

YC has great partnerships with high schools, and together we provide opportunities for high school students to earn college credits through dual credit classes taught by high school teachers in the high school and concurrent credit classes taught by college faculty primarily at the college. These programs are highly successful, saving families \$1.5M per year in college tuition and allowing the average Yavapai County high school graduate to begin college with 10 college credits. To supplement these successful programs, we envision an Early College Academy in which some high school students will take all college classes during the junior and senior years of high school in order to earn an Associate's degree (60 credits) by the time they complete their high school diploma.

## Baccalaureate Degrees

In the last legislative session, AZ gave community colleges the ability to offer baccalaureate degrees. In FY22, the College worked with EMSI to identify the 4-year degrees that are most needed. In FY23, we will develop the curriculum and seek approval to offer these degrees beginning in FY24.

## Offer more programs via 8-week courses

Community College students tend to be different than university students, with many more students who have other life obligations such as family and/or work obligations. With this in mind, many colleges have started offering more 8-week term courses. Studies have shown students experience equal or greater success in this delivery format, perhaps because there is less time for "life to get in the way."

## Offer more OER courses

Students do better in class when they have access to the course learning materials. However, many students on a budget cannot afford the book. Open Educational Resources allow colleges to provide learning materials for low cost or no cost.

## Advisor Case Load

Over the past decade, YC has lowered the amount of students per advisor from 900 to a little over 500. However, our peers are moving even faster: the average case load is just under 300, with 25% of community college advisors helping only 150 students each! Lowering the caseload, allows the quantity and quality of advising to improve, which leads to an improvement in retention and completion. We will add several positions to lower this ratio, and train them in the best practices we learned from InsideTrack.



## Expand YC Promise

Launched in FY20, the YC Promise scholarship reimburses out-of-pocket tuition recent high school graduates who complete their degree within 2 years. In FY23, YC will expand this scholarship opportunity to any county resident who earns a degree in a Career Technical Education field within 2 years. If a college degree is required to enter the field and the job pays a living wage. This allows residents to upskill and become qualified to apply for more living wage jobs, while making Yavapai County a more attractive location for businesses to expand or re-locate by expanding the pool of talented candidates.

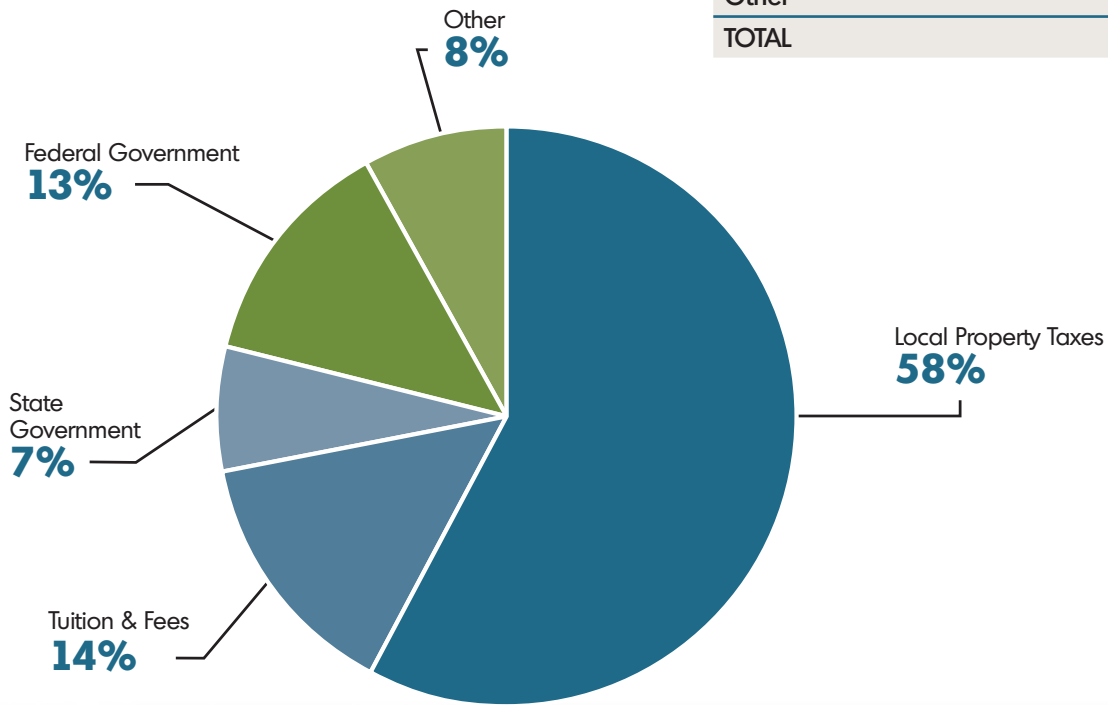
**For a full list of College-wide initiatives, please see the Strategic Plan chapter of Yavapai College's Fiscal Year 2022-2023 Budget**



# 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	\$ 49,860,100
Tuition & Fees	11,860,000
State Government	6,414,900
Federal Government	11,060,000
Other	6,889,600
<b>TOTAL</b>	<b>\$ 86,084,600</b>





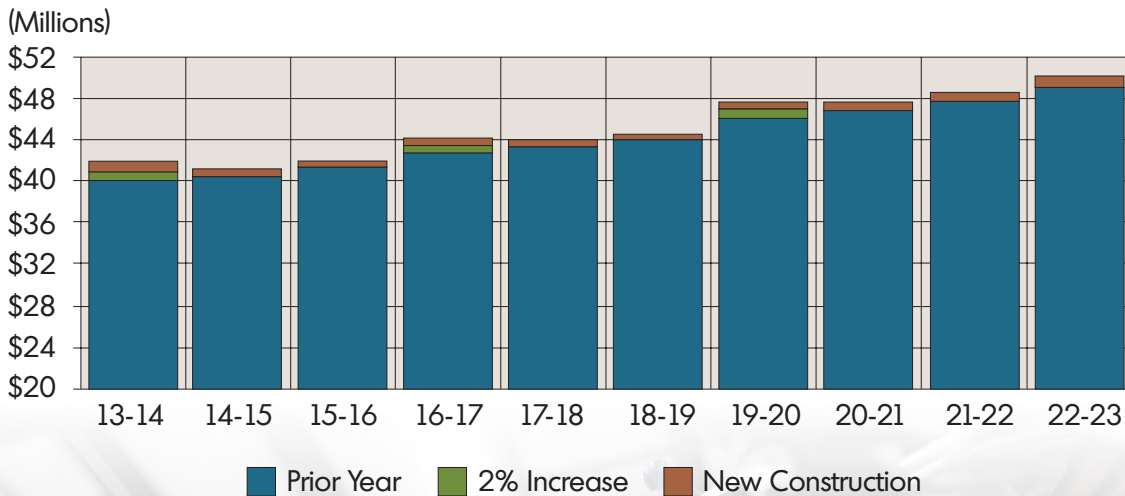
# Property Taxes

**As the State reduced support for 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](http://taxfoundation.org), AZ has 11th lowest business property tax. Per [wallethub.com](http://wallethub.com), AZ has 13th lowest residential real estate taxes
- 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

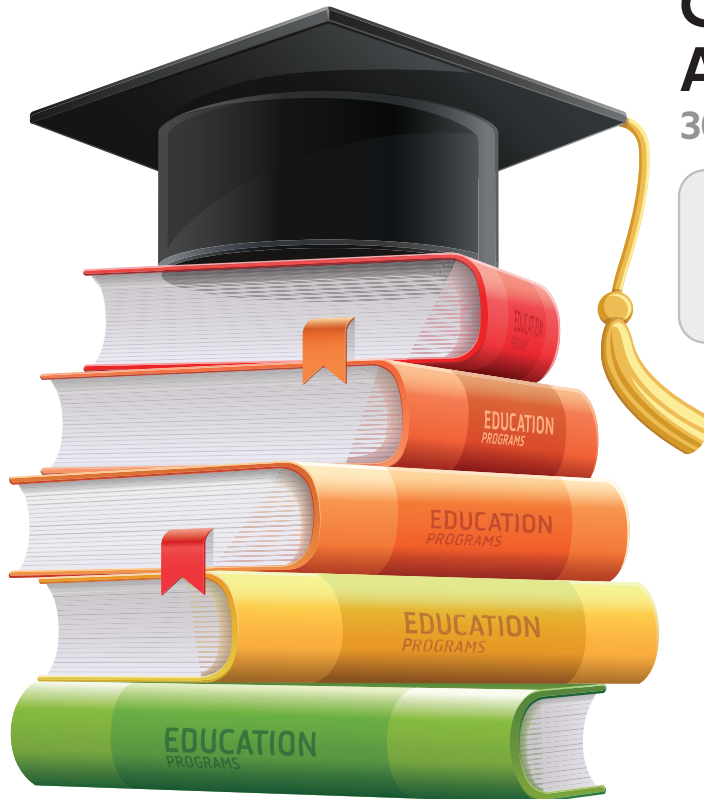
In accordance with the Constitution of Arizona, YC strives to keep tuition as low as possible without impairing the quality of programs and services.

Yavapai County's median income is 21% below the national average. YC tuition is purposefully set 25% below its national community college peers (40% for full time students) to keep the college dream affordable and accessible. In addition, YC offers scholarships and discounts to support strategic goals:

- Roughly \$1.5M in discounts to high school students taking college courses
- YC Promise scholarship is now available to all Yavapai County residents who complete a career technical education degree within two years
- 20% discount to encourage students to attend full time
- 50% discount to older residents as a thank you for their financial support they pay in property taxes
- 50% discount for high school students taking online college courses



**\$98**  
PER CREDIT  
25% BELOW THE  
NATIONAL AVERAGE



## Cost Comparison: Annual Tuition & Fees

30 Credits/FY2022

**\$2,352**

Yavapai College Tuition

**\$3,800**

National Community College average

**\$12,571**

Arizona 4-Year University average



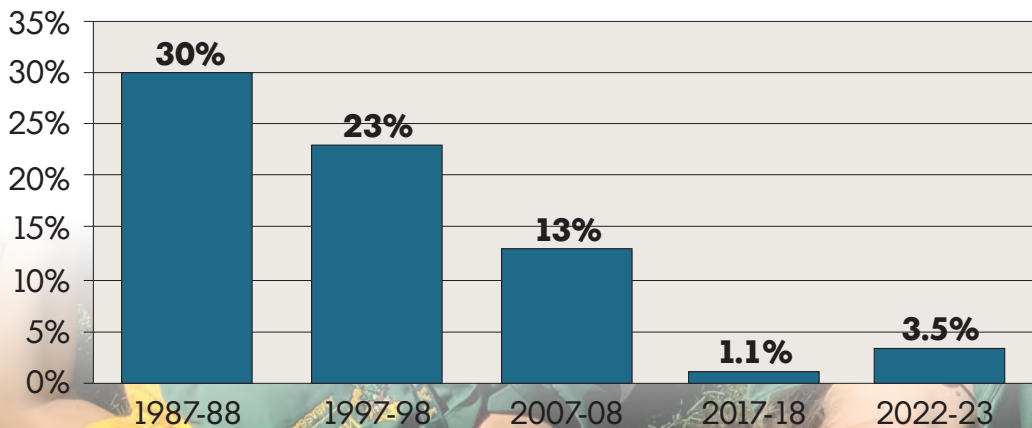
# State Government

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
Maintenance	\$ 300,400
Rural Community College Aid	1,843,400
Science Technology Engineering & Math (STEM)	611,100
Prop 301 (to invest in Workforce Development programs)	1,250,000
Prop 207 (workforce development, job training, CTE, STEM)	2,000,000
Adult Basic Education	300,000

Arizona has steadily defunded community colleges over the past 30 years. Today YC receives 8% of its total revenues from the state. Only 3.5% of its unrestricted revenues come from the state.

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





# BUDGETED EXPENDITURES BY FUND

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

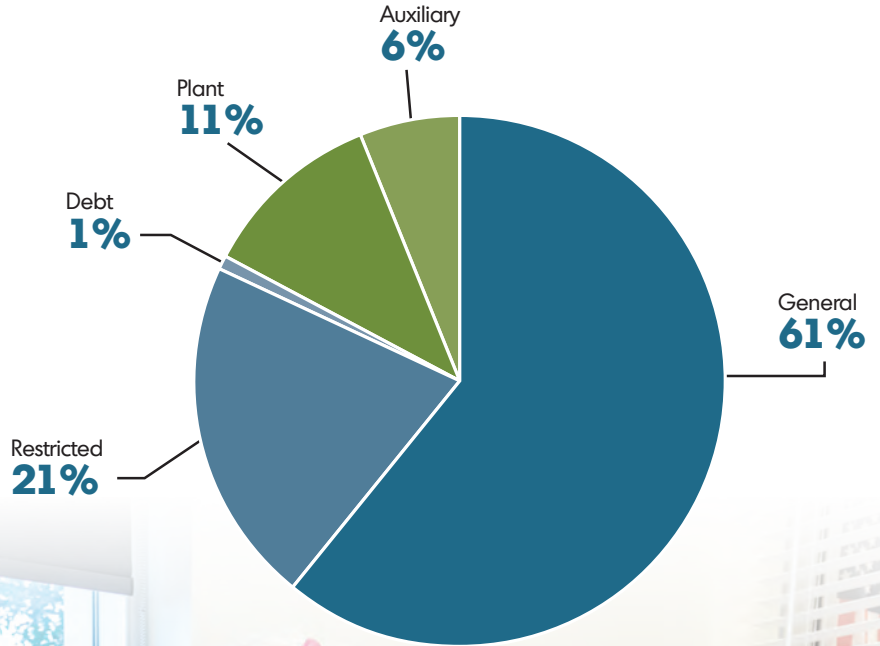
**Restricted Fund:** This fund accounts for monies that were given to the College on the condition they be used for a specific purpose, such as gifts, grants, or contracts.

**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	\$ 54,908,300
Restricted	18,448,100
Debt	1,258,100
Capital	9,405,500
Auxiliary	5,543,100
<b>TOTAL</b>	<b>\$ 89,563,100</b>





# 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 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.

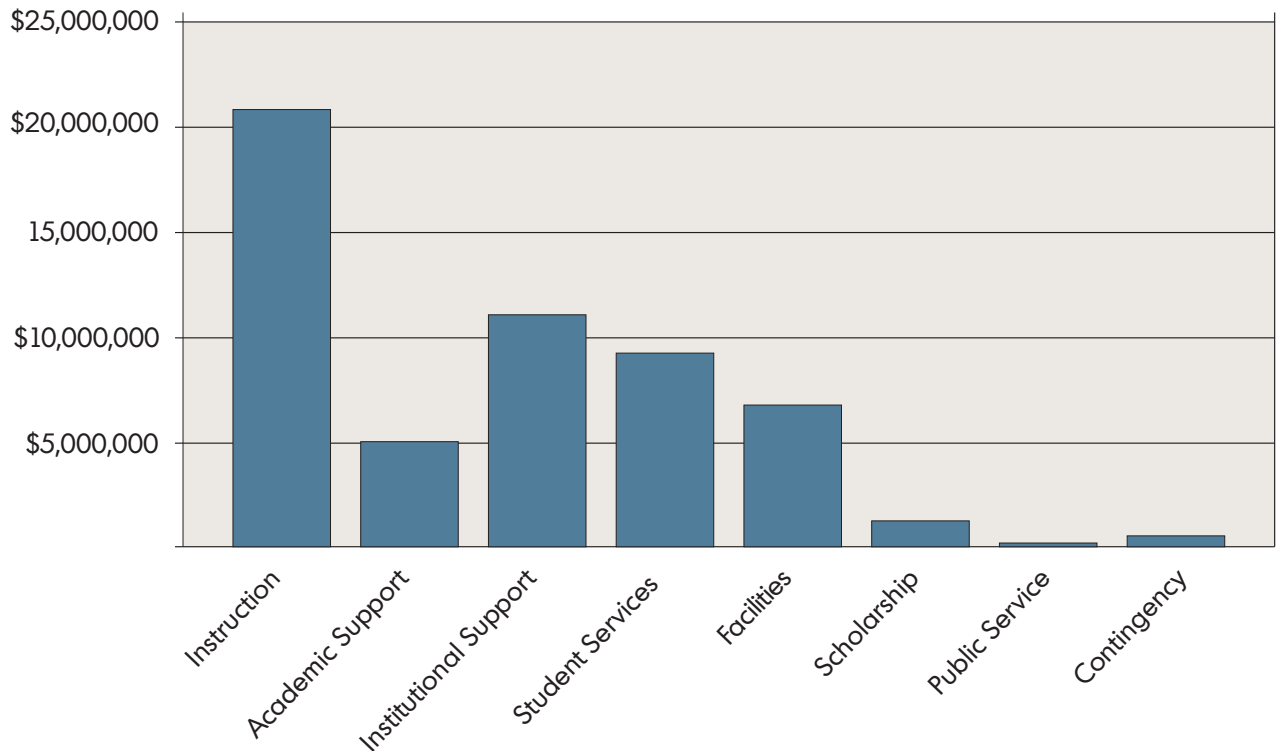
**Academic Support:** Those services which directly support instruction such as libraries, galleries, deans, and audio-visual.

**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.

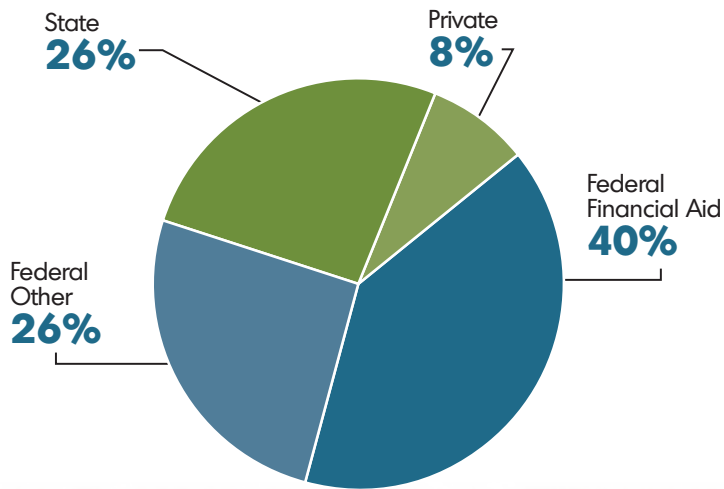
**Scholarships:** Financial aid awarded to students to lower their costs of attending college.

**GENERAL FUND BUDGET  
by Program 2022-2023**



# 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 \$26.6M 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.





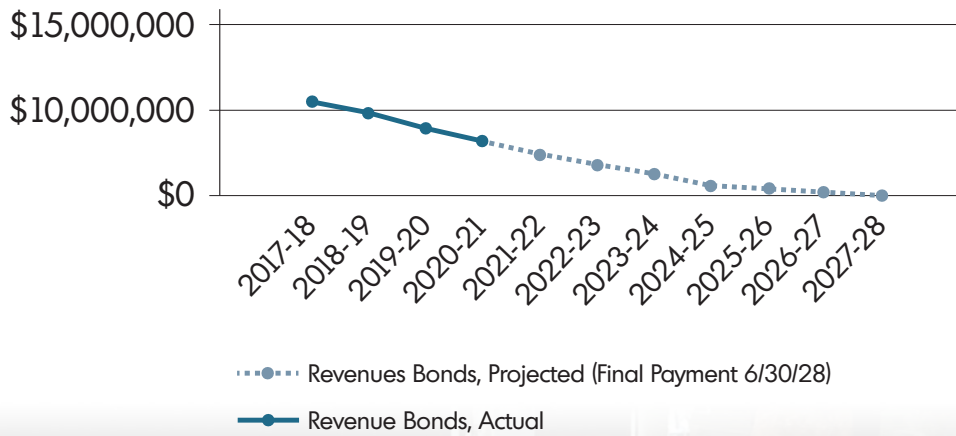
# Debt Fund

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.**

There are 3 primary components of the Capital Fund:  
Planned Maintenance, Equipment, and Capital Improvement Projects.

## Planned Maintenance

Yavapai College reinvests \$4M 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.

## Equipment

YC also reinvests \$2.1M annually in equipment to help employees remain productive and to provide students access to the tools they will encounter when they enter the workforce.

## FY2022-23 Capital Improvement Projects

- Verde Valley Campus Signage Continuation of project to increase site visibility by installing electronic marquee adjacent to major highways.
- Rider Diner Upgrade lighting, electrical, and furniture.
- Mingus Union Athletic Fields Invest in athletic fields to allow portion of YC season to be played in VV.
- WSTC Expand CTE capabilities for Brewing and Distilling to augment our SWC.
- CDL Track Build 27000 sq ft track to allow for AZ DOT testing as we grow program to meet local demand.









# 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 the cafeteria and café on the Prescott campus, and a Grab and Go self-service convenience store at CTEC. Both the snack bar at the Verde campus and a café in Sedona are run in-house.

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

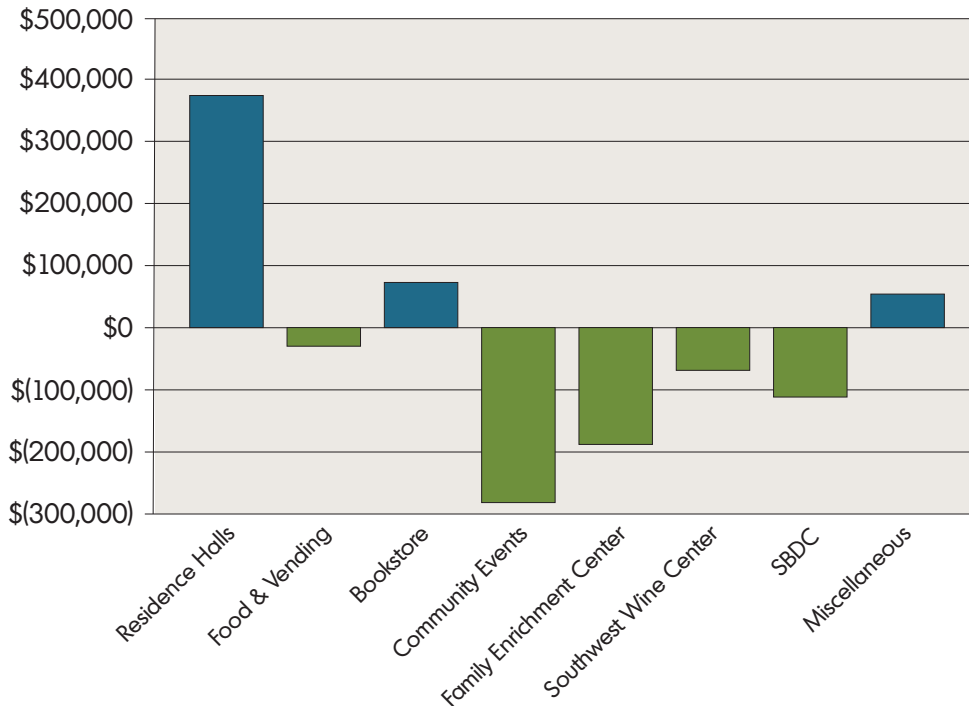
**Family Enrichment Center:** YC operates a preschool as a hands-on learning lab for adult students in our Early Childhood Education program.

**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.

**AUXILIARIES BUDGETED SURPLUS/ (DEFICIT)  
Without Overhead Allocation  
FY2022-23**



Residence Halls



Food Services



Bookstore





Family Enrichment Center



Southwest Wine Center



Community Events

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The purpose of this Budget-in-Brief is to give the college community an overview of the FY2023 Budget.

More information can be found on the college's website:

[www.yc.edu/budget](http://www.yc.edu/budget)

