

Fiscal Year 2024

BUDGET-IN-BRIEF

Fiscal Year Ending June 30, 2024



Yavapai
COLLEGE

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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, Career & Technical Education Center, Chino Valley Center and Sedona

COVER PHOTO: Prescott Valley Center



FROM THE PRESIDENT

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

As I begin my fifth year as president of Yavapai College, I reflect on how quickly the world of higher education is changing and how far we have come as an institution. 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. 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. We slowly moved out of the pandemic and incrementally returned to face-to-face interactions. We adjusted operations during the pandemic in a manner that built College capacity for meeting the changing needs of the post-COVID world.

Post-pandemic, many of the anticipated changes that were headed our way jumped on a fast-track train and have already arrived at our doorstep. The nation has been impacted by record inflation. The U.S. Bureau of Labor Statistics' data shows the western region, including local and state economies, has felt the impact at a higher rate than the national average. The cost of goods and services continues to increase. In addition, the County's most valuable resource, employees, are feeling the strain creating additional budgetary pressures to keep pace with the true cost of living. Arizona is challenged by a severe shortage of affordable housing ranking among the most severe in the U.S. with only California and Nevada having more severe shortages.


Because of the good work and fiscal responsibility of the District Governing Board, the executive leadership team, the college and our finance department, we are positioned and prepared to respond to external pressures and changing demands from our students, employers and industry. Employers are calling for increased customized training, employer sponsored programs, micro-credentials and self-paced learning options. We must act innovatively to serve students differently and in new, fiscally sustainable ways. We must redesign outmoded organizational structures that keep the college tethered to previous assumptions about the world. We must participate in the economic transformation in our community that prioritizes



the needs of our students, amplifies the institutional mission and positions the college to play a pivotal role in the economic sustainability of our communities.

This year's budget reflects building capacity for increased workforce innovation and industry partnerships through expansion of our Regional Economic Development Center. We are exploring new course delivery models including use of advanced augmented and virtual reality platforms by building course supplements in the Metaverse. We are launching our first Bachelor of Science degree in Business that will allow students to complete their baccalaureate degree with us at significantly lower rates while staying employed and supporting their families in our county. We will follow with a Bachelor of Science in Nursing to meet the rapidly growing healthcare needs in our county.

We are proud to be able to say that YC has some of the lowest tuition and property tax rates in the country. Yavapai College is dedicated to providing educational opportunities by promoting excellence in teaching and learning. We celebrate our emergence out of the pandemic and our proud of our progress in improving key metrics including degrees awarded, Arizona General Education Curriculum awards, retention rates, Hispanic enrollment, invested assets through our foundation and substantially lowering our student default rates. Most of all, we honor the trust placed in us by the public and uphold it through quality programs, industry responsiveness, 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.



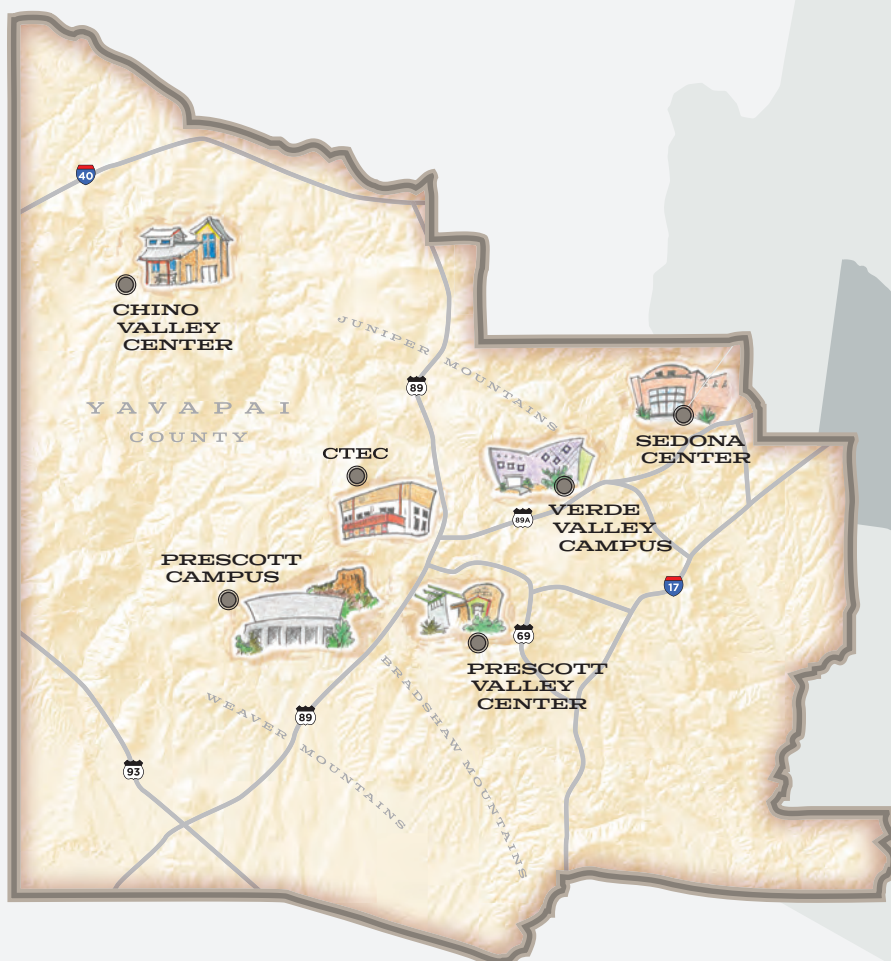
Lisa B. Rhine, Ph.D.
President

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 as a cost the Board believes is justifiable.

- 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 a variety of career & technical fields. In addition, the College offers more than 75 certificates in career and technical fields. Finally, the College has begun offering baccalaureate degrees in Business and in Nursing.
- 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 public universities across the nation, 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



3RD LOWEST COLLEGE IN AZ,
WHICH HAS 4TH LOWEST TUITION 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 11TH LOWEST IN US

STRONG CREDIT RATINGS



- MOODY'S AA2
- STANDARD AND POOR AA-

WELL-MAINTAINED FACILITIES



BEST-IN-CLASS NET
ASSET VALUE RATINGS

VALUE

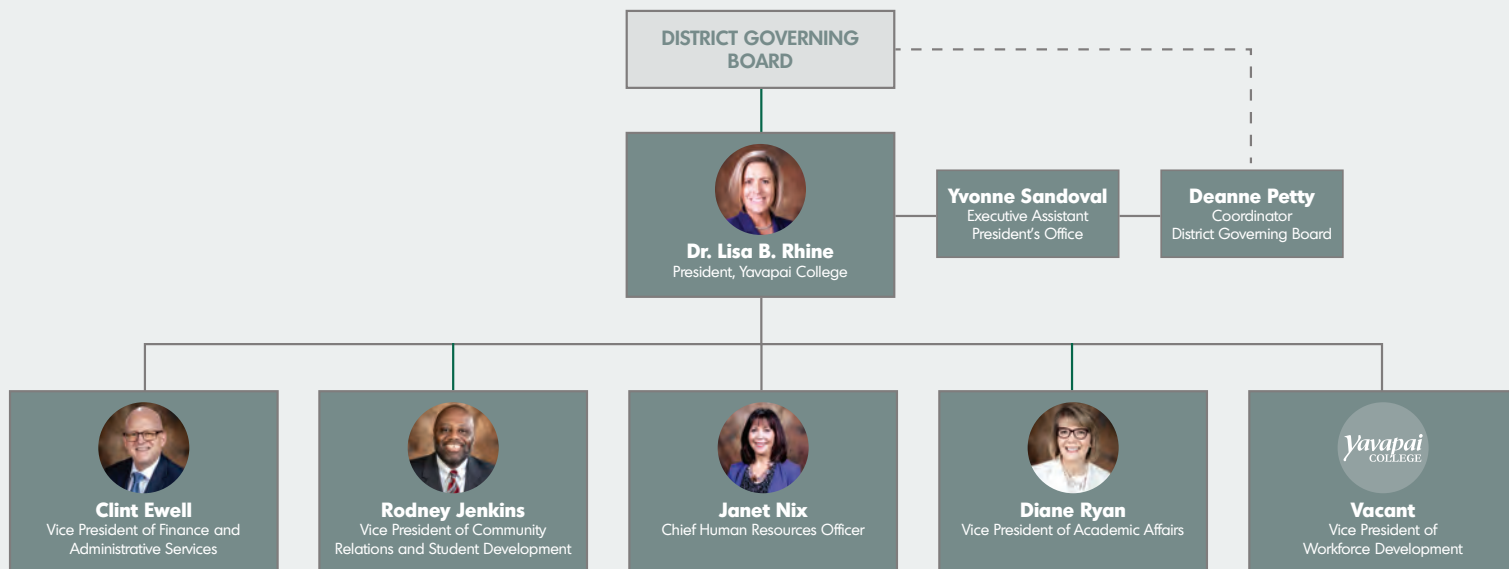


\$368,000
MORE EARNINGS
WITH ASSOCIATE
DEGREES



\$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 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



Toby Payne
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



Steve Bracety
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 2024 STRATEGIC INITIATIVES



Expand 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. In FY23 we piloted an Early College Academy where some high school seniors could take all college courses to fulfill any remaining high school requirements while earning credits toward a college degree or certificate. The first 35 students did wonderfully, earning 24 credits with an average 3.2 GPA. We will now expand this program to juniors as well as other partner high schools.



Baccalaureate Degrees

Arizona became the 24th state to allow community colleges to offer 4 year degrees. After researching which degrees were most needed to meet workforce needs, YC designed a BS in Business which was recently approved by our accreditor, the Higher Learning Commission (HLC). This Fall, YC will be the first rural community college in AZ to offer a degree in business. Also, YC is currently in the process of having a BS in Nursing approved by HLC and plans to launch in January of 2024. Programs like these will improve individual household income while allowing the regional economy to grow and flourish.



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. So far, YC has converted roughly 40% of courses to OER, saving students over \$1M.

Workforce Development

To meet the changing needs of students and employers, YC will create a new Workforce Division. This new unit will expand on the strong foundation laid by the Regional Economic Development Center, which already provides economic development consulting services, customized non-credit workforce training, as well as a variety of services through the Small Business Development Center.



Artificial Intelligence (AI) and Virtual Reality (VR)

AI and VR are no longer solely the domain of science fiction, but have entered the workplace. YC needs to take advantage of these new tools to enhance how we deliver programs and services. YC also plans to integrate AI & VR into our curriculum, so students know how to appropriately utilize these tools when they enter the workforce.

For a full list of College-wide initiatives, please see the Strategic Plan chapter of Yavapai College's Fiscal Year 2023-2024 Budget

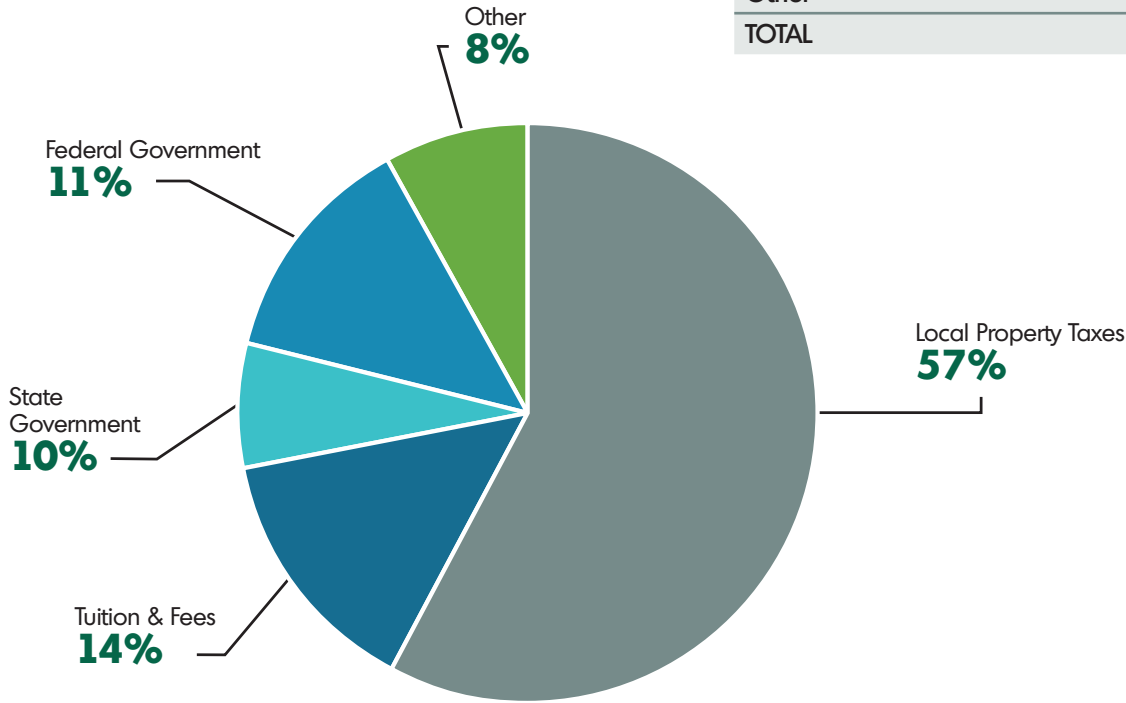


Students visit the State Capitol

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	\$ 53,455,100
Tuition & Fees	12,896,000
State Government	9,997,000
Federal Government	10,616,800
Other	7,246,200
TOTAL	\$ 94,211,100





3D Construction Building Technology

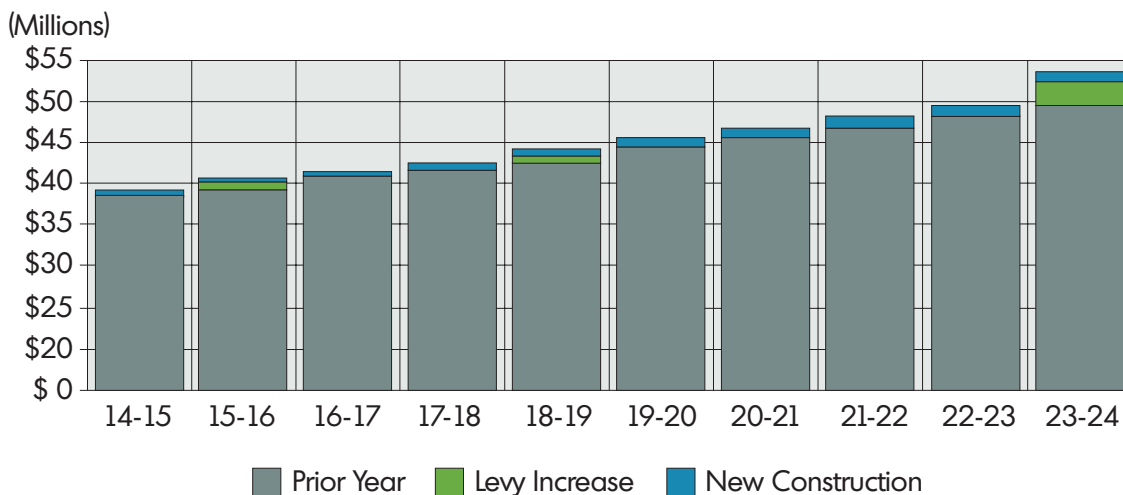
Property Taxes

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, AZ has 11th lowest business property tax. Per wallethub.com, AZ has 12th lowest residential real estate taxes
- YC property tax rates are near the average for AZ Community Colleges

Through sound Fiscal Stewardship, YC has been able to forego property tax increases for the past 4 years. The Board approved a 5% increase for FY 2023-2024, which increased the annual taxes of the median-priced home by \$34. This shared investment supports our neighbors and our local economy.

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 19% below the national average. YC tuition is purposefully set 24% below its national community college peers (39% for full time students) to keep the college dream affordable and accessible. In addition, YC offers scholarships and discounts to support strategic goals:

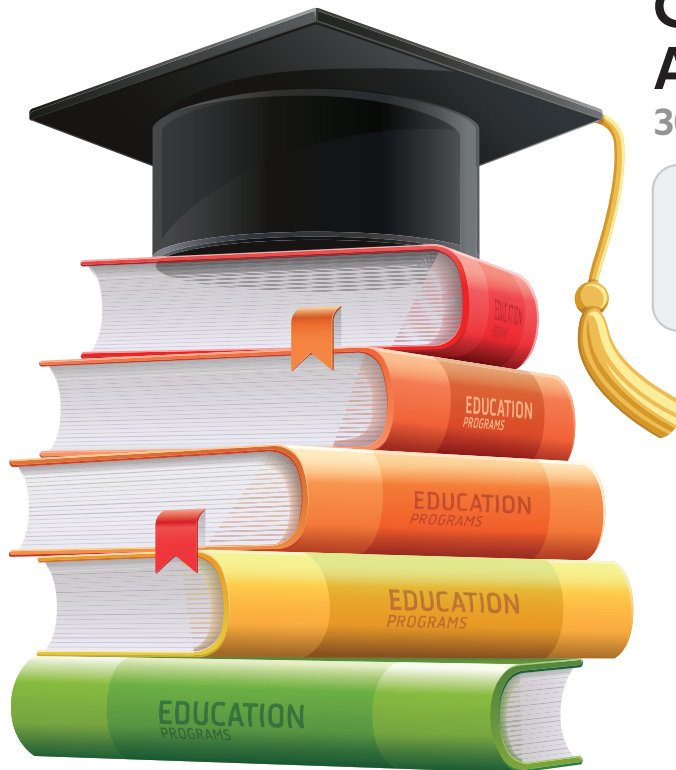
- Roughly \$1.5M in discounts to high school students taking face-to-face college courses
- YC Promise allows recent high school graduates to earn a free Associate Degree if they complete within two years. Similarly, Workforce Promise is available to any county resident who completes their first career technical education degree from YC 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



\$103

PER CREDIT

24% BELOW THE NATIONAL AVERAGE



Cost Comparison: Annual Tuition & Fees

30 Credits/FY2024

\$2,472

Yavapai College Tuition

\$3,860

National Community College average

\$12,096

Arizona 4-Year University average



Plant Biology

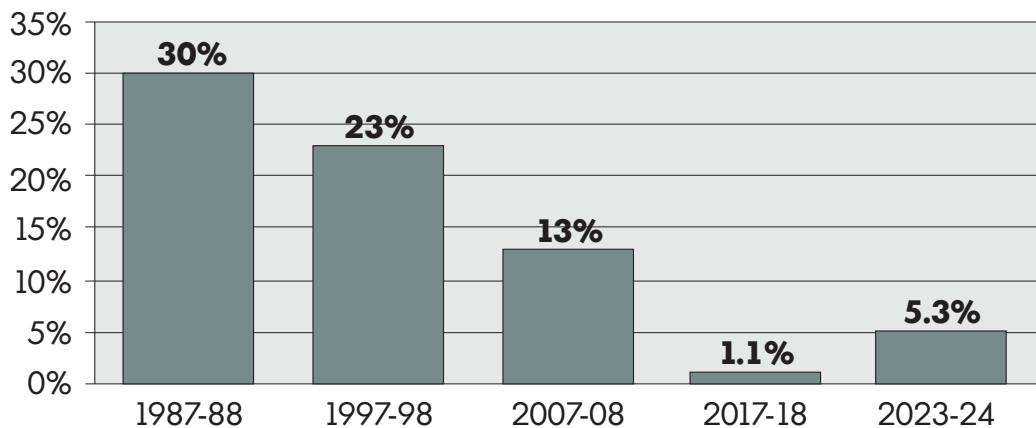
State Government

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	\$ 373,000
Rural Community College Aid	1,843,400
Rural Community College Aid: 1-time	1,810,600
Science Technology Engineering & Math (STEM)	637,200
Prop 301 (to invest in Workforce Development programs)	1,300,000
Prop 207 (workforce development, job training, CTE, STEM)	2,500,000
Adult Basic Education	205,000
AZ DHS: Nursing	600,000
AZ DES: Childcare	468,800

Arizona has steadily defunded community colleges over the past 30 years. Today YC receives 10% of its total revenues from the state. Only 5.3% 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.

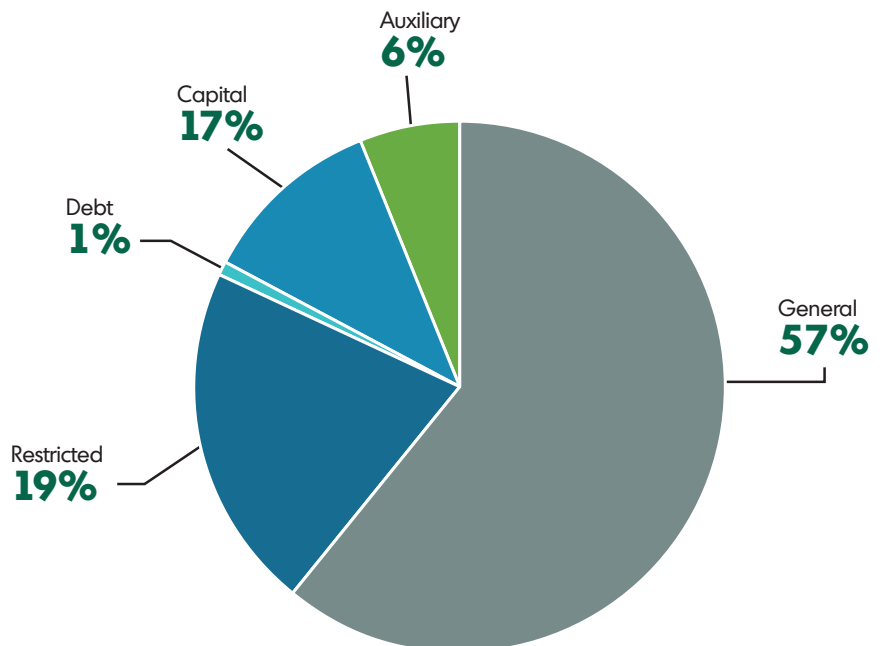
Restricted Fund: This fund accounts for monies that were given to the College on the condition they be used for a specific purpose, such as gifts, grants, or contracts.

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	\$ 59,010,200
Restricted	19,242,800
Debt	1,258,600
Capital	18,028,600
Auxiliary	6,560,200
TOTAL	\$ 104,100,400



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.

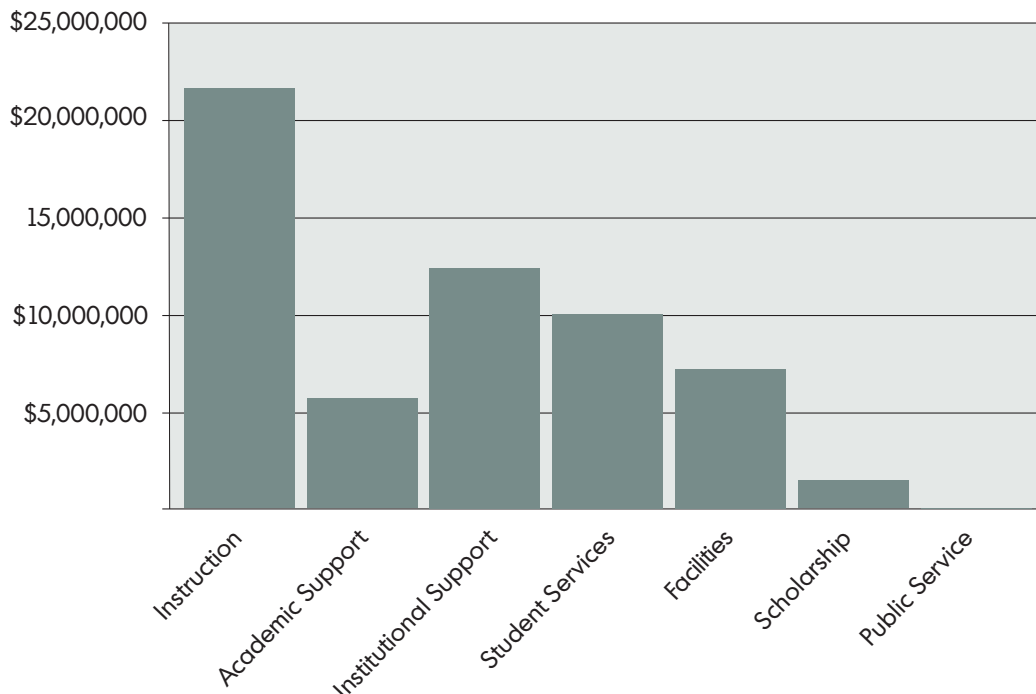
Institutional Support: Those administrative functions needed to plan and manage the college including executives, accounting, human resources, information technology, marketing, etc.

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	AMOUNT
Instruction	\$ 21,652,400
Academic Support	5,663,900
Institutional Support	12,403,400
Student Services	10,015,100
Facilities	7,192,400
Scholarship	1,440,600
Public Service	12,400

**GENERAL FUND BUDGET
by Program 2023-2024**



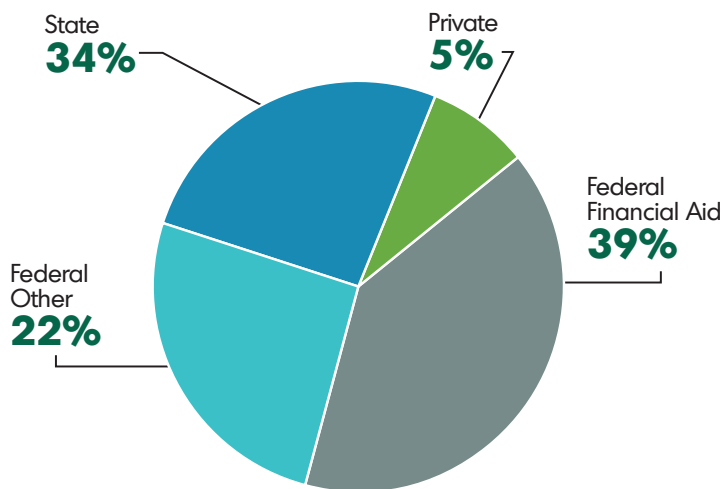


Fire Science Program

Restricted Fund

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

RESTRICTED REVENUES BY SOURCE



This year, the College brought \$19.2M 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

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.



Yavapai College Food Pantry

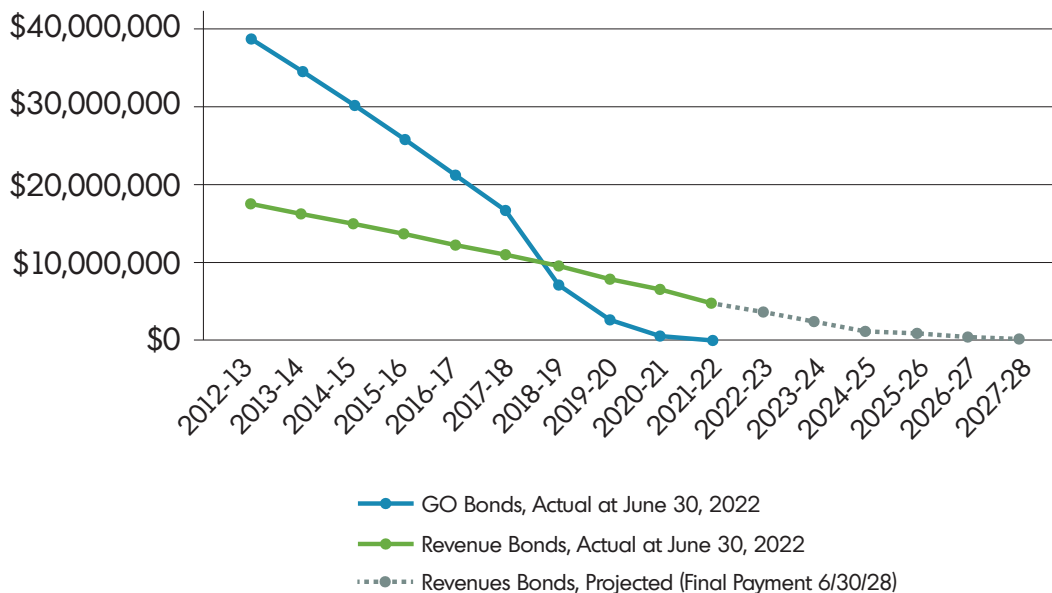
Debt Fund

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





Certified Nursing Assistant (CNA) Program

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 near in the top decile of colleges and universities.

Equipment

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.

FY2023-24 Capital Improvement Projects

- **Centers for Learning & Innovation:** update libraries on Prescott and Verde Valley Campuses to create shared space for the library, information technology support, tutoring, collaboration, content creation, meetings, socialization, and studying.
- **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.
- **Workforce Housing** YC will pilot some options to address the shortage of attainable workforce housing for YC employees. Ideas will include creating an onsite RV park, an onsite apartment, leasing apartments to sublet to employees, and purchasing manufactured housing.
- **Workforce Accelerator** YC will expand its career and Technical Education Center by up to 20,000 square feet to meet current and future workforce needs of Freeport McMoran Mine, who needs the college to develop programs for the next generation of technicians using AI and advanced automation.



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.



Residence Halls

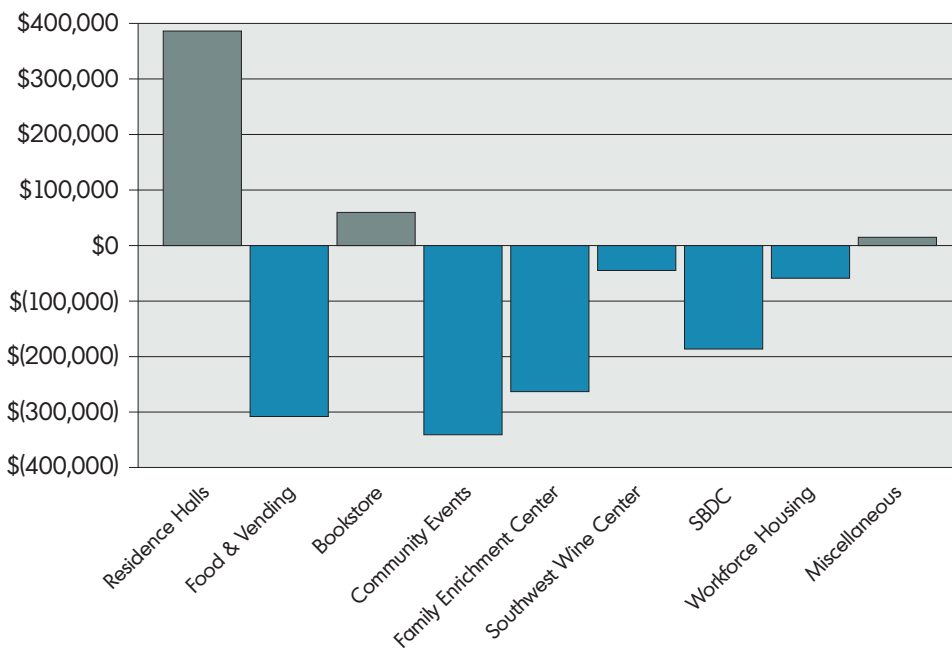


Food Services



Bookstore

AUXILIARIES BUDGETED SURPLUS/ (DEFICIT) Without Overhead Allocation FY2023-24





Family Enrichment Center



Southwest Wine Center



Community Events

Office of Vice President of Finance and Administrative Services
1100 East Sheldon Street , Prescott, Arizona 86301
(928) 445.7300 | www.yc.edu

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The purpose of this Budget-in-Brief is to give the college community an overview of the FY2024 Budget.

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

www.yc.edu/budget

