



# Fiscal Year **2018 BUDGET-IN-BRIEF**

July 1, 2017 to June 30, 2018

Community College District 502  
Counties of DuPage, Cook and Will  
and State of Illinois

# From the President



This document is the first of its kind for the College of DuPage, further supporting our effort to be transparent and promote stakeholder confidence and trust.

## **To our college community:**

College of DuPage believes in the power of teaching and learning. Our primary commitment is to facilitate and support student success in learning while remaining both accessible and affordable.

The College's budget process focuses on how we optimize student success using our available resources. The process extends over a six-month period and solicits input from the college community as well as District 502 as a whole. Through the budget process, needs are identified, prioritized, and ultimately resourced.

Understanding the College's official budget document is several hundred pages, we hope this budget-in-brief makes our annual financial plan more accessible and understandable. This document is the first of its kind for the College of DuPage, further supporting our effort to be transparent and promote stakeholder confidence and trust.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Ann E. Rondeau". The signature is fluid and cursive.

Dr. Ann E. Rondeau  
President, College of DuPage  
Vice Admiral, U.S. Navy (Ret.)





# 2018 Highlighted Action Items

The **Fiscal Year 2018 Budget** of College of DuPage begins July 1, 2017 and ends June 30, 2018.

The budget reflects the initial year considered in the College's short- and long-term planning processes. Significant items included in the College's 2018 budget are:

- **Development of a Pathways/Student Success Culture:** The pathways model will be built upon three important design principles.
  1. Redesigned programs will address all aspects of a student's college experience.
  2. A Guided Pathways redesign is not the next in a long line of discrete reforms, but rather a framework that helps integrate a variety of reform elements. The central goal will be to help each student choose, enter, and complete a program of study aligned with the student's goals for employment and further education.
  3. The redesign process begins with student end goals for careers and further education in mind and "backward maps" programs and supports to ensure that the student is prepared to thrive in employment and/or education at the next level.
- **Accelerated Debt Repayment:** The College of DuPage Board of Trustees unanimously approved the early redemption of \$5.7 million of the College's General Obligation Bonds, which will yield present value savings of an estimated \$669,000. The action will result in lower property tax bills for the community.
- **Facilities Master Plan:** In FY2018, the College will prepare a new Facilities Master Plan. The plan will serve as the roadmap for construction activities over the next several years. Anticipated future educational needs of the community college district will be a key consideration in the development of the plan.
- **Academic Affairs Reorganization:** Effective July 1, 2017, the College's Academic Affairs Division reporting structure will be streamlined. The new organizational structure will reduce the administrative footprint and provide for enhanced pay equity.



# FY2018 Budget

The College of DuPage has a diversified revenue structure consisting of local property taxes, student tuition and fees, state and federal aid, and other institutionally-generated revenues. The College believes that this diversity, the strength and stability of the local tax base, and overall sound fiscal management will continue to provide the resources necessary to fulfill COD's mission now and in the future without significant changes in the level of services provided.

## Property Taxes

One of the College's major revenue sources is local property taxes, comprising 36% of total revenue.

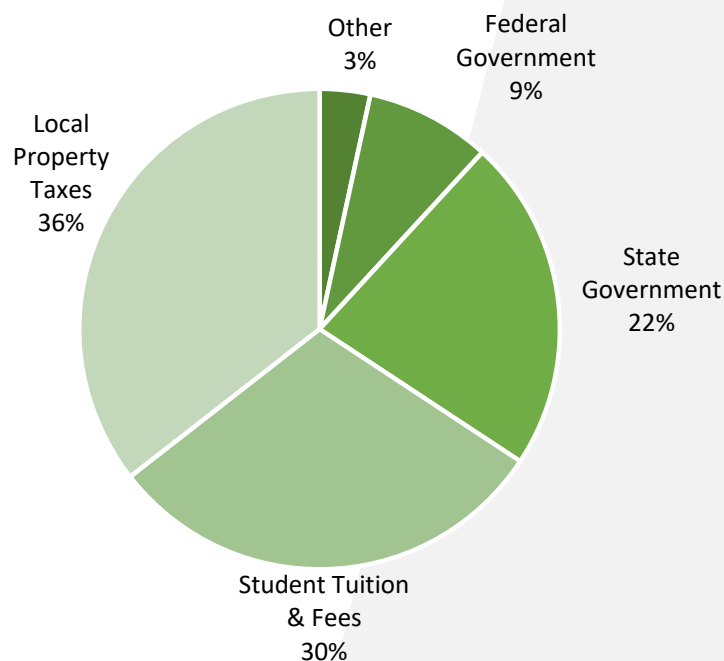
## Tuition & Fees

Student tuition and fees make up approximately 30% of revenues.

## State Government

State appropriations are approximately 22% of college revenues. These appropriations include amounts for various grants and pension contributions.

## Revenues



Revenue Sources	FY2018 Revenue Budget
Local Property Taxes	\$ 105,777,031
Student Tuition & Fees	89,888,324
State Government	66,770,514
Federal Government	25,133,045
Other	10,121,880
<b>Total</b>	<b>\$ 297,690,794</b>

*In addition to current-year revenues, on-hand cash (fund balance) is available to pay current-year expenditures.*

# Property Taxes

As part of the annual budget process of the College, a resolution is adopted by the College Board of Trustees for the tax levy amount for the current calendar year to be collected in the next year.

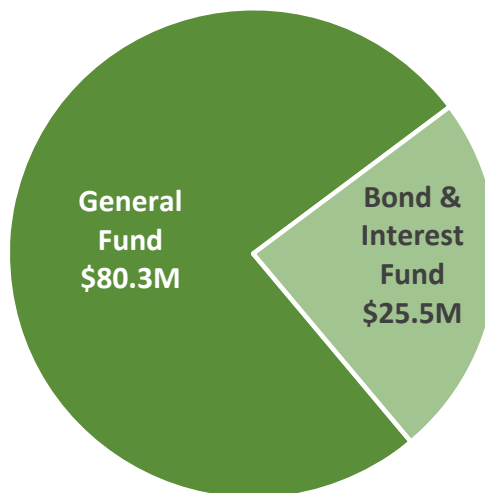
## General Fund

The operating tax levy is used to fund expenditures of the Education and Operation and Maintenance Funds (together constituting the General Fund).

## Bond & Interest Fund

The bond and interest levy is used to pay the principal and interest payments on general obligation bonds.

## Levy Distribution



The levy of College of DuPage comprises **3.3%** of the average DuPage County tax bill.



- The FY2018 budget assumes a **0%** levy increase in the General Fund.
- In 2015, the College reduced its operating levy by **5%**, resulting in savings of **\$3.2 million** for the community per year.





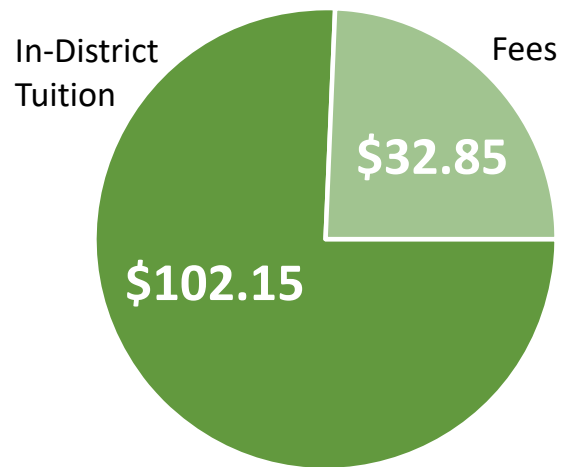
# Tuition & Fees

As described in the mission statement, the College of DuPage strives to be a center for excellence in teaching, learning, and cultural experiences by providing accessible, affordable, and comprehensive education. This is accomplished by keeping tuition as low as possible without impairing the quality or integrity of college programs and services.

## Cost of Attendance

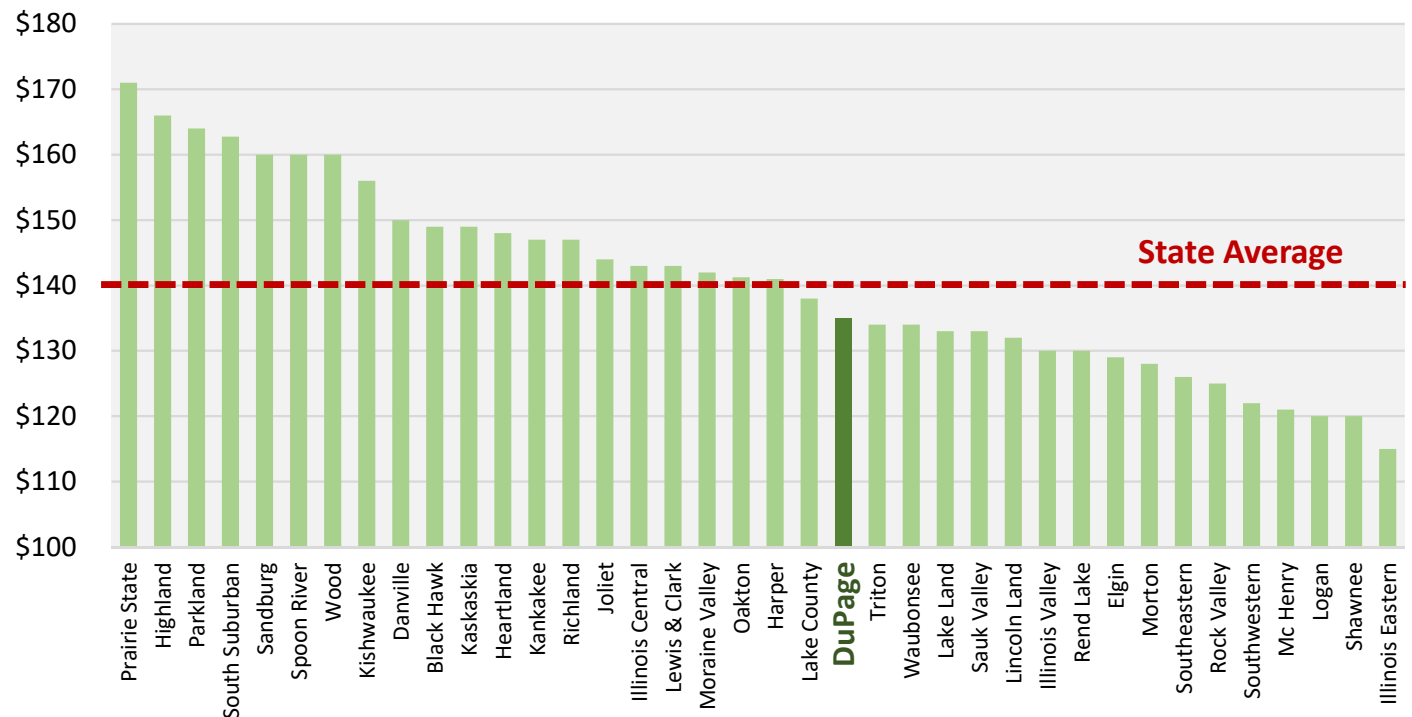
Per Credit Hour

- Since Fall 2014, the College has reduced its tuition rate **\$9.00** per credit hour.
- The current in-district rate of the College is **\$135.00** per credit hour.



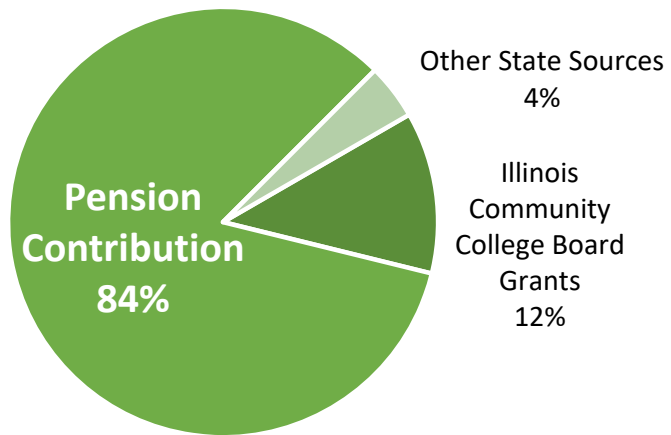
## FY2018 Tuition Rate Comparison

Illinois Community College System



# State Government

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

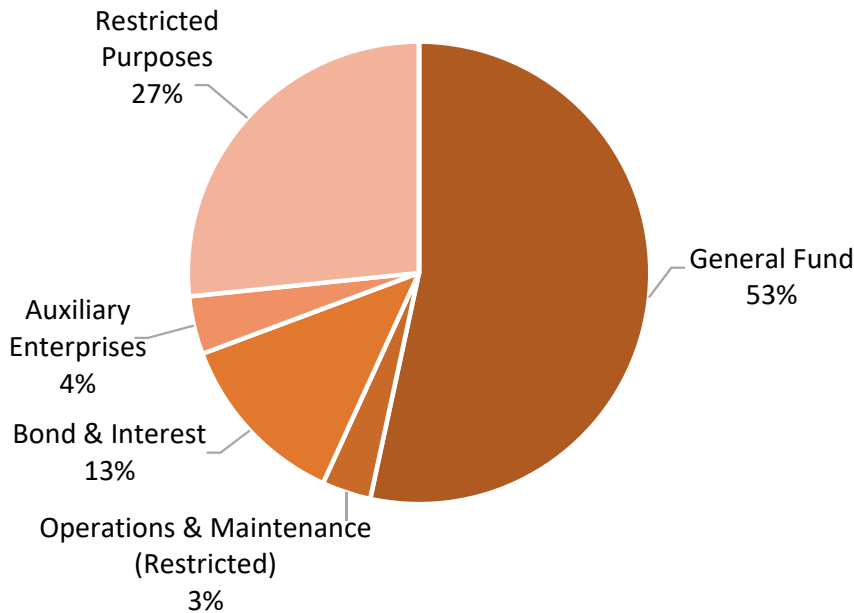


Revenue Sources	FY2018 Budget
Pension Contribution	\$ 55,853,381
ICCB Grants	8,133,559
Other State Sources	2,783,574
<b>Total</b>	<b>\$ 66,770,514</b>

- **\$55.9 million** of state support relates to the State Universities Retirement System. The State of Illinois makes pension and healthcare plan payments on behalf of the College. These payments made by the state are recognized both as revenue and an expenditure in the College’s financial statements.
- **\$8.1 million** of the state appropriations distributed through the Illinois Community College Board is included in the FY2018 Budget. This amount is **52%** of what the College has historically received. The reduced funding is due to financial stress at the state level.



# Budgeted Expenditures



College Fund	FY2018 Budget
General Fund	\$ 170,748,679
Operations & Maintenance (Restricted)	10,965,277
Bond & Interest	39,953,761
Auxiliary Enterprises	13,001,607
Restricted Purposes	85,152,694
Working Cash	7,000
<b>Total</b>	<b>\$ 319,829,018</b>

## Per Capita Cost

**\$470.81**

The total cost of delivering a credit hour of instruction at the College of DuPage in FY2017 was \$470.81.

## General Fund

The General Fund includes the expenditures needed to conduct the day-to-day business of the College. Most of the instruction and instructional support activities are recorded in the General Fund.

## Operations and Maintenance (Restricted) Fund

Expenditures accounted for in this fund are typically non-recurring capital items and relate to projects which often take more than a year to complete.

## Bond and Interest Fund

This fund is used to account for the payment of principal, interest, and related charges on any outstanding long-term debt.

## Auxiliary Enterprises Fund

The Auxiliary Enterprises Fund is used to record revenues and expenditures related to providing services to students, faculty, staff, and the general public for which a fee is charged that is intended to recover associated costs.

## Restricted Purposes Fund

The Restricted Purposes Fund is used to account for monies that have restrictions pertaining to their use, such as grants.

## Working Cash Fund

This fund is used to facilitate effective cash flow for the College.

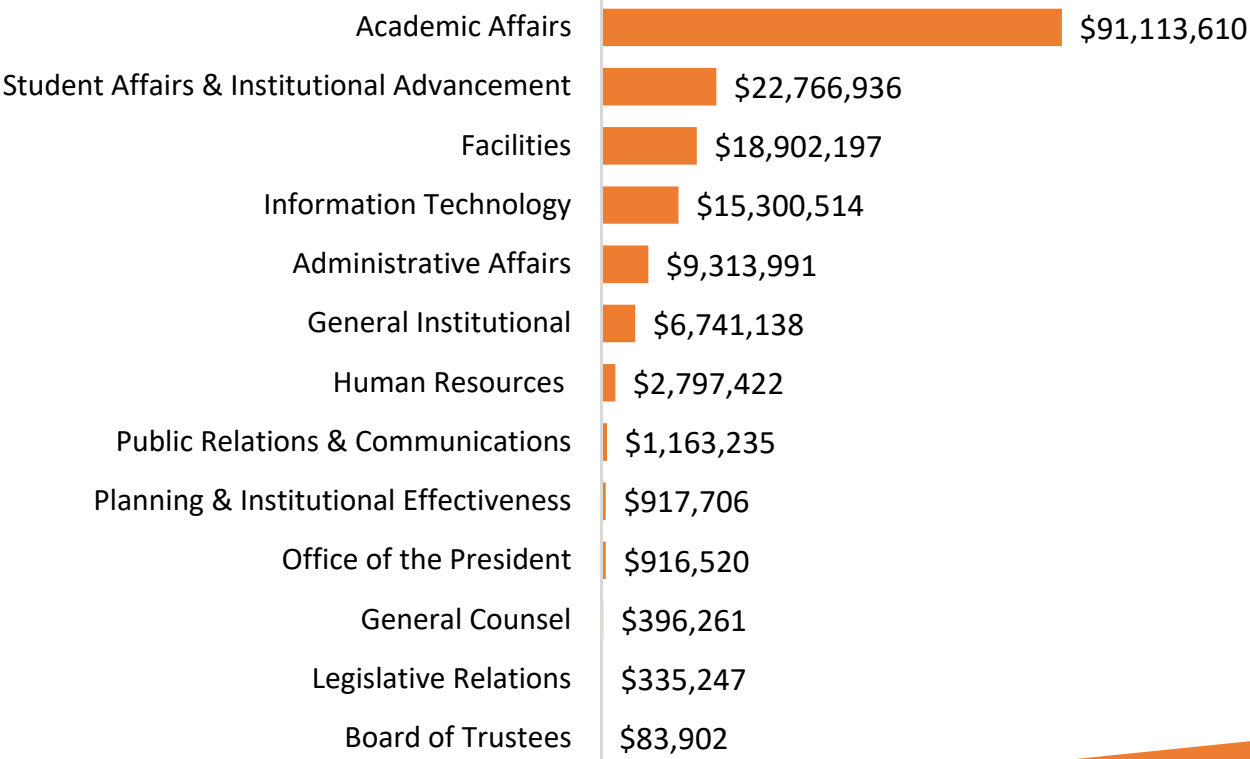


# General Fund

The General Fund includes the expenditures needed to conduct the day-to-day business of the College. Together, the Education Fund and the Operations and Maintenance Fund constitute the College’s General Fund.

- **Education Fund**                      Used to account for academic and service programs.
- **Operations and Maintenance Fund**                      Used to account for expenditures related to maintenance of the facilities and grounds.

## General Fund Expenditures By Division



# Operations & Maintenance (Restricted) Fund

Non-recurring capital items are generally charged to the Operations and Maintenance (Restricted) Fund (also known as the College's "Construction Fund") and relate to projects that often take more than a year to complete.

## FY2018 Major Capital Projects



### Turner Conference Center Upgrades

Upgrades to the Turner Conference Center will enhance the center's audio and visual systems for more effective conference use. (Infrastructure Project; \$1,200,000)



### Berg Instructional Center Adjunct Offices

Space will be built out in the Berg Instructional Center to provide additional rooms for meetings involving adjunct faculty and students. (Building Renovation; \$302,400)



### Technical Education Center Food Service Venue

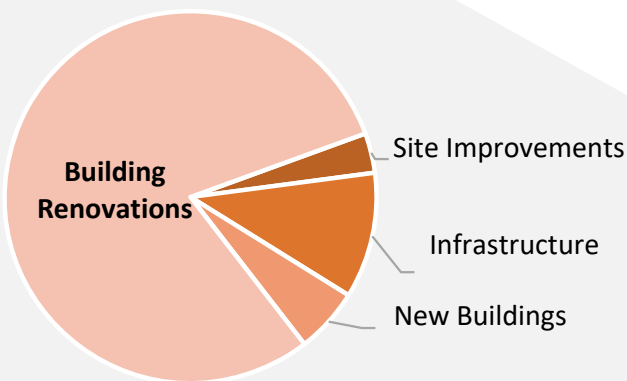
A food service venue will be opened on the College's west campus in Glen Ellyn. To meet significant student demand, the new service will offer a variety of sandwiches, salads, pastries, hot and cold drinks, as well as other food items. (Building Renovation; \$200,000)



### Partnership Hall

Partnership Hall will be constructed within a corridor of the College's Student Services Center to provide a meeting and gathering space that celebrates our academic, corporate, and community partnerships. Within this space, we will share stories about student success made possible through the partnerships. (Building Renovation; \$372,600)

### Construction Categories



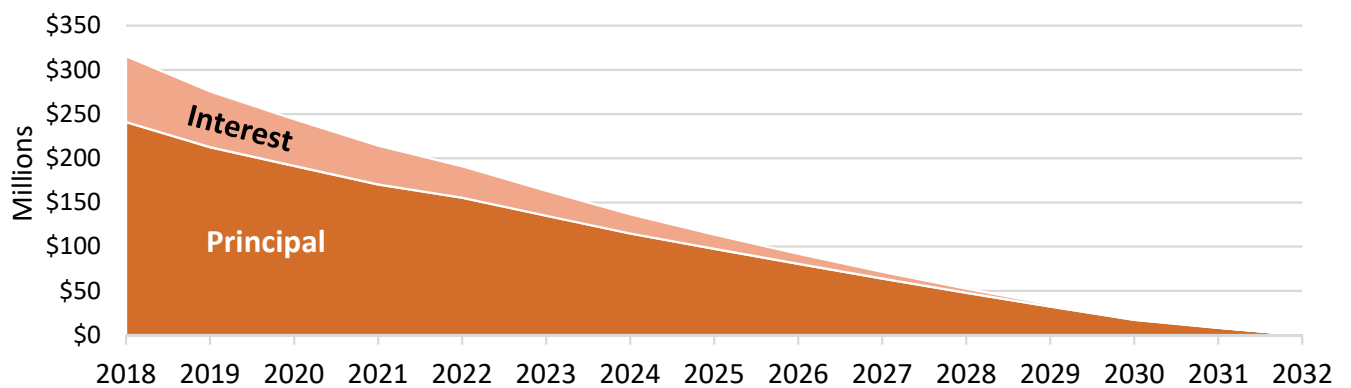
# Bond & Interest Fund

The Bond and Interest Fund is used to account for the payment of principal, interest, and related charges on any outstanding long-term debt issued by the College.

## AA Rated

On March 1, 2017, S&P Global Ratings revised its financial outlook of the College to “stable” from “negative” and affirmed its AA rating on the College’s outstanding general obligation bonds. The rating reflects the agency’s view of the community college district’s “very strong incomes and extremely strong market value per capita; very strong financial position with very little reliance on the State of Illinois; and low-to-moderate overall debt burden.”

## College’s Bond Repayment Schedule

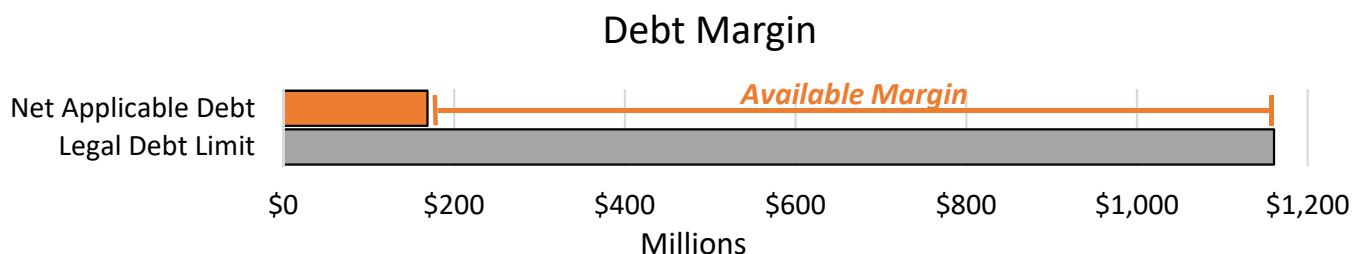


## Early Redemption

- The College of DuPage Board of Trustees unanimously approved the early redemption of **\$5.7 million** of general obligation bonds. The early redemption will yield present value savings of approximately \$669,000 for the community’s property taxpayers.

## Debt Margin

- The College has \$168.7 million of net debt outstanding applicable to a legal limitation, leaving an estimated margin of \$991.8 million as of June 30, 2017.





# Auxiliary Enterprises Fund

The Auxiliary Enterprises Fund is used to record revenues and expenditures associated with the provision of services to students, faculty, staff, and the general public for a fee that is directly related to the service provided.

Each activity is accounted for in a manner similar to that which is used for a private business enterprise.

## Major Business Enterprises



### Continuing Education

There are over 35 departments under the banner of Continuing Education (CE) organized into three main divisions: Business Solutions, Youth Academy, and Adult Enrichment. CE provides both credit and non-credit classes.



### McAninch Arts Center

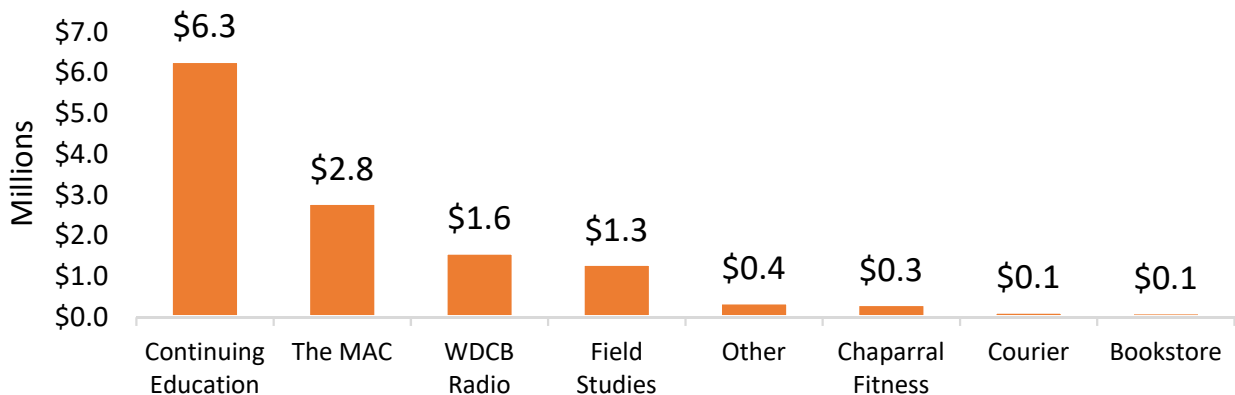
The McAninch Arts Center houses and manages the performing arts for the College. The three major functions of the arts center consist of performances by internal and hired artists; touring shows; and operations and building upgrades.



### WDCB Radio

WDCB is a broadcast service of College of DuPage from which the College can reach the community through cultural and news/public affairs programming. WDCB presents the College to a vast audience in northeastern Illinois, especially the greater Chicago metropolitan area and District 502.

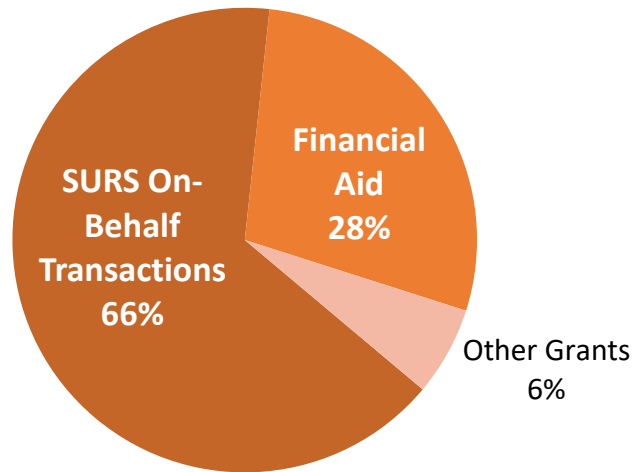
## Auxiliary Expenditures by Business Unit



# Restricted Purposes Fund

The Restricted Purposes Fund is used to account for monies that have restrictions regarding their expenditure, such as grants.

## Restricted Fund Expenditures



## SURS On-Behalf Transactions

**\$55.9 million** of the state appropriation relates to the State University Retirement System pension costs. The State of Illinois makes pension and healthcare plan payments on behalf of the College. These payments are recognized both as revenue and an expenditure in the College's financial statements.

## Financial Aid

Financial aid is money to help students pay for college. The FY2018 budget includes **\$24.0 million** of aid, payable from the following sources:

- Federal Pell Grants
- Federal Work Study
- Federal Direct Loans
- Federal Plus Loans
- Opportunity Grants
- Scholarships
- Military Grants
- Student-to-Student Grants
- Monetary Award Program



**The purpose of this Budget-in-Brief is to give the college community an overview of the College of DuPage's FY2018 Budget. The complete FY2018 budget document can be found on the College's website:**

[http://www.cod.edu/about/office\\_of\\_the\\_president/planning\\_and\\_reporting\\_documents/budget.aspx](http://www.cod.edu/about/office_of_the_president/planning_and_reporting_documents/budget.aspx)



## COLLEGE OFFICIALS

### **BOARD OF TRUSTEES**

**Deanne Mazzochi**, Board Chairman  
**Frank Napolitano**, Board Vice Chairman  
**Christine M. Fenne**, Board Secretary  
**Alan L. Bennett**, Trustee  
**Charles Bernstein**, Trustee  
**Daniel Markwell**, Trustee  
**Joseph C. Wozniak**, Trustee  
**Anthony Walker**, Student Trustee

### **PRESIDENT**

**Dr. Ann E. Rondeau**

### **COLLEGE BUDGETING STAFF**

**Dr. Brian W. Caputo**, Vice President,  
Administrative Affairs and Treasurer (CFO)  
**Robert Hayley**, Budget Manager  
**Antoinette Stella**, Budget Analyst

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Glen Ellyn, Illinois 60137-6599  
cod.edu

**The mission of College of DuPage** is to be a center for excellence in teaching, learning, and cultural experiences by providing accessible, affordable, and comprehensive education.

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