



JOINT MEETING of the
WARREN COUNTY FINANCE,
PERSONNEL, and HIGHER
EDUCATION COMMITTEE
and
WASHINGTON COUNTY
COMMUNITY COLLEGE and
FINANCE COMMITTEES



AGENDA
Zoom meeting
June 4, 2021 - 10:00 A.M.

- I. Welcome from President Duffy
- II. Status of the College
- III. SUNY Adirondack Re-opening Plans
- IV. 2021-2022 Proposed Budget
- V. Facilities Master Plan Update

SUNY Adirondack's 2021-2022 Budget Overview As of May 28, 2021

Assumptions that inform the budget

- Enrollment
- Personnel and benefits
- Funding sources
- Return to pre-pandemic operations

2021-2022 enrollment projections

In fall 2020, after 4 years of enrollment decline, the college experienced its deepest enrollment loss in recent history. This steep decline resulted in nearly \$1.5M in lost tuition revenue. The impact of COVID 19 on community college students was substantial.

Almost all of our enrollment loss (400) were low-income students, those hardest hit during the pandemic and most likely to have lost employment, have limited resources needed to learn in a remote environment, and possess other life responsibilities too complex to manage during the pandemic.

Although we are optimistic about our ability to hold many more in-person classes and activities in the fall, we are conservatively projecting enrollment due to this year's decline. Taking a conservative approach allows us the ability to add to our budget if enrollment exceeds the projection versus having to make further cuts or access our fund balance. The college has used a statistical model to project annual enrollment that in "normal" times has accurately projected enrollment within about a +-5% variance. The greatest predictors of enrollment are the enrollment for the previous semester (spring 2021), prior fall and admission applications at the time of the projection.

Our enrollment projection is -11% when comparing fall 2020 to the projected number for fall 2021. This continued decline, coupled with keeping tuition flat and eliminating three fees to better assist student in accessing education, will result in \$2.5M in lost tuition and fee revenue from 2019-20.

Diversifying enrollment through serving new populations:

- Prison education program with Washington Correctional Facility (expecting 20 students to enroll in fall 2021).
- Expanding locations and program offerings with our educational partner in Qatar. Expecting 60 students this fall 2021.
- Expanding classes at our Saratoga center around health care occupations.
- Aggressive advertising and marketing throughout the Capital Region and local counties

Expense Reductions

- To achieve a reduction in spending, the college made many difficult decisions in 2020-2021 that included the elimination of two degree programs, and five concentrations that are expected to achieve savings of approximately \$550K. Seven full-time faculty and 5 three-quarter time faculty positions were eliminated due to low enrolled courses and the need to reduce overall personnel costs, however, if enrollment rebounds and there is need, some positions may be restored. Eight full-time and three part time administrative positions were eliminated due to reorganization, consolidation or sharing positions with other community colleges. In addition, the college has achieved additional salary savings over the past several years by leaving faculty and administrative staff positions vacant through attrition.
- The college has implemented several strategic initiatives related to benefit cost reductions which equate to approximately \$600K in savings in this budget.
- The College's largest sources of revenue are tuition and fees paid by students. This represents 44% of our total budget. The other major revenue sources are state aid (normally about 26.3%), charges to other New York counties that send students (12%), funding from our sponsors, Warren and Washington counties, (11%), and other revenue including charitable donations (6.6%).

Here are the projected 2021-2022 contributions

Student Tuition and Fees: 0% increase; \$11.6M; 38.2% of total revenue

State aid: \$130k decrease; \$7.8M; 25.9% of total revenue

Revenue from Non-Local Counties \$4.1M; 13.5% of total revenue
(This is what is referred to as the charge-back revenue)

Local Counties' Contribution

Washington County Contribution: \$1.58M; \$31K increase; 5.2% of total revenue

Warren County Contribution: \$2.13M; \$42k increase; 7.0% of total revenue

(Includes the proposed \$71,000 requested increase split between Warren and Washington counties)

- The local counties' financial support for SUNY Adirondack is critical in two ways: First, it supports essential services at SUNY Adirondack; second, it also leverages the even greater additional funding that SUNY Adirondack receives from other counties that send students to the college. If local funding is reduced, SUNY Adirondack is eligible for less funding from other counties in this and future years.

• Here's how the state's "chargeback" formula works:

- Roughly half of SUNY Adirondack's students live in Warren and Washington counties; half are residents of other New York counties or other states.
- Tuition revenue received from counties that send non-local students to SUNY Adirondack is a vitally important source of funding. At nearly \$4 million annually, it is roughly equal to the funding SUNY Adirondack receives from the local counties.
- The charges non-local counties pay to send students to SUNY Adirondack are determined by the level of financial support the college receives from the two local counties.
- When the local counties reduce financial support for SUNY Adirondack, revenue from other counties is commensurately reduced. The cumulative impact on the college is significant. For instance, if the supervisors of Warren and Washington Counties approved a 0% increase in local county funding for 2021-2022, that would actually result in a loss of at least \$800K in revenue from other counties, over a 5-year period even if the local counties increased their funding back to 2% in future years.

The college's mission -- to provide an outstanding academic experience for its students -- is even more critical during a period of economic recovery. SUNY Adirondack continues to help local healthcare providers address the shortage of nurses, support local high school students who wish to begin higher education without leaving home, assist mid-career local residents who have lost jobs master new skills so they can return to the workforce, and provide local companies with specialized training for their employees so they can compete more effectively in the post-COVID world.

ADIRONDACK COMMUNITY COLLEGE

RESOLUTION

OPERATING BUDGET FOR FISCAL YEAR 2021 - 2022

WHEREAS, the Federal Government has - to date - provided three tranches of extraordinary support for institutes of postsecondary education, including Adirondack Community College, that have aided in blunting the impact of the COVID-19 pandemic on operations; and

WHEREAS, these much-needed-and-appreciated infusions of support are tied to evolving guidelines and interpretations that require that Adirondack Community College must be nimble and responsive to these changes; and

WHEREAS, there exists the possibility that the Federal Government may take additional actions that may require that Adirondack Community College must be adroit in addressing operational challenges and adjust spending levels; and

WHEREAS, the College's Board of Trustees, at their meeting of May 27, 2021 intends to approve an operating budget for Adirondack Community College for the period September 1, 2021 and concluding August 31, 2022 in the amount of Thirty Million Four Hundred Sixty Four Thousand Six Hundred Forty Six Dollars (\$30,464,646) and restricted grant budget of Two Million Two Hundred Forty Five Thousand Seven Hundred Seventy Four Dollars (\$2,245,774) for a gross amount of Thirty Two Million Seven Hundred Ten Thousand Four Hundred Twenty Dollars (\$32,710,420), which may require adjustment in either a positive or negative direction due to opportunities and challenges provided by the Federal Government; now, therefore, be it

RESOLVED, that pursuant to Section 6304 of the Education Law of the State of New York, a budget in the amount of Thirty Million Four Hundred Sixty Four Thousand Six Hundred Forty Six Dollars (\$30,464,646) and restricted grant budget of Two Million Two Hundred Forty Five Thousand Seven Hundred Seventy Four Dollars (\$2,245,774) for a gross amount of Thirty Two Million Seven Hundred Ten Thousand Four Hundred Twenty Dollars (\$32,710,420), or such amount that may be adjusted following action by the Federal Government, be and the same is hereby adopted for Adirondack Community College for the period beginning September 1, 2021 and concluding on August 31, 2022; and, and, and is subject to the approval of the Boards of Supervisors of Warren and Washington Counties, be it further

RESOLVED, that any such adjustments may be delegated to the President of Adirondack Community College under the agreement that such adjustments - and the rationale and reason for such - be communicated in a formal matter to the College's Board of Trustees as well as the Board of Trustees of the State University of New York (SUNY) as soon as may be practicable following these adjustments being made.