

Arizona Community Colleges

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DESCRIPTION	FY 2004 ACTUAL	FY 2005 ESTIMATE	FY 2006 JLBC
SPECIAL LINE ITEMS			
Operating State Aid			
Cochise	5,540,500	6,232,700	7,828,500
Coconino	2,905,500	3,025,000	3,147,700
Gila	0	0	274,600
Graham	5,252,400	5,252,400	5,370,400
Maricopa	46,613,700	51,290,500	54,863,300
Mohave	3,630,300	3,710,000	3,710,000
Navajo	4,210,300	4,412,300	4,412,300
Pima	18,125,700	19,593,500	19,593,500
Pinal	5,659,100	5,659,100	5,915,800
Yavapai	4,589,200	4,724,500	4,738,700
Yuma/La Paz	5,222,600	5,447,800	5,447,800
<i>Subtotal - Operating State Aid</i>	101,749,300	109,347,800	115,302,600
Capital Outlay State Aid			
Cochise	681,800	912,200	965,600
Coconino	319,300	355,700	383,000
Gila	0	0	61,100
Graham	616,700	509,500	535,700
Maricopa	8,309,800	10,372,200	10,977,900
Mohave	440,400	492,000	491,000
Navajo	466,500	586,300	576,900
Pima	2,654,800	3,297,800	3,268,000
Pinal	658,800	711,100	768,200
Yavapai	567,400	683,800	686,900
Yuma/La Paz	718,600	866,500	865,400
<i>Subtotal - Capital Outlay State Aid</i>	15,434,100	18,787,100	19,579,700
Equalization Aid			
Cochise	2,208,300	3,151,300	3,441,800
Graham	7,273,300	9,588,000	10,417,100
Navajo	1,441,300	2,134,800	2,735,700
Yuma/La Paz	202,400	606,000	848,800
<i>Subtotal - Equalization Aid</i>	11,125,300	15,480,100	17,443,400
Tribal Community Colleges	1,750,000	1,750,000	1,750,000
Gila Provisional Community College	0	325,000	0
Rural County Reimbursement	2,587,600	0	0
AGENCY TOTAL	132,646,300	145,690,000	154,075,700

FUND SOURCES

General Fund	132,646,300	145,690,000	154,075,700
SUBTOTAL - Appropriated Funds	132,646,300	145,690,000	154,075,700
Other Non-Appropriated Funds	13,129,900	14,444,300	15,525,100
TOTAL - ALL SOURCES	145,776,200	160,134,300	169,600,800

CHANGE IN FUNDING SUMMARY

	FY 2005 to FY 2006 JLBC	
	\$ Change	% Change
General Fund	8,385,700	5.8%
Total Appropriated Funds	8,385,700	5.8%
Non Appropriated Funds	1,080,800	7.5%
Total - All Sources	9,466,500	5.9%

AGENCY DESCRIPTION — The Arizona community college system is comprised of 10 college districts and 1 provisional district. Arizona’s community colleges provide programs and training in the arts, sciences and humanities, and vocational education leading to an Associates degree, Certificate of Completion, or transfer to a Baccalaureate degree-granting college or university.

PERFORMANCE MEASURES	FY 2003 Actual	FY 2004 Actual	FY 2005 Estimate	FY 2006 JLBC
• % of upper-division students at universities who transfer from an Arizona Community College with 12 or more credits	48	49	48	--
• % of students who transfer to Arizona public universities without loss of credits	NA	NA	96	96
• No. of applied Baccalaureate programs collaboratively developed with universities	NA	NA	8	8
• % of community college campuses that offer 2-way interactive TV courses	NA	100	100	--

Comments: The community colleges did not submit information for any measure labeled as “NA.”

RECOMMENDED CHANGES FROM FY 2005

Special Line Items

Operating State Aid

The JLBC recommends \$115,302,600 from the General Fund for Operating State Aid in FY 2006. This amount would fund the following adjustment:

FY 2006

Operating State Aid Formula GF \$5,954,800

The JLBC recommends an increase of \$5,954,800 from the General Fund in FY 2006 to fully fund the statutory formula for Operating State Aid.

These Special Line Items provide each community college district with funds for continuing operating and maintenance expenses pursuant to A.R.S. § 15-1466.

The Operating State Aid formula adjusts state aid in an amount that reflects only growth in the full-time student equivalent (FTSE) enrollment count. This enrollment adjustment is calculated by multiplying the increase in the most recent year’s actual FTSE for each district by the average state aid per FTSE appropriated in the current fiscal year. (For FY 2006, the last actual FTSE data was from FY 2004.) The formula “holds harmless” districts with declining FTSE enrollment, as the formula does not adjust state aid downward for these districts. Audited enrollment is 115,873 FTSE and grew by 6,069 FTSE, or 5.5%.

Capital Outlay State Aid

The JLBC recommends \$19,579,700 from the General Fund for Capital Outlay State Aid in FY 2006. This amount would fund the following adjustment:

Capital Outlay State Aid Formula GF 792,600

The JLBC recommends an increase of \$792,600 from the General Fund in FY 2006 to fully fund the statutory formula for Capital Outlay State Aid.

These Special Line Items provide the community college districts with funds for capital land, building, and equipment needs pursuant to A.R.S. § 15-1464.

The Capital Outlay State Aid formula provides per capita funding to districts based on the district’s size and the most recent year’s actual audited FTSE. The statutory formula multiplies \$210/FTSE for districts with 5,000 or less FTSE or \$160/FTSE for districts with greater than 5,000 FTSE by the district’s actual audited FTSE.

Equalization Aid

The JLBC recommends \$17,443,400 from the General Fund for Equalization Aid in FY 2006. This amount would fund the following adjustment:

Equalization Aid Formula GF 1,963,300

The JLBC recommends an increase of \$1,963,300 from the General Fund in FY 2006 to fully fund the statutory formula for Equalization Aid.

These Special Line Items provide additional state aid to qualifying community college districts whose tax base is insufficient to provide adequate funding for continuing operations and maintenance pursuant to A.R.S. § 15-1468.

Equalization Aid is paid to community college districts with property tax bases that are less than the minimum assessed value specified in A.R.S. § 15-1402. Under the Equalization Aid formula, the minimum assessed valuation is increased by the average growth in actual assessed valuation for the 2 most recent years for all rural districts with populations of less than 500,000 persons. For the

SUMMARY OF FUNDS	FY 2004 Actual	FY 2005 Estimate
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Tribal Assistance (No Fund Number/A.R.S. § 42-5029)

Non-Appropriated

Source of Revenue: A portion of the 0.6% education sales tax. The law directs each qualifying tribal college to receive distributions in the same manner as the transfers to individual community college district workforce development accounts. A “qualifying Indian tribe” means an Indian tribe that owns, operates, and charters any community college located on its own reservation in this state. In FY 2004 and FY 2005 Diné College and Tohono O’odham Community College qualified for this distribution.

Purpose of Fund: To provide support to one or more community colleges owned, operated, or chartered by a qualifying Indian tribe and shall be used in a manner consistent with A.R.S. § 15-1472B for workforce development and job training.

Funds Expended	495,100	501,400
Year-End Fund Balance	0	0

Workforce Development Accounts (varies by account/A.R.S. § 15-1472)

Non-Appropriated

Source of Revenue: Three percent of collections from the 0.6% education sales tax after debt service on state school facilities revenue bonds transferred to individual community college district workforce development accounts. These accounts were authorized by voter approval of Proposition 301 in the November 2000 General Election.

Purpose of Fund: To fund workforce development and training activities. From FY 2002 to FY 2014, the first \$1 million is to be distributed to bring the state into compliance with the matching capital requirements for new community college campuses prescribed in A.R.S. § 15-1463.

Funds Expended - Capital	1,000,000	1,000,000
Funds Expended - Operating	11,634,800	12,942,900
Year-End Fund Balance	0	0

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