

STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES

A.R.S. § 15-1424

Donald E. Puyear, Executive Director

JLBC Analyst: Bruce Groll

**General Fund and Community College
Certification Fund****FY 1999
Actual****FY 2000
Estimate****FY 2001
Approved**Program Summary

State Board Administration	1,330,700	950,700	973,700
Teacher Certification	148,900	148,100	150,400
State Aid to College Districts	<u>122,774,400</u>	<u>129,294,300</u>	<u>134,257,400</u>
Total Appropriations	124,254,000	130,393,100	135,381,500

Expenditure Detail

FTE Positions	13.0	13.0	13.0
Personal Services	559,200	603,000	615,000
Employee Related Expenditures	93,400	102,500	111,900
Professional and Outside Services	22,300	12,800	12,800
Travel - In State	40,200	32,000	32,100
Travel - Out of State	4,200	3,200	3,200
Other Operating Expenditures	104,800	119,100	119,100
Equipment	<u>19,400</u>	<u>4,300</u>	<u>4,300</u>
Operating Subtotal	843,500	876,900	898,400 ^{1/}

Operating State Aid

Cochise	5,583,000	6,115,000	6,321,400
Coconino	3,130,800	3,201,300	3,130,800
Graham	5,328,800	5,484,500	5,645,600
Maricopa	41,481,500	44,804,900	47,945,800
Mohave	3,879,500	3,980,200	4,048,800
Navajo	4,326,300	4,424,100	4,326,300
Pima	17,233,700	19,790,000	19,963,100
Pinal	6,040,600	6,180,100	6,165,100
Yavapai	4,861,500	5,165,300	5,079,600
Yuma/La Paz	<u>5,195,300</u>	<u>5,496,900</u>	<u>5,312,700</u>
Total - Operating State Aid	97,061,000	104,642,300	107,939,200

Capital Outlay State Aid

Cochise	613,000	683,600	750,100
Coconino	333,500	314,400	313,300
Graham	547,500	553,800	606,700
Maricopa	7,381,600	7,660,000	8,299,400
Mohave	450,700	450,900	482,400
Navajo	446,900	441,400	419,600
Pima	2,399,500	2,664,300	2,784,600
Pinal	646,600	639,200	662,600
Yavapai	547,700	580,200	588,000
Yuma/La Paz	<u>649,500</u>	<u>671,200</u>	<u>662,800</u>
Total - Capital Outlay State Aid	14,016,500	14,659,000	15,569,500 ^{2/}

Equalization Aid

Cochise	1,738,300	1,892,300	2,092,200
Graham	6,731,300	7,001,700	7,275,100
Navajo	896,200	997,200	1,263,600
Pinal	0	33,000	0
Yuma/La Paz	<u>52,100</u>	<u>68,800</u>	<u>117,800</u>
Total - Equalization Aid	9,417,900	9,993,000	10,748,700

STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES (Cont'd)

Technology Assisted Learning	336,100	0	0
Arizona Transfer Articulation Support System	300,000	221,900	225,700
Rural County Reimbursement	2,279,000	0	0
Total Appropriations	124,254,000	130,393,100	135,381,500 ^{3/4}
<u>Fund Summary</u>			
General Fund	124,105,100	130,245,000	135,231,100
Community College Certification Fund	148,900	148,100	150,400
Total Appropriations	124,254,000	130,393,100	135,381,500

Agency Description — *The Arizona community college system is comprised of a state board of directors and 10 college districts. The board consists of 17 members — one from each county, appointed by the Governor; a representative of the Arizona Board of Regents (ABOR); and the Superintendent of Public Instruction or the Superintendent’s designee. The State Board of Directors for Community Colleges (State Board); a) enacts ordinances for the governance of the community colleges; b) sets standards for their operation; c) arranges for certification of community college teachers, and fixes and collects fees for issuance and renewal of certificates; and d) fixes student tuition and fees. 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.*

Supplemental Appropriations; Adjustments — The approved supplemental appropriation adds \$1,736,400 from the General Fund in FY 2001 to Community College districts. This amount fully funds the community college statutory formulas for Operating, Capital, and Equalization Aid. The statutes require use of actual audited Full-Time Student Equivalent (FTSE) counts and current assessed property valuations for determining Community College funding. FTSE counts are based on 2 years prior actual audited enrollment; therefore, FY 2001 funding for Operating and Capital Outlay State Aid is based on FY 1999 FTSE. Net actual audited FTSE grew by 5,466 or 6.4% vs. the 4,020 FTSE or 4.8% net growth estimated for FY 1999 and used in the original FY 2001 Operating and Capital Outlay State Aid appropriations — a difference of 1,446 FTSE. The higher enrollment increases net Operating State Aid by \$1,715,600 and net Capital Outlay State Aid by \$236,100.

an average rate of 4.4% vs. 3.8% average growth estimated for FY 1999 and used in the original FY 2001 Equalization Aid appropriations. The higher assessed value growth reduces Equalization Aid by \$(215,300).

FY 1999 FTSE Estimate vs. Actual			
<u>Districts</u>	<u>Estimated</u>	<u>Audited Actual</u>	<u>Difference</u>
Cochise	3,591	3,572	(19)
Coconino	1,497	1,492	(5)
Graham	2,667	2,889	222
Maricopa	49,615	51,871	2,256
Mohave	2,148	2,297	149
Navajo	2,102	1,998	(104)
Pima	18,307	17,404	(903)
Pinal	3,044	3,155	111
Yavapai	2,918	2,800	(118)
Yuma/LaPaz	3,299	3,156	(143)
Total	89,188	90,634	1,446

The FY 2001 Equalization Aid amount is based on Tax Year 1999 actual primary assessed valuations. Primary assessed valuations in 1999 for the 8 rural districts grew at

Applying these actual data to the 3 principal funding formulas results in a net increase of \$1,736,400 for the 10 community college districts as follows:

- 1/ The \$148,100 appropriation for FY 2000 and the \$150,400 appropriation for FY 2001 from the Community College Certification Fund are intended for the specific purpose of defraying teacher certification costs and include \$138,100, and \$140,400, respectively, for total direct certification costs of staff salaries, Employee Related Expenditures and all other direct operating expenses, and \$10,000 for related Indirect Costs for administrative expenses incurred by the board. (General Appropriation Act footnote, as adjusted for state employee pay increase)
- 2/ Each district has the option of using up to 20% of its total Capital Outlay Aid appropriation for Operating Aid purposes, or this same amount may be taken out of its total Operating State Aid appropriation and used for Capital Outlay purposes (A.R.S. § 15-1464F).
- 3/ General Appropriation Act funds are appropriated as an Operating Lump Sum with district-by-district Special Line Items and Other Special Line Items.
- 4/ It is the intent of the Legislature that the Community Colleges and Universities cooperate in operating a Statewide Articulation and Transfer System, including the process for transfer of lower division general education credits, general elective credits and curriculum requirements for majors, to ensure that community college students may transfer to Arizona public universities without a loss of credits toward a baccalaureate degree. It is also the intent of the Legislature that the Higher Education Study Committee continue the collaborative process that assures that the postsecondary education needs of students statewide are met without unnecessary duplication of programs. The committee shall focus its efforts on potential students who reside in rural areas or who cannot meet the regular class schedule due to their employment and family matters. The Arizona Board of Regents and the State Board of Directors for Community Colleges shall submit an annual report of their progress on both articulation and meeting statewide postsecondary education needs to the Joint Legislative Budget Committee by December 15, 1999 and December 15, 2000. (General Appropriation Act footnote)

STATE BOARD OF DIRECTORS FOR COMMUNITY COLLEGES (Cont'd)

State Aid to Community Colleges			
	<u>FY 2001</u>	<u>FY 2001</u>	<u>FY 2001</u>
	<u>Approved</u>	<u>Revised</u>	<u>\$ Difference</u>
Operating State Aid			
Cochise	\$ 6,348,800	\$ 6,321,400	\$ (27,400)
Coconino	3,130,800	3,130,800	0
Graham	5,397,200	5,645,600	248,400
Maricopa	45,447,500	47,945,800	2,498,300
Mohave	3,881,700	4,048,800	167,100
Navajo	4,326,300	4,326,300	0
Pima	21,005,900	19,963,100	(1,042,800)
Pinal	6,040,600	6,165,100	124,500
Yavapai	5,214,700	5,079,600	(135,100)
Yuma/La Paz	<u>5,430,100</u>	<u>5,312,700</u>	<u>(117,400)</u>
Total	\$106,223,600	\$107,939,200	\$1,715,600
Capital Outlay State Aid			
Cochise	\$ 754,100	\$ 750,100	\$ (4,000)
Coconino	314,400	313,300	(1,100)
Graham	560,100	606,700	46,600
Maricopa	7,938,400	8,299,400	361,000
Mohave	451,100	482,400	31,300
Navajo	441,400	419,600	(21,800)
Pima	2,929,100	2,784,600	(144,500)
Pinal	639,200	662,600	23,400
Yavapai	612,800	588,000	(24,800)
Yuma/La Paz	<u>692,800</u>	<u>662,800</u>	<u>(30,000)</u>
Total	\$15,333,400	\$15,569,500	\$236,100
Equalization Aid			
Cochise	\$ 2,020,000	\$ 2,092,200	\$ 72,200
Graham	7,224,800	7,275,100	50,300
Navajo	1,163,700	1,263,600	99,900
Pinal	555,500	0	(555,500)
Yuma/La Paz	<u>0</u>	<u>117,800</u>	<u>117,800</u>
Total	\$10,964,000	\$10,748,700	\$(215,300)
State Aid Total	\$132,521,000	\$134,257,400	\$1,736,400

- Examine current state funding and the long term cost benefit of dual enrollment courses.
- Research the effects of dual enrollment on student success, retention and continuation of education.
- Submit a final report to the Governor, the Legislature, the Department of Education, the State Board of Directors for Community Colleges and the Arizona Board of Regents by December 15, 2000.

In-State Tuition; Teachers (Chapter 322) - Allows a person who is employed by a school district in Arizona and is under contract to teach on a full-time basis, or is employed as a non-certified classroom aide, to qualify for in-state tuition at a community college or university. The in-state classification applies only to courses necessary to complete the requirements for certification to teach in an Arizona school district.

[Click here for more information from the initial biennial appropriations report \(June 1999\)](#)

Rural County Reimbursement — The FY 1999 actual expenditure of \$2,279,000 is to reimburse community college districts for students enrolled from counties that are not a part of an established community college district. Pursuant to A.R.S. § 15-1469, this General Fund reimbursement is offset by a corresponding reduction in the county’s sales tax apportionment. The payments made on behalf of the counties are not included in county expenditure limits established in the Arizona Constitution.

Additional Legislation: Study Committee: Dual Enrollment (Chapter 136) — Establishes a 16-member joint legislative study committee on dual enrollment. Dual enrollment refers to high school students who are enrolled in community college courses for both high school and community college credit. Some of these courses are offered at the high schools during the regular school day and are taught by community college certified high school instructors. The bill designates that the Legislature shall provide staff, administrative and technical support and meeting space for the Committee and charges the Committee to:

- Evaluate guidelines for dual enrollment and determine minimum standards necessary to ensure the highest level of quality.