California College of the Arts

All Faculty/Staff Meetings
April 2011
New Property Acquisition
Questions?
Assumptions in Developing Budget

- Projecting flat enrollment
- Six percent tuition increase
- Proportionate increase in financial aid expenditures
- Proportionate increase in instructional costs
- Increase in health insurance costs
- Departmental budgets at 2010-11 levels with prioritized requests
Annual Operating Budget 2011-12:
$73 million*

* not approved by Board yet
Financial Aid Expenditures

- 2007-8: $12.87m
- 2008-9: $14.7m
- 2009-10: $17m
- 2010-11: $18m
- 2011-12*: $19.7m

* projected
Revenue Sources for Operating Budget

- Tuition: 94%
- Auxiliary Income: 4%
- Unrestricted Gifts: 2%
Tuition-Driven Institution

- Tuition increase = $3m
  - Financial Aid
  - Instructional costs
  - Facilities upgrades
- Gross and net tuition
  - What our students actually pay
- Economic model of annual tuition increases
Health Insurance Costs

- 2007-8: $1.7m
- 2008-9: $1.95m
- 2009-10: $2.22m
- 2010-11: $2.79m
- 2011-12*: $3.16m

* Projected
Health Insurance Increases

- In four years health insurance costs have increased by more than 85%
- Estimated 15% increase for 2011-12 = $370,000
- For first time in 15 years college will ask employees to share some of the cost increases
- How will this affect CCA employees?
Capital Projects for 2010-11 and 2011-12

2010-11
- Animation studios
- Production and post-production studios for Film Program
- Expanded classroom space in SF
- MFA in Design space
- Student galleries on College Ave

2011-12*
- Digital Photo renovation
- Oakland cafe renovation
- New classrooms (2) in SF
- Counseling offices (2) in SF
- Infrastructure for network and phone systems

* Proposed
Challenges for the Future

- Rising costs of health benefits
- Financial Aid discipline
- Focus on retention
- Comprehensive facilities master plan