



SPECIAL BOARD MEETING OF THE BOARD OF TRUSTEES

**SATURDAY, JULY 17, 2021
9:00 AM**

**Alamo Colleges District
Multipurpose Conference Center/Board Room
2222 N. Alamo St.
San Antonio, TX 78215**

NOTICE IS HEREBY GIVEN THAT THE SPECIAL BOARD MEETING/BUDGET RETREAT OF THE BOARD OF TRUSTEES OF THE ALAMO COMMUNITY COLLEGE DISTRICT WILL BE HELD AT THE PHYSICAL LOCATION REFERENCED ABOVE ON SATURDAY, JULY 17, 2021. FEWER THAN A QUORUM OF TRUSTEES MAY ATTEND REMOTELY BY VIDEOCONFERENCE AS AUTHORIZED BY TEXAS GOVERNMENT CODE SECTION 551.127. THE SPECIAL BOARD MEETING OF THE BOARD WILL CONVENE IN OPEN SESSION AT 9:00 AM.

NOTICE CONCERNING PUBLIC ACCESS

An electronic copy of the agenda packet that the Board will consider is posted at <https://v3.boardbook.org/Public/PublicHome.aspx?ak=1000015>. The meeting will be recorded and available to the public after the meeting.

This Special Board Meeting of the Board of Trustees, being held for the reasons listed below, is authorized in accordance with the Texas Government Code, §§ 551.001 - 551.146. Verification of Notice of Meeting and Agenda are on file in the Office of the Chancellor. Executive Session, if required, is authorized by Chapter 551 and will be conducted prior to the conclusion of the meeting. If it is decided during the course of the meeting that discussion of any item listed on the agenda should be held in Executive Session, the Board will convene in Executive Session in accordance with Tex. Govt. Code §§ 551.071 - 551.087. In order to vote on items discussed in Executive Session, the Board of Trustees must take action in the open portion of the meeting on items discussed in the Executive Session. The Board will consider, discuss, and take appropriate action regarding the following items:

AGENDA

- 1. CALL TO ORDER**
- 2. CERTIFICATION AND POSTING OF NOTICE**
- 3. ROLL CALL**
- 4. PLEDGE OF ALLEGIANCE**
- 5. CITIZENS TO BE HEARD**
 - A. Registration: 8:00 am - 8:55 am
- 6. SPECIAL BOARD MEETING**

A. Welcome and Introductions - State of Alamo Colleges District

Presenter: Dr. Mike Flores

B. FY21 Recap

Presenter: Shayne West

C. Smart Growth and Talent Program Highlights

1) Community Connections

Presenter: Kristi Wyatt

2) AlamoPROMISE

Presenter: Stephanie Vasquez

3) Full Pathway from Micro-Credential to Bachelor's Degree

Presenter: Dr. Luke Dowden

4) Smart Talent

Presenter: Linda Boyer-Owens

D. FY 22 Operating Budget

Presenter: Shayne West and Dr. Diane Snyder

E. Discussion and Possible Action on FY22 Smart Talent Compensation Adjustments

Presenter: Linda Boyer-Owens

F. Discussion and Possible Action on FY 2022 Supplemental Employer Contribution for ORP Participants

Presenter: Linda Boyer-Owens

G. Discussion and Possible Action on Approval of FY22 Operating Budget

H. Discussion and Possible Action on the District Internal Audit Department's Proposed Fiscal Year 2022 Budget and Staffing

Presenter: Frank Cortez

7. EXECUTIVE SESSION

A. The Board may go into Executive Session to deliberate on any item referenced in this agenda above or hereinbelow based on the following potential exceptions under the Act.

B. Pursuant to §551.071, Texas Government Code, the Board may consult with its attorney(s) to seek their advice on any matter(s) in which the duty of the attorney(s) to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.

C. Pursuant to § 551.071, Texas Government Code, the Board may consult with its attorneys about pending and threatened litigations.

D. Pursuant to § 551.071, Texas Government Code, the Board may consult with its attorneys about pending EEOC charges.

E. Pursuant to §551.072, Texas Government Code, the Board may deliberate the purchase, exchange, lease or value of real property.

F. Pursuant to §551.073, Texas Government Code, the Board may deliberate regarding a negotiated contract for a prospective gift or donation.

G. Pursuant to §551.074, Texas Government Code, the Board may deliberate the appointment, employment, evaluation, reassignment, duties, performance of duties, discipline, or dismissal of a public officer or employee(s).

H. Any action on these matters will be taken in Open Session.

8. RECONVENE OPEN MEETING

A. Discussion and Possible Action on Items Discussed in Executive Session.

9. ADJOURNMENT

POSTED AT THE
ALAMO COMMUNITY COLLEGE DISTRICT
2222 N. Alamo St.; San Antonio, TX 78215 at
POSTED AT 6:50 PM ON THIS 13TH DAY OF JULY 2021

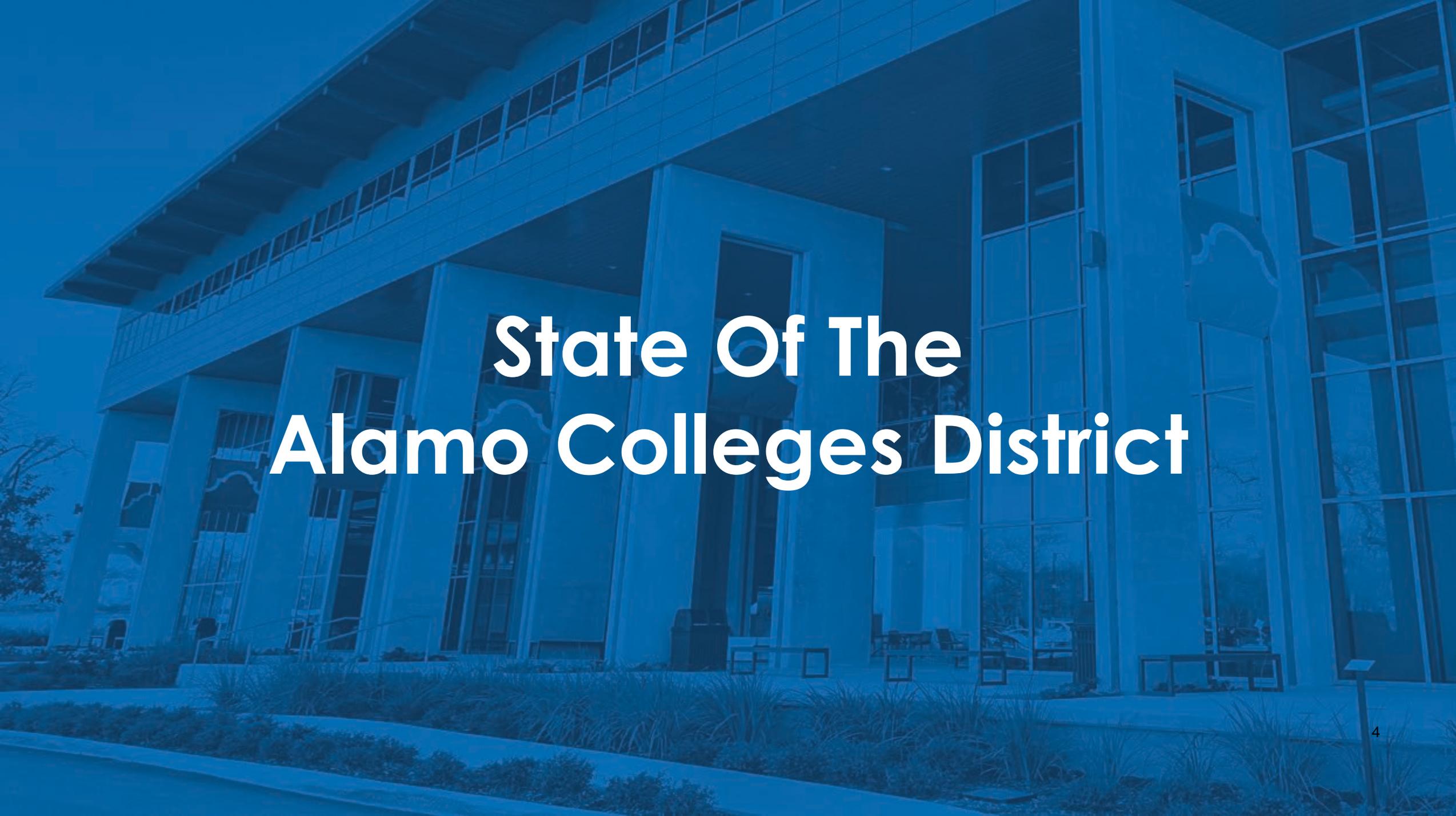
This meeting site is wheelchair accessible. The accessible entrance is located at the side entrance of Multipurpose Conference Center/Board (Building D). Accessible parking spaces are located in front of Welcome Center (Building C), located in the parking lot that faces N. Alamo Street. Auxiliary aids and services are available upon request (interpreters for the hearing impaired must be requested twenty-four hours prior to the meeting) by calling Sandra Torres, Board Liaison at storres304@alamo.edu.

“The following notices apply to this meeting.

Pursuant to Section [30.06](#), Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.”

Pursuant to Section [30.07](#), Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.”

Dr. Mike Flores
Chancellor



State Of The Alamo Colleges District

FY22 Budget Positioning

Continued Investment In Smart Growth & Talent



**Strategic
Enrollment**



**Student
Success**



**Regional
Workforce
Development**



Talent

A woman with long dark hair, wearing a blue t-shirt, is smiling and looking towards the camera. She is sitting at a desk in what appears to be a classroom or office setting. The background is slightly blurred, showing other people and papers. The entire image is overlaid with a semi-transparent blue filter.

Environmental Scan –Job Market, Economy and Skills Gap

Challenge: Unemployment, Underemployment & Skills Gaps

FIRST OPINION

The health care workforce is understaffed for life after Covid-19

By Jaime Nguyen July 2, 2021 Reprints



ADOBE

As the U.S. gradually unburies itself from the Covid-19 pandemic, some people have been sounding the alarm about looming shortages of physicians and nurses. They should be equally worried about shortages of others in the health care workforce, like medical assistants, pharmacy technicians, dental assistants, and more.

SA INC.

A real-world look at why San Antonio tourism industry workers are missing in action

Randy Diamond, Staff writer
June 24, 2021 | Updated: June 24, 2021 12:44 p.m.



WHY LET U
PBM ACCOU PROJECT
NCL

2 of 3

Sarah Myles, 30, left, interviews for a sous chef position with Chef Heather Nanez during a job fair at the Estancia del Norte hotel in early March. The hotel was looking to hire 100 employees.

San Antonio Express-News

BUSINESS

'We've been disappointed': Job forecast weakening

Brandon Lingle, Staff writer
June 18, 2021 | Updated: June 18, 2021 5:38 p.m.



A view of downtown on April 4, 2021.



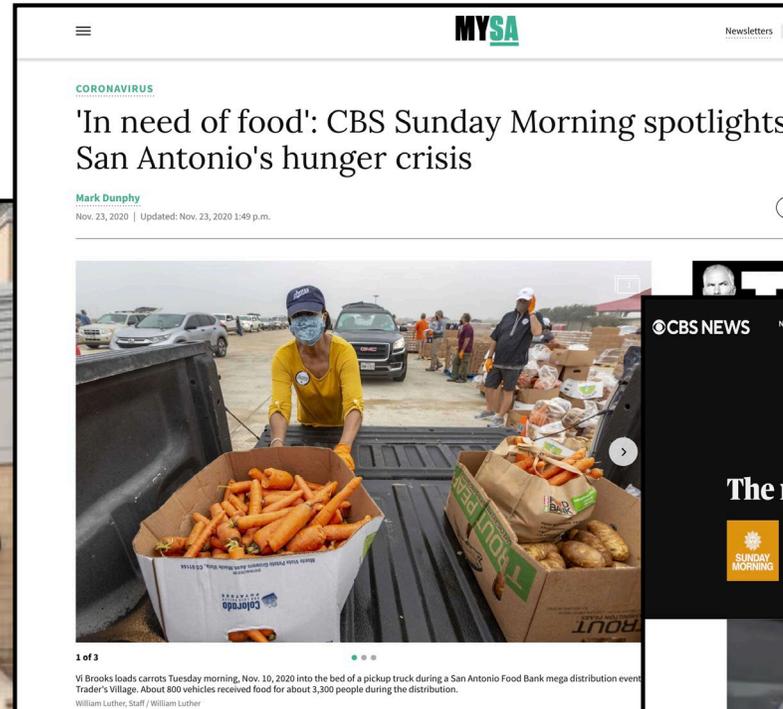
Challenge: Poverty & Food Insecurity

San Antonio Food Bank says demand from military community has more than doubled during the pandemic

The food bank's weekly food distribution includes more than 45,000 from the military community, officials say



SAN ANTONIO – In Military City U.S.A., the **San Antonio Food Bank** has always helped serve active duty military families and veterans needing its help, however, during the coronavirus pandemic, the need is even more apparent.



MYSA Newsletters

CORONAVIRUS

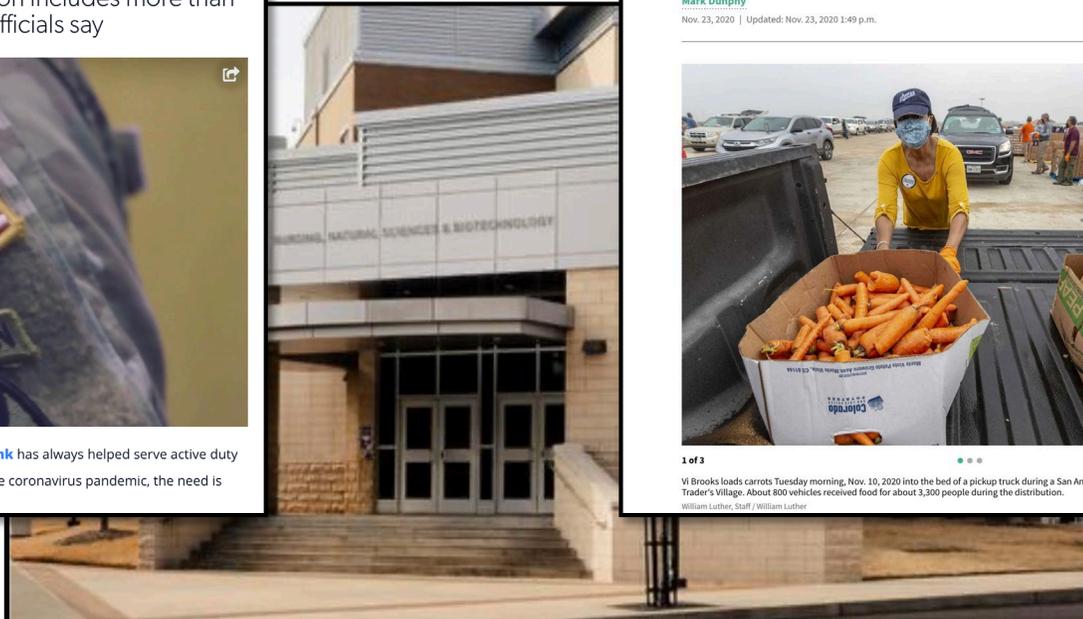
'In need of food': CBS Sunday Morning spotlights San Antonio's hunger crisis

Mark Dunphy
Nov. 23, 2020 | Updated: Nov. 23, 2020 1:49 p.m.



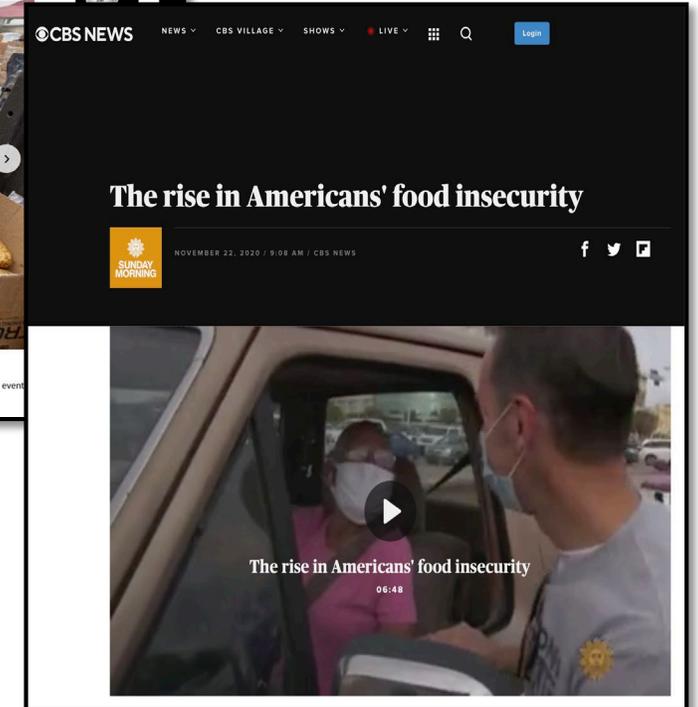
1 of 3

Vi Brooks loads carrots Tuesday morning, Nov. 10, 2020 into the bed of a pickup truck during a San Antonio Food Bank mega distribution event at Trader's Village. About 800 vehicles received food for about 3,300 people during the distribution.
William Luther, Staff / William Luther



NYTIMES.COM

The Pandemic Hit the Working Class Hard. The Colleges That Serve Them Are Hurting, Too.



CBS NEWS NEWS CBS VILLAGE SHOWS LIVE

The rise in Americans' food insecurity

NOVEMBER 22, 2020 / 9:08 AM / CBS NEWS

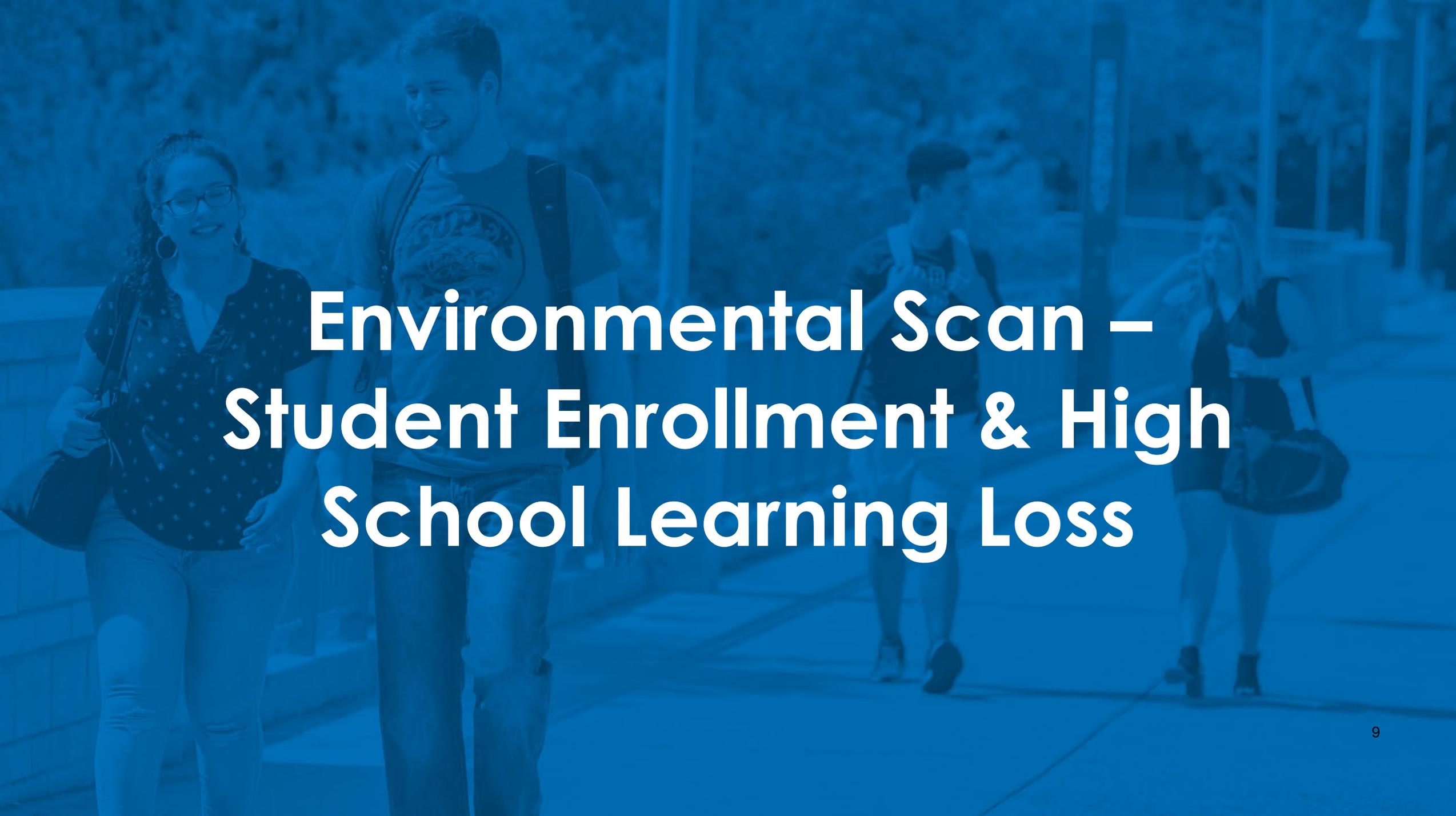


The rise in Americans' food insecurity
06:48



ALAMO
COLLEGES
DISTRICT



A blue-tinted photograph of students walking on a campus path. In the foreground, a young woman with glasses and a young man with a backpack are walking towards the camera. In the background, other students are visible, including a young man looking at a phone and a young woman talking on a phone. The text is overlaid in the center of the image.

Environmental Scan – Student Enrollment & High School Learning Loss

Challenge: Enrollment Drops, High School Learning Loss

EDUCATION

Spring Numbers Show 'Dramatic' Drop In College Enrollment

June 10, 2021 · 2:43 PM ET
Heard on All Things Considered

ELISSA NADWORNY

3-Minute Listen

LA Johnson/NPR

USA TODAY NEWS

'I don't think you are ready': Boys of color fell further behind at school amid COVID-19

Mila Koumpitova, Chalkbeat Chicago

Published 4:00 AM CDT Jul. 1, 2021 | Updated 1:42 PM CDT Jul. 6, 2021

EdSource

Colleges prepare for incoming freshmen with high school learning loss

Students will be offered tutoring, summer brush-up and empathy.

JULY 6, 2021

LARRY GORDON

How the coronavirus is reshaping education in California

The Washington Post

Community colleges at a crossroads: Enrollment is plummeting, but political clout is growing

Sherry Heidary teaches a chemistry class at Union County College's campus in Cranford, N.J., on Feb. 16. (Bryan Anselm for The Washington Post)

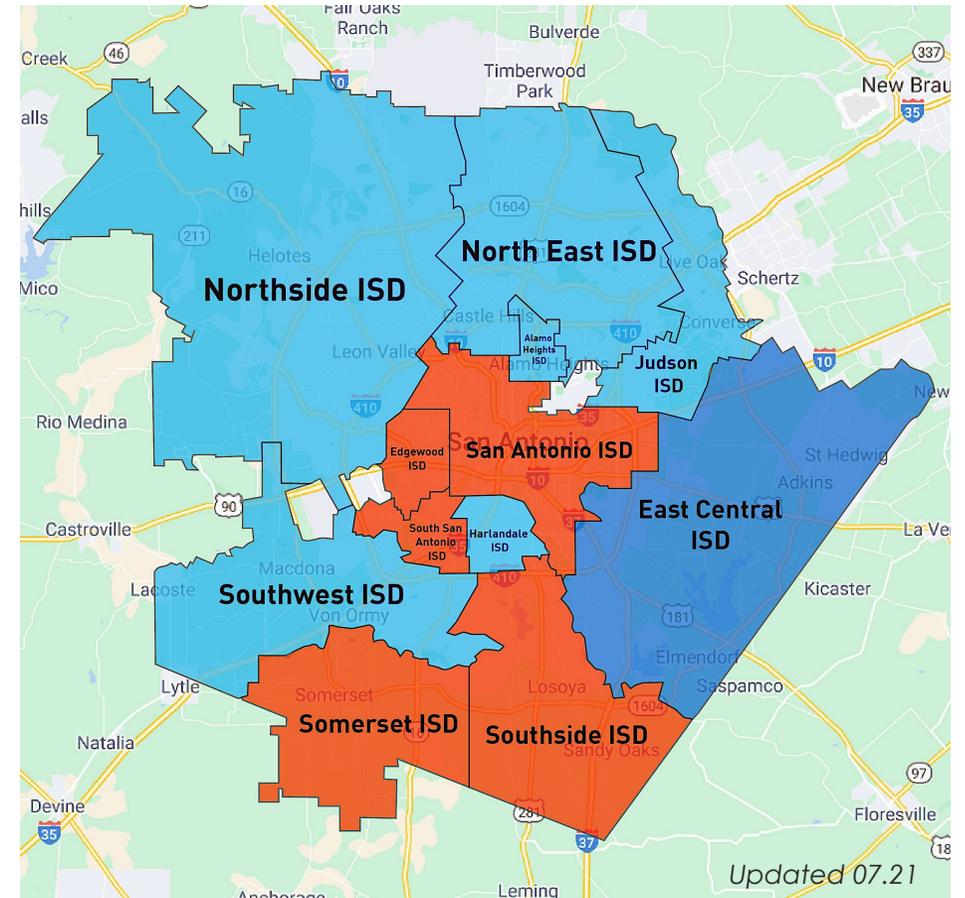
By Nick Anderson and Danielle Douglas-Gabriel

March 2, 2021 at 6:00 a.m. CST

Challenge: College Participation Rate

Bexar County 2020 High School Graduates Enrolled in TX Colleges

DISTRICT	TOTAL HIGH SCHOOL GRADUATES	ENROLLED IN COLLEGE	% NOT FOUND OR TRACKABLE
EAST CENTRAL ISD	743	388 (52.22%)	355 (47.78%)
ALAMO HEIGHTS ISD	410	204 (49.76%)	206 (50.24%)
NORTHSIDE ISD	7260	3602 (49.61%)	3658 (50.39%)
NORTH EAST ISD	4920	2383 (48.43%)	2537 (51.57%)
SOUTHWEST ISD	864	407 (47.11%)	457 (52.89%)
HARLANDALE ISD	923	434 (47.02%)	489 (52.98%)
JUDSON ISD	1602	725 (45.26%)	877 (54.74%)
SOMERSET ISD	260	110 (42.31%)	150 (57.69%)
SAN ANTONIO ISD	2614	1065 (40.80%)	1549 (59.26%)
SOUTHSIDE ISD	384	155 (40.36%)	229 (59.64%)
EDGEWOOD ISD	451	182 (40.35%)	269 (59.65%)
SOUTH SAN ANTONIO ISD	542	213 (39.30%)	329 (60.70%)



Source: THECB: High School Graduates Enrolled in Higher Education the Following Fall

STUDENT PROFILE

100,000 Students Served Annually

64% Hispanic

9% African-American

22% White

3% Asian

4% Other

60% Female

40% Male

32% Full-Time

68% Part-Time

28.3% Under-Resourced Students

48.7% Economically Disadvantaged

74% Rely on Financial Aid & 3rd Party Pay



NORTHEAST LAKEVIEW COLLEGE

NORTHWEST VISTA COLLEGE

PALO ALTO COLLEGE

ST. PHILIP'S COLLEGE

SAN ANTONIO COLLEGE

**Updated July 2021*

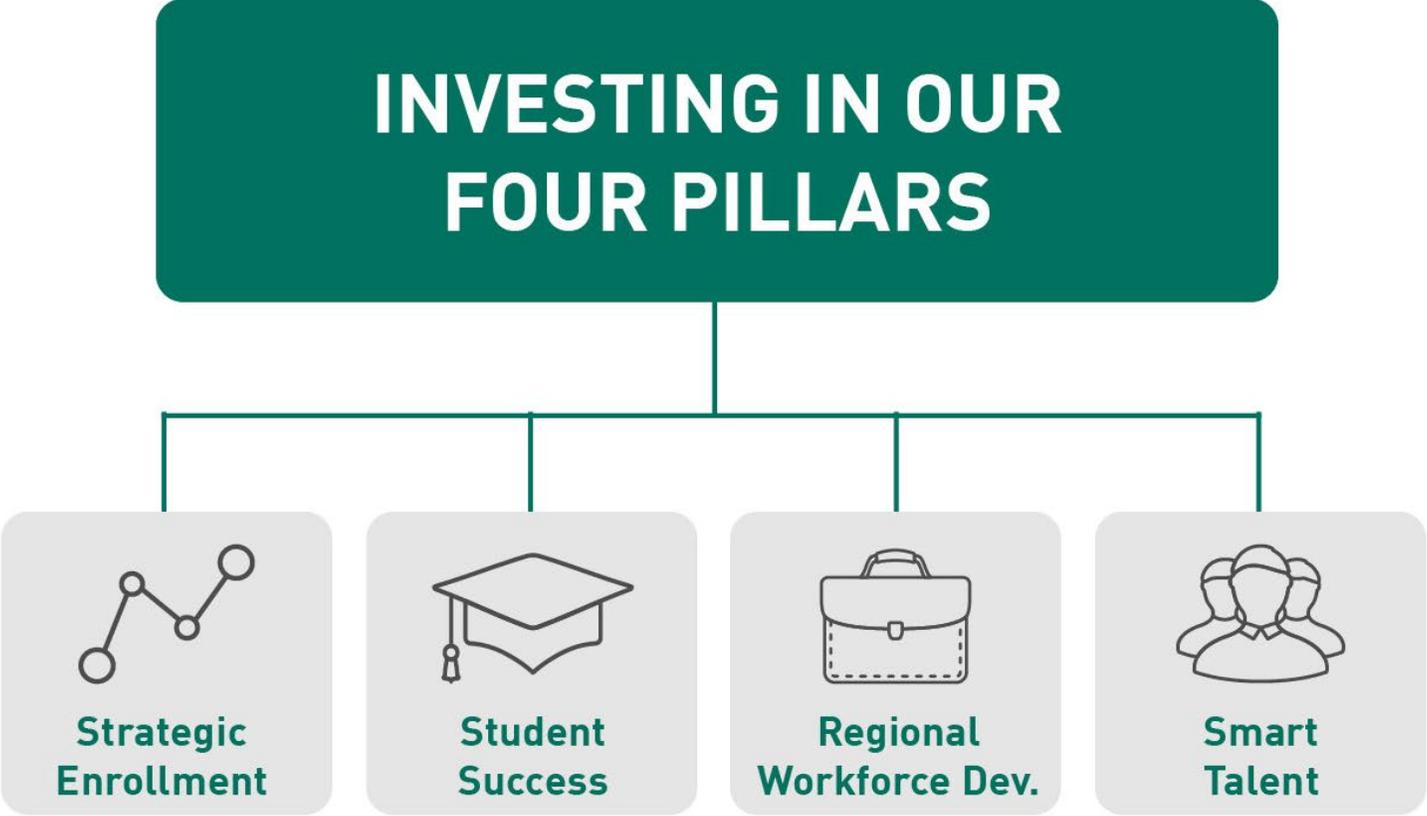
State Of The ACD: What FY22 Delivers

The Fiscal Year 2022 budget delivers:

1. Support for our **71k students**
 - 5% growth in contact hours
 - Return-to campus Instructional delivery and a full-suite of wrap-around services (Advocacy Centers, Advisors, Enrollment Coaches, PROMISE)
2. Support for our **5k employees (full-time & part-time)**
 - Return-to campus
 - Comprehensive market adjustments to compensation necessary to retain and attract talent (last market adjustment effective Jan. 1, 2020)
3. Looking forward
 - Lay the foundation for long-term growth and achieving our 'Moon Shot'
 - Healthy fund balance, with a projected \$15M - \$19M increase in available funds

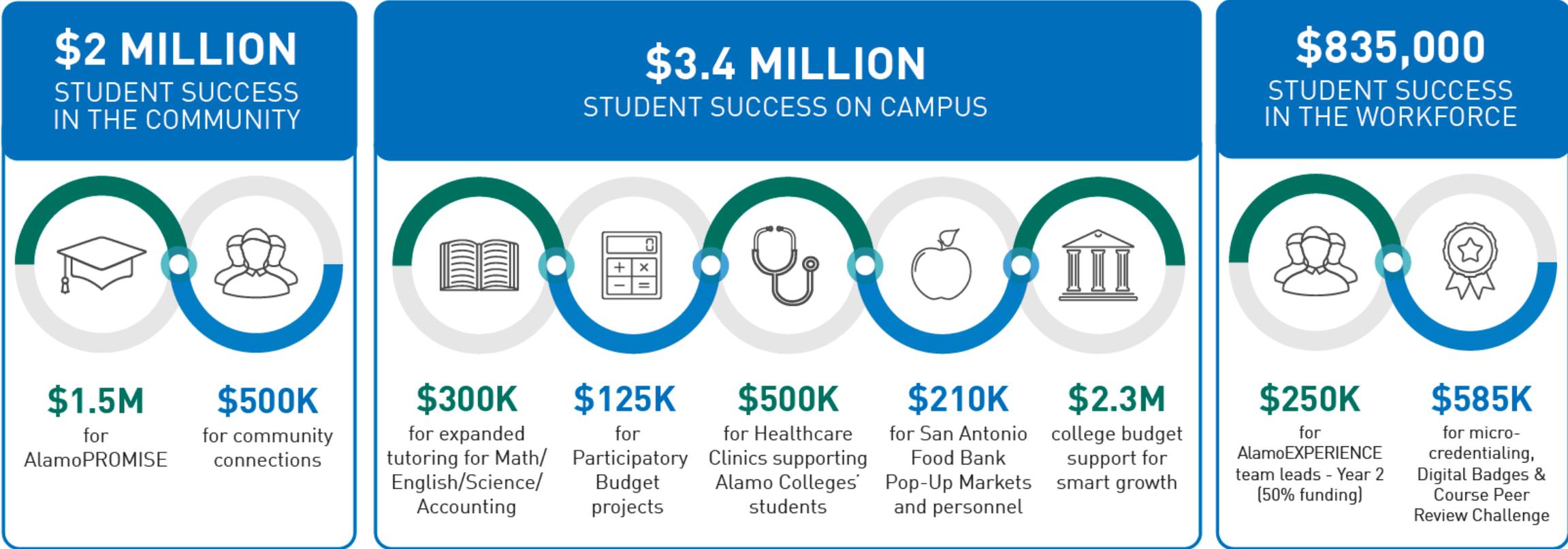


FY22 Budget – Investment Overview



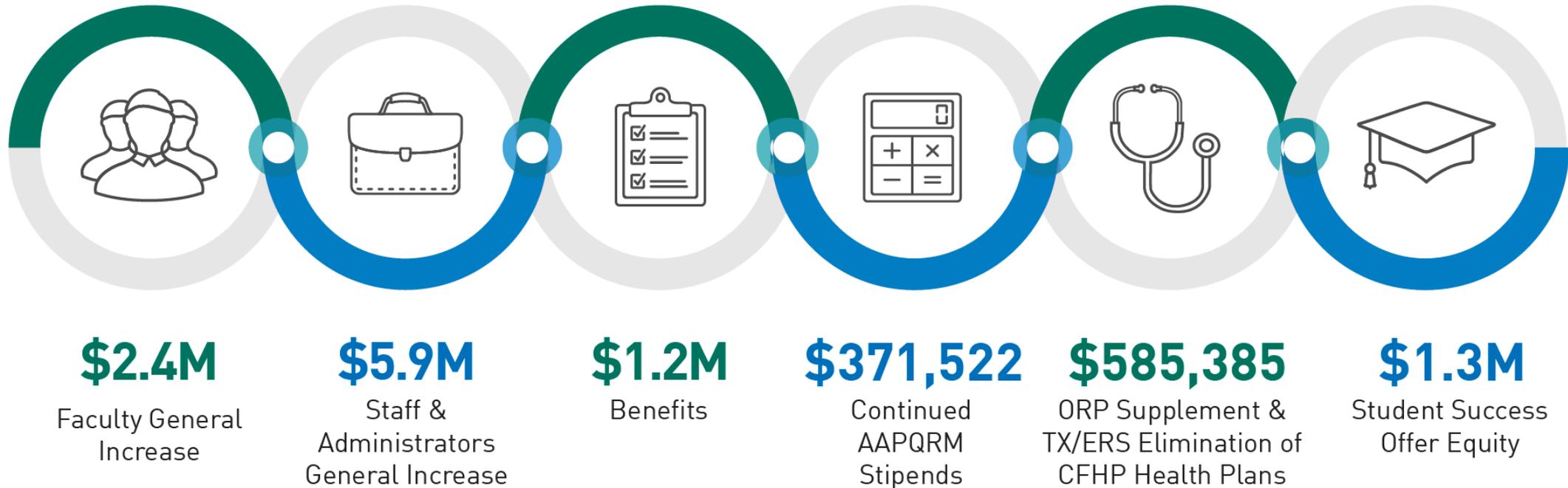
FY22 Budget – Smart Student Investment

Investments that aid smart student development will total approximately **\$6.2 million**.



FY22 Budget – Smart Talent Investment

Investments that directly relate to smart talent support will total approximately **\$11.9 million**.



FY22 Budget – Return Ready Investment



Investments that directly relate to return ready efforts will total approximately **\$5.3 million**.



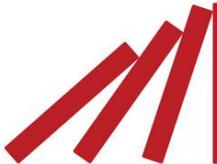
\$1.5 MILLION
Technology/Cybersecurity



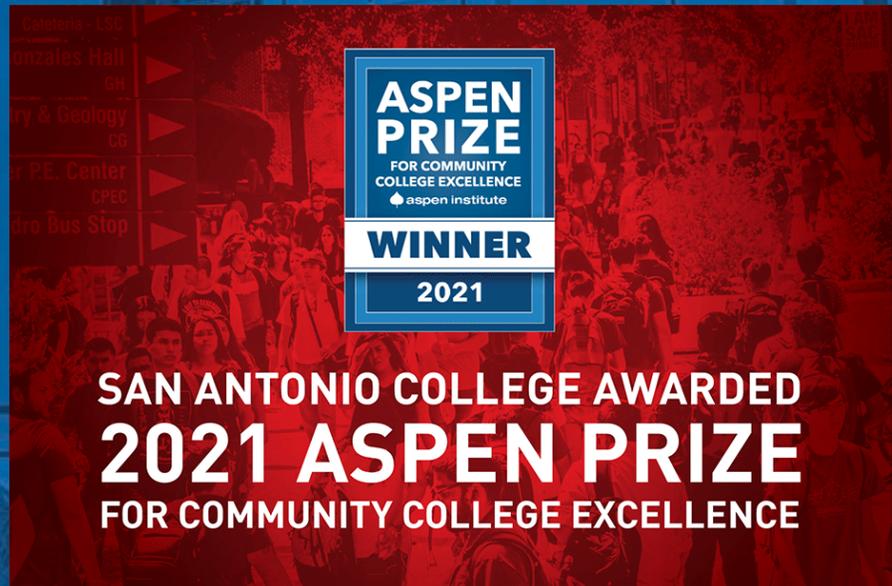
\$3.8 MILLION
Facilities/PM



Achieving the Dream™
Leah Meyer Austin
Award Winner
- 2020 -



SAN ANTONIO BUSINESS JOURNAL
**Resilience in
Business Awards**



ASPEN PRIZE
FOR COMMUNITY COLLEGE EXCELLENCE
aspen institute
WINNER
2021

SAN ANTONIO COLLEGE AWARDED
2021 ASPEN PRIZE
FOR COMMUNITY COLLEGE EXCELLENCE

Alamo Colleges District Revenues

General Operating (UNRESTRICTED)

- Maintenance & Operation (M&O)
Property Tax
- Tuition & Fees
- State Funding
- All Other

RESTRICTED

- Capital Bond Funds & Debt Services
- Grants: Higher Education Emergency Relief Funds (HEERF)
- Grants: Financial Aid (Pell & State)
- Grants: Other (Title V STEM, National Science Foundation, Title III HBCU, etc.)



Higher Education Emergency Relief Funds (HEERF)

Six Categories of Use of Institutional Aid

**Additional
Student
Emergency Aid**

Return to Campus

**Technology &
Broadband Support for
Students & Employees**

**Student Support
Services & Programs
(Instructional &
Wraparound Support)**

Student Outreach

**Lost Revenue &
Indirect Costs**



RESTRICTED BUDGET: For Incremental COVID-19 Related Expenses or Student Aid

Higher Education Emergency Relief Fund (HEERF) Grants

Phase 1: CARES Phase 2: CRRSAA Phase 3: ARP

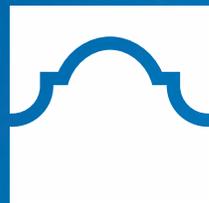
Student Aid			
Awarded	\$ 11,293,384	\$ 11,293,384	\$ 50,296,197
Spent/Committed	\$ (11,293,384)	\$ (11,004,846)	\$ (158,500)
Balance Remaining	\$ -	\$ 288,538	\$ 50,137,697
% Utilized	100%	97%	0%
Target Fall '21/Spr. '22			

Institutional Aid			
Awarded	\$ 11,293,382	\$ 43,576,440	\$ 47,250,177
Spent/Committed	\$ (10,953,650)	\$ (13,807,420)	\$ -
Balance Remaining	\$ 339,732	\$ 29,769,020	\$ 47,250,177
% Utilized	97%	32%	0%
In-process Summer/Fall			Fall/Spring

Board Meeting Reviews: *April 2021* *May 2021* *Planned for August 2021*

CARES = Coronavirus Aid, Relief, and Economic Security Act
CRRSAA = Coronavirus Response and Relief Supplemental Appropriations Act
ARP = American Rescue Plan Act

Thank you.



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FY21 Recap

FY21 Recap

FY21 Budget

- Sustained operations during pandemic
- Conservative revenue estimates



FY21 Forecast

- Enrollment remained steady, but contact hours were down, as students took fewer classes
- M&O Tax Revenue – favorable collections produced \$8.5M > budget; covered tuition underrun
- Lived within our means, managing expense budget
- RESULT: projected \$19.5M increase to fund balance for future investments and growth.



FY21 Recap

One-time Adjustments

<i>\$ in M</i>	FY21 Budget	FY21 Baseline	HEERF	M&O	FY21 Forecast
Revenue	\$387.8	\$371.3	7.8	8.5	\$387.6
Expense	-\$387.8	-\$368.1			-\$368.1
	\$0.0	\$3.2	\$7.8	\$8.5	\$19.5

\$19.5M Increase In Fund Balance



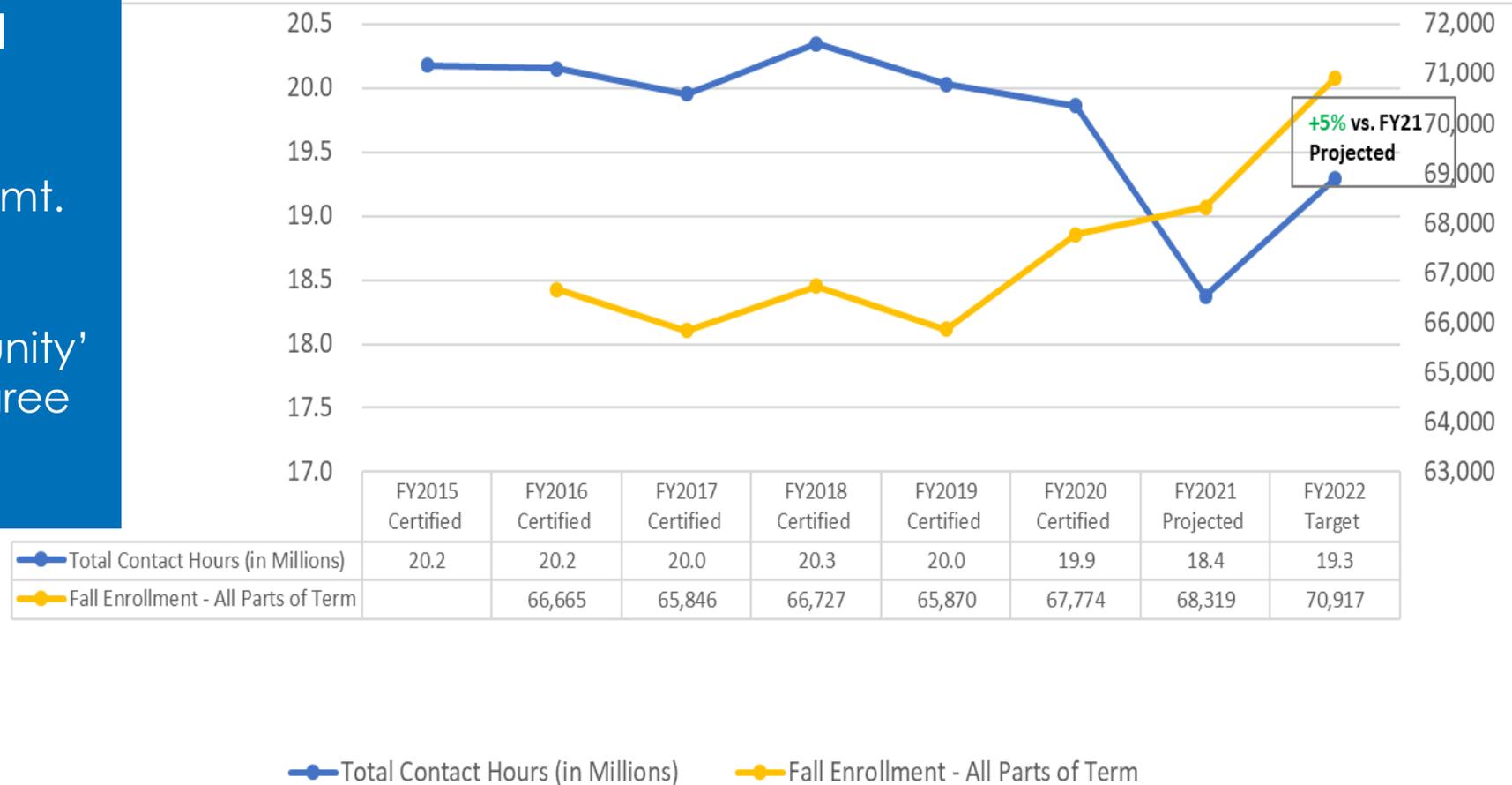


Enrollment

Fall Enrollment & Contact Hour Trends

ACD Strategies to propel enrollment growth and rebound:

- Strategic Enrollment Mgmt.
- Advising
- PROMISE
- 'Connecting to Community'
- Micro-credential to Degree pathway



Fall Enrollment per THECB

Restated Enrollment (headcount) changed in Fall'19 to include "All Parts of Term"



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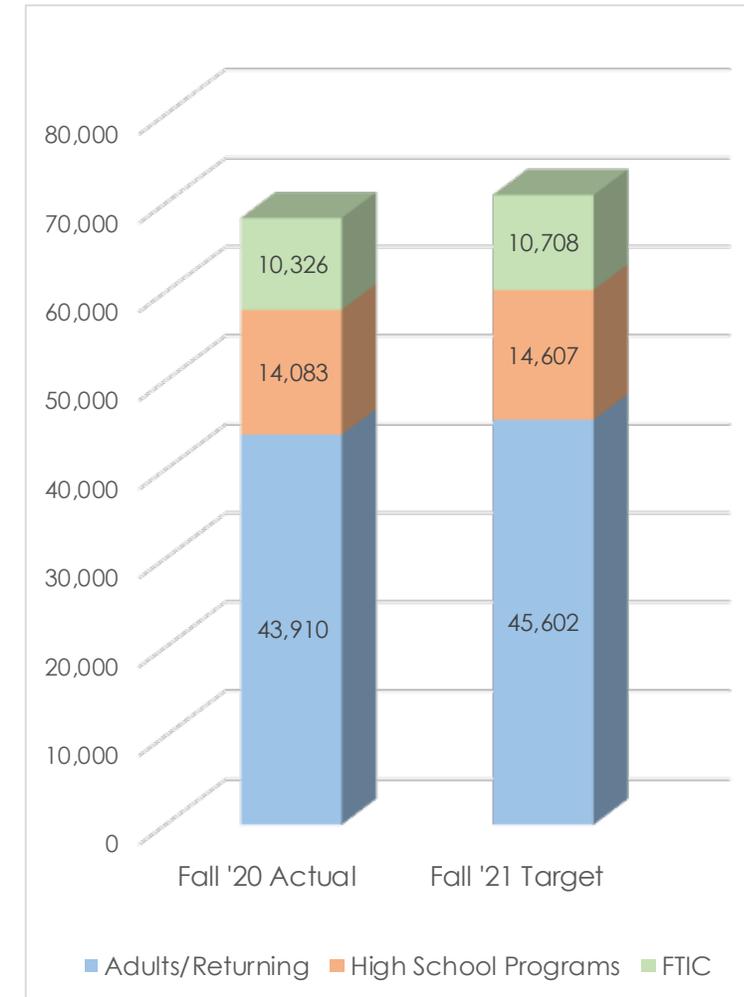
Enrollment Trends – All Parts Of Term

Fall 2021 (FY22) projects 3.8% Growth in Headcount

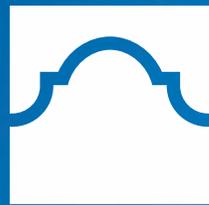
FTIC* includes AlamoPROMISE phase 1

*FTIC = First Time in College

	Fall '20 Actual	Fall '21 Target	Growth	% Growth
Adults/Returning	43,910	45,602	1,692	3.9%
High School Programs	14,083	14,607	524	3.7%
FTIC	10,326	10,708	382	3.7%
TOTAL HEADCOUNT	68,319	70,917	2,598	3.8%



Thank you.

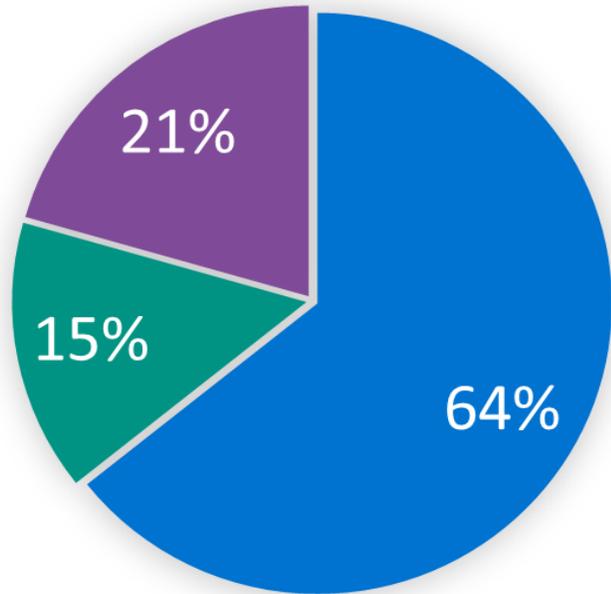


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Fall Enrollment

Fall 2021 Targets



■ Returning ■ FTIC ■ High School Programs

Returning Students (64%)

*45,602 Students

* SMP Summer Momentum Program, expanded thru 2022 w/ free 3 to 9 hrs

*Federal & State Financial Aid

FTIC (First Time in College, 15%)

*10,708 Students

* SMP Summer Momentum Program, expanded thru 2022 with free 3 to 9 hours

*Federal & State Financial Aid

*AlamoPROMISE Program

High School Students (21%)

*14,607 Students

*Tuition and Fees waived

*No Financial Aid



Community Connections

Kristi Wyatt

AVC of Communications and Engagement



FY22 Budget Positioning

Continued Investment In Smart Growth & Talent



**Strategic
Enrollment
Management**



**Student
Success**



**Regional
Workforce
Development**



Talent

Aligned to the Alamo Colleges District Strategic Plan and the Board of Trustee Charges to the Chancellor³²



Launch Of Community Connections





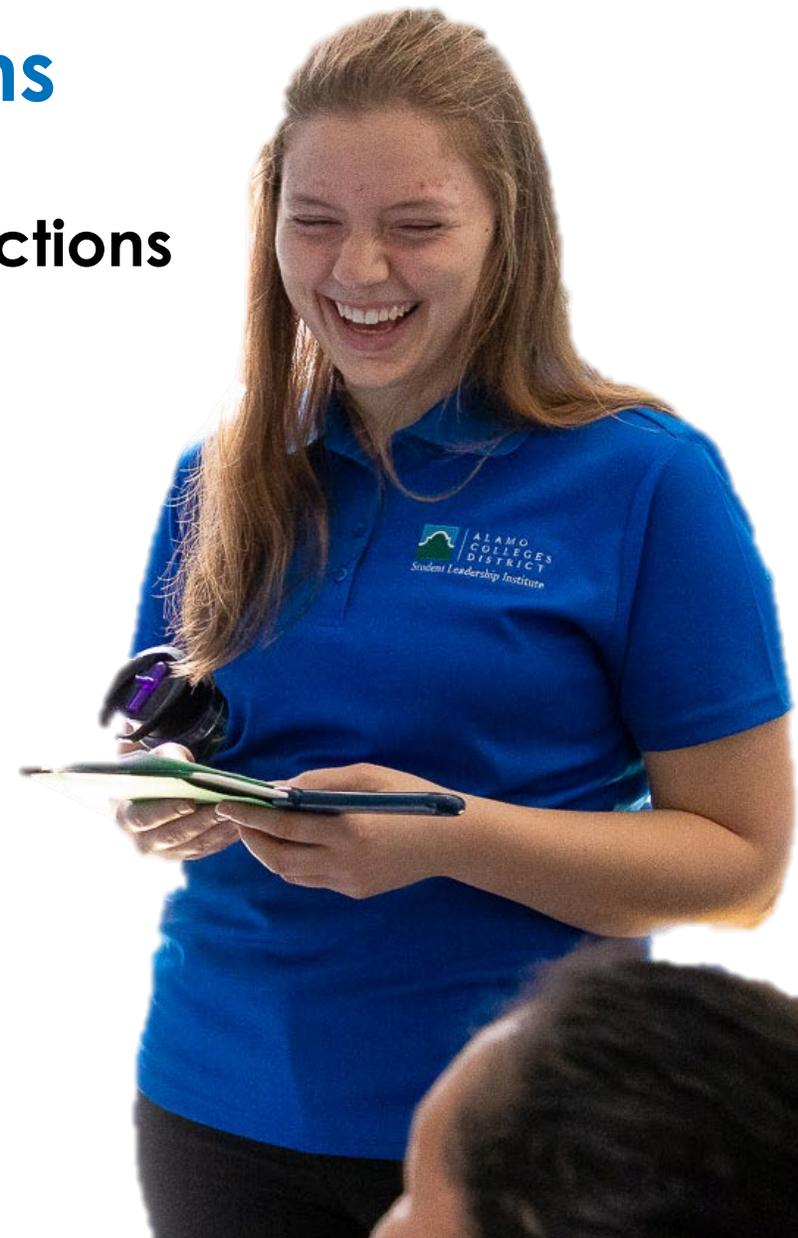
Expand College Connections to Community Connections

- Mobile Go Revamp
- Street Teams
- Exploratory Days
- Movies In The Park

Rationale:

- *Engaging with students and their families in their neighborhoods*
- *Removing the intimidation factor*
- *Providing mobile/roving enrollment expertise*
- *Data capturing for prospect leads*

Awareness/Prospects & All Students Types





Connecting To The Community

Mobile Go Revamp: A new look and feel with an enhanced emphasis on community connections as well as school connections



Street Team: Mobile teams that go out into the community to provide awareness and enrollment assistance.





Connecting To The Community

Personalized Offer To Attendees:

- Expert Advice
- Career Connections
- Pre-Enrollment
- Apply Texas



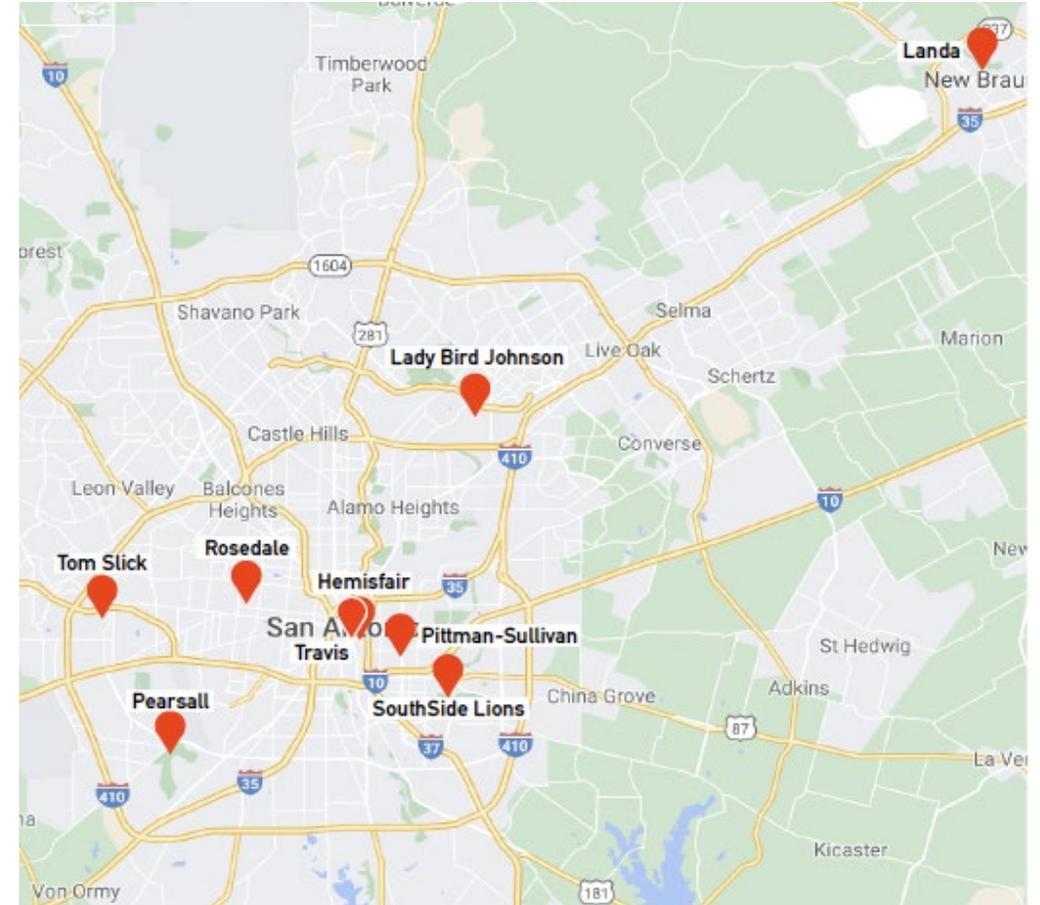


Alamo College Exploratory Days

- **July 13, Tuesday:** Movies in the Travis Park - Alamo College Exploratory Days Launch, 6:30 p.m. – 9 p.m.
- **July 17, Saturday:** Hemisfair - Health & Biosciences, 10 a.m. – 2 p.m.
- **July 18, Sunday:** Pittman Sullivan Park - Science & Technology, 11 a.m – 3 p.m.
- **July 24, Saturday:** South Side Lions Park - Creative & Communication Arts, 10 a.m. – 2 p.m.
- **July 25, Sunday:** Pearsall Park - Business & Communication Arts Park, 11 a.m. – 3 p.m.
- **July 31, Saturday:** Tom Slick Park - Advanced Manufacturing & Logistics Park, 10 a.m. – 2 p.m.
- **Aug 1, Sunday:** LBJ Park - Workforce Training, 11 a.m. – 3 p.m.
- **Aug 7, Saturday:** Rosedale Park - Public Service, 11 a.m. – 3 p.m.
- **Aug 8, Sunday:** Landa Park - Workforce Training, 11 a.m. – 3 p.m.

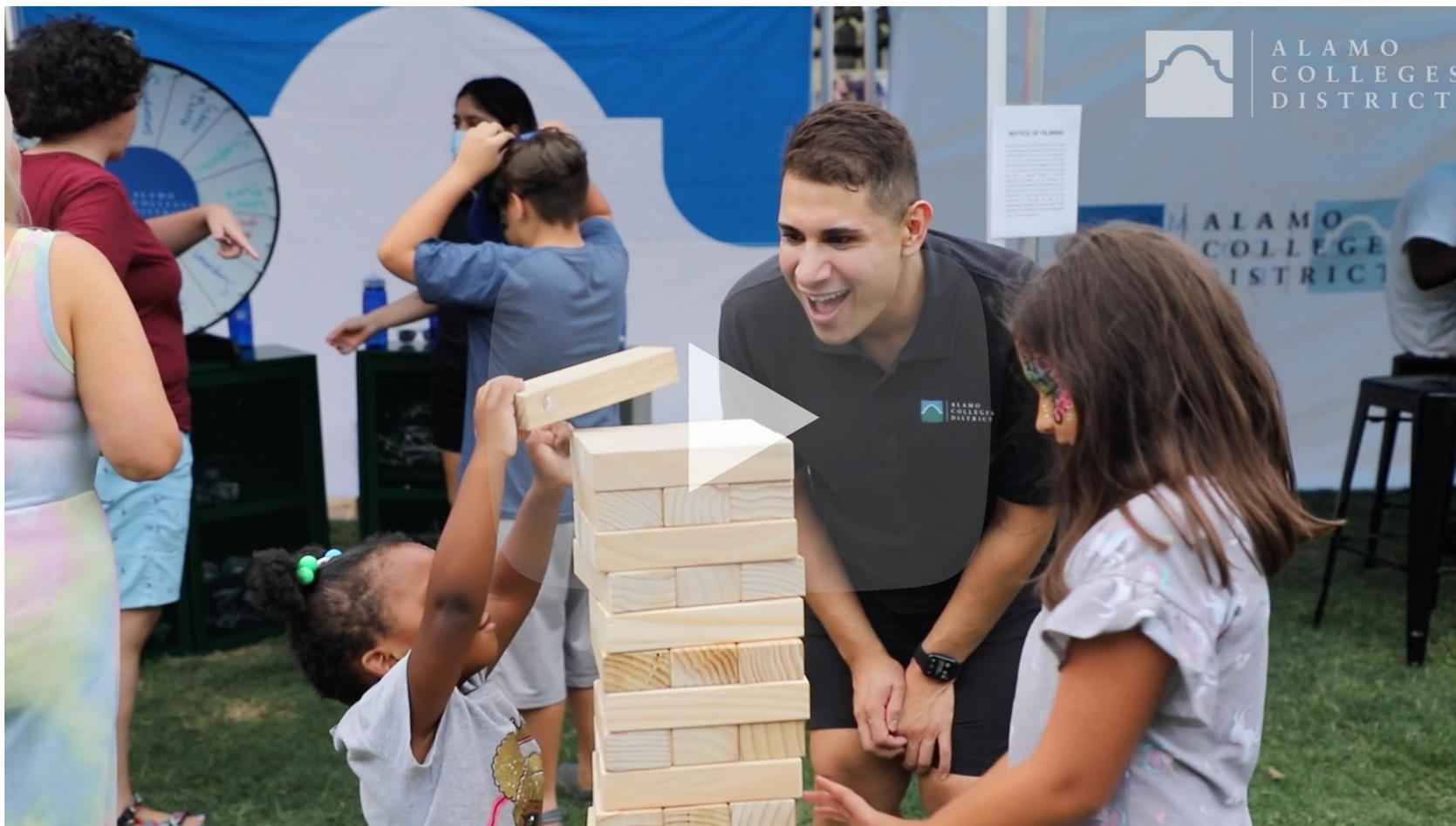
Movies in Travis Park

- **July 20, Tuesday:** Travis Park, 6:30 p.m. – 9 p.m.
- **July 27, Tuesday:** Travis Park, 6:30 p.m. – 9 p.m.





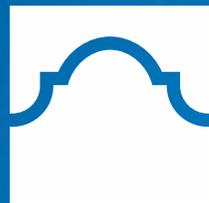
Connecting To The Community



<https://bit.ly/3z0mq9i>



Thank you.



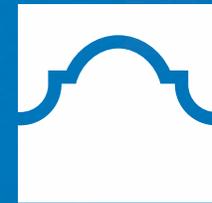
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AlamoPROMISE

Stephanie Vasquez

Chief Program Officer for AlamoPROMISE



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DISTRICT



Malcolm Baldrige
National Quality Award
2018 Award Recipient



FY22 Budget Positioning

Continued Investment In Smart Growth & Talent



**Strategic
Enrollment
Management**



**Student
Success**



**Regional
Workforce
Development**



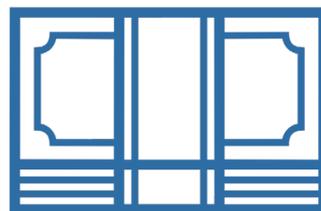
Talent



FY21 Activity Highlights



Enrolled Phase 1 Cohort 1
2,944 Students
Recruiting Phase 1 Cohort 2
Goal 3,000 Students



Secured **\$1,291,593**
last-dollar scholarships
from City & County



Raised **\$12,018,738**
private funding

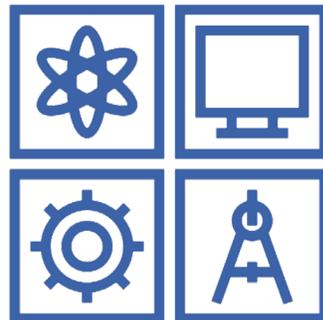




FY21 Cohort 1 Scholar Highlights



17%
enrollment increase from
Promise high schools



44%
of AlamoPROMISE
Scholars are pursuing
STEM fields



70%
of the Fall 2020 Cohort
enrolled in Spring 2021





FY21 Cohort 2 Benchmarks

Recruitment in Progress, Enrolling Fall 2021



Pledged



6,596 'Saved Their Seat'

Eligible Students Pledged Interest in becoming AlamoPROMISE Scholar

Complete



3,494 AP Complete

Students Who Submitted a SYS Pledge, ApplyTX, and FAFSA/TASFA

Goal



3,000 Enrolled AlamoPROMISE Scholars

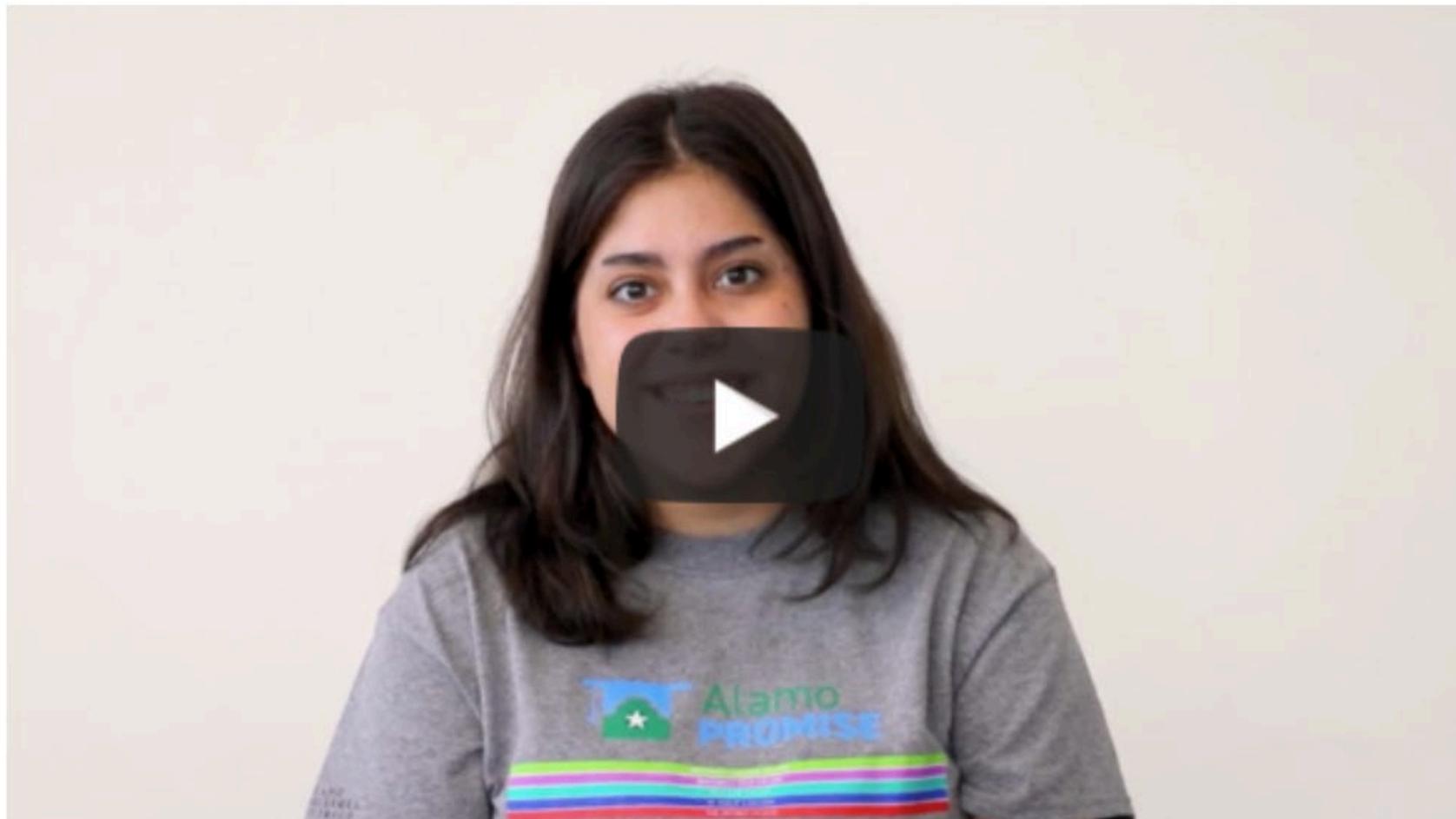
Anticipated Second Cohort Starting Fall 2021

Operational Data as of 7/8/21, Includes Phase 1 and Pilot Schools





AlamoPROMISE Scholar Conversation



<https://bit.ly/36GxjkC>





FY22 Expanded Level of Service

Recommended Expanded Activity

Recruitment of **Phase 1 Cohort 3** for enrollment in Fall 2022.

Launch recruitment of **Phase 2A Cohort 1** for enrollment in Fall 2022.





FY22 Expanded Level of Service

Recommended Expanded Activity: Phase 2A Roll-Out

Expand to enroll graduates from 5 new High Schools in Year 3.

Begin recruiting starting in Fall 2021.

Schools have college-going rates less than 50% and economic disadvantage status greater than 40%.

Expand to enroll graduates from 6 new Early College High Schools & the Alamo Academies in Year 3.

Begin recruiting starting in Fall 2021.

Includes in-district ECHS not currently served in Phase 1.

Last-dollar, last-mile funding for ECHS/Academies graduates to complete degree/credential.

GRADUATES FROM PHASE 2A SCHOOLS
Veterans Memorial
MacArthur
Madison
Marshall
Stevens
Travis ECHS
Judson Early College Academy
Frank Malda ECHS
Harlandale STEM ECHS
St. Philip's College ECHS
Brooks Collegiate Academy
Alamo Academies





Expanded Level of Service

Recommended Expanded Activity: Program Projections

Last-Dollar Funding Requirements

FY21	FY22	FY23	FY24	FY25
\$1,821,514	\$3,233,060	\$4,912,340	\$5,399,539	\$5,746,181
Y1 - Actual	Y2 – Projected	Y3 - Projected	Y4 - Projected	Y5 - Projected
<ul style="list-style-type: none"> Phase 1 → 1 Cohort 	<ul style="list-style-type: none"> Phase 1 → 2 Cohorts 	<ul style="list-style-type: none"> Phase 1 → 3 Cohorts Phase 2A → 1 Cohorts 	<ul style="list-style-type: none"> Phase 1 → 3 Cohorts Phase 2A → 2 Cohorts 	<ul style="list-style-type: none"> Phase 1 → 3 Cohorts Phase 2A → 3 Cohorts
2,944 Students	4,971 Students	7,235 Students	7,713 Students	8,056 Students





Closing Summary



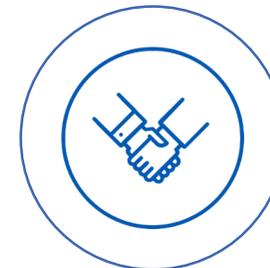
**Findings from Year 1
Indicate Success
and Opportunities**



**Recommending
Strategic Expansion
for Phase 2A**



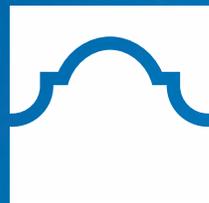
**Securing Funding:
City Year 3 &
County Year 2
Last-dollar Requests
Under Review**



**Continuing Program
Implementation
and Partnership**



Thank you.



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Micro-Credentialing Strategy Board Retreat | July 17, 2021

Office of the Vice Chancellor for Academic Success
Dr. George Railey

Robert Vela
President
San Antonio College

Xavier Urrutia
Interim Vice Chancellor
Economic and Workforce Development

Luke Dowden, Ed.D.
Chief Online Learning Officer
Associate Vice Chancellor – Academic Success



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Malcolm Baldrige
National Quality Award
2018 Award Recipient

Achieving the Dream
LEADER COLLEGE
OF DISTINCTION

FY22 Budget Positioning

Continued Investment In Smart Growth & Talent



**Strategic
Enrollment
Management**



**Student
Success**



**Regional
Workforce
Development**



Talent



Regional Workforce Development

Overview

Example

Next Steps

What

Increase opportunities for **hybrid and online, on-demand, and short-term skills and technical training** aligned to high-wage, high-demand occupations.

Who

Reskill or upskill **unemployed, underemployed, and displaced workers** in the Alamo Colleges District's service area.

How

Create, test, improve, and scale a **micro-credentialing strategy**.



53



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Regional Workforce Development

Overview

Example

Next Steps

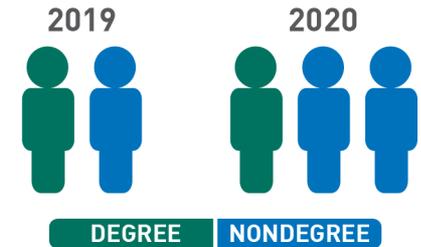
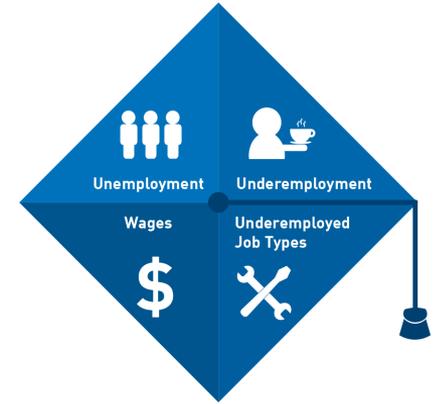
Why

Federal Reserve Bank of New York Study

- 4 of 10 recent college graduates are **underemployed** – working in jobs that do not require a degree. (Federal Reserve Bank of New York Study)

Strada Education Covid-19 Work and Education Survey

- 2 of 3 adults (68%) considering enrolling in education **prefer nondegree pathways**, up from 1 in 2 (50%) a year ago.
- **Fewer** than 1/3 of adults without a degree available career pathways, valuable skills, and **understand** details about potential programs.

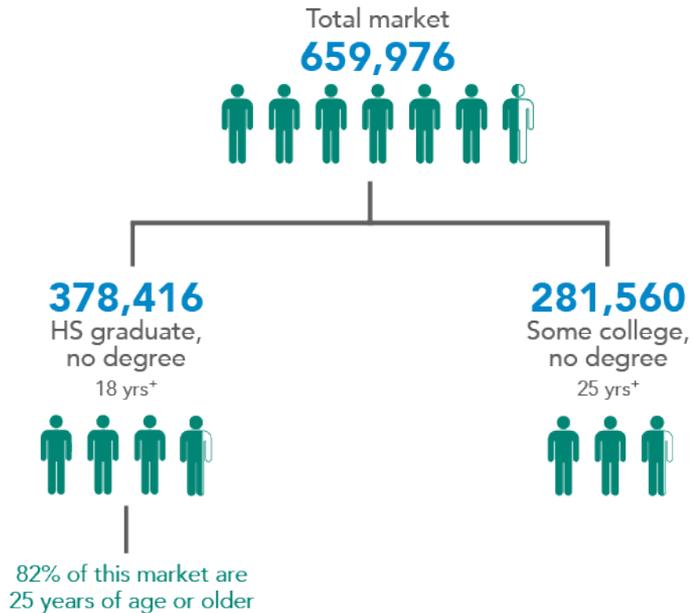


Federal Reserve Bank of New York, *The Labor Market for Recent College Graduates*,
 Strada Education Center for Consumer Insights. Covid-19 Work and Education Survey: March 25 to September 5, 2020





Why: In-District Market of Workers to Micro-Credential



55 100,000





What is a micro-credential?



Non-college-credit training focused
on a single skill or cluster of skills



Study, practice, and improve
upon a specific skill quickly



Signals the completion
of a skills-based learning experience

Digital Badges

One type of micro-credential offered by the Alamo Colleges



Two types of learning experiences

that result in a digital badge at our Alamo Colleges



- **In a micro-course**
Online, on-demand training
- **10-15 hours**
to complete

- **Within a college-credit course**
- **Same length as course**
depending on requirements





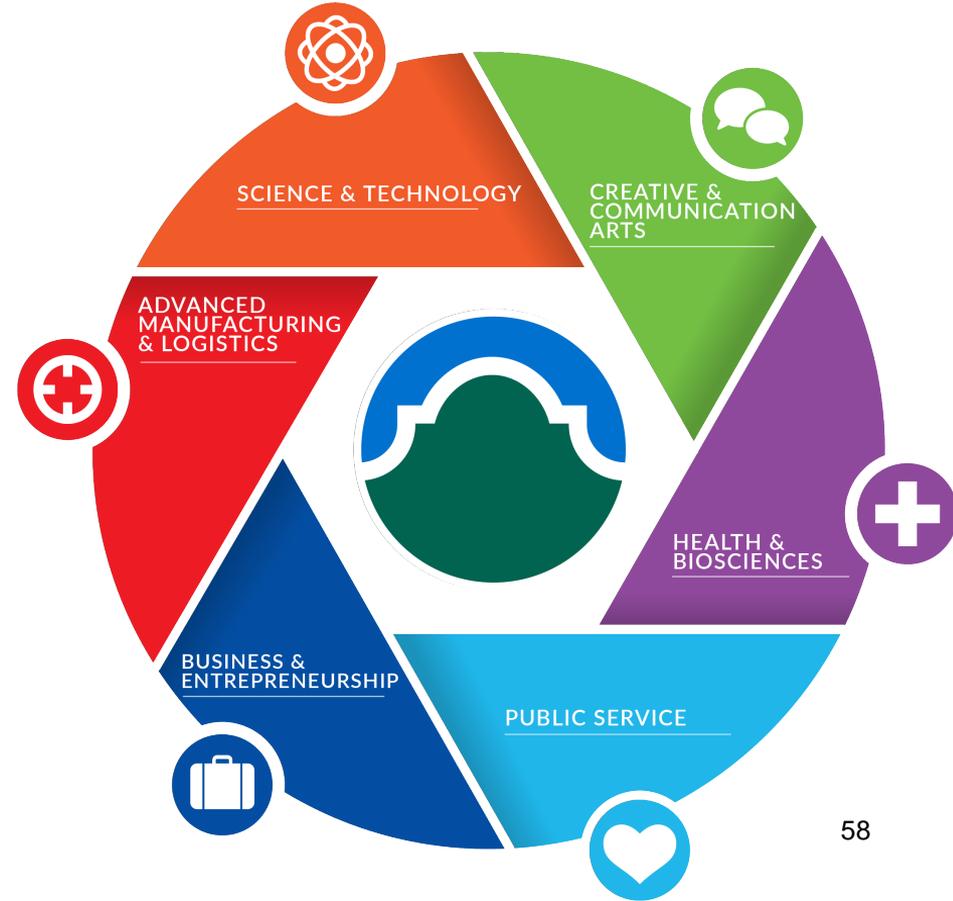
Micro-pathways provide **on-ramps** and **off-ramps** to certificates and degrees

1. Include 2+ credentials that are stackable, portable, and track towards a degree
2. Align to dynamic regional labor market employment and wage data
3. Employer-initiated and validated
4. Complete in one year or less
5. Offered in a flexible delivery format.
6. Affordable cost
7. Digitally discoverable
8. Connected to AlamoINSTITUTES



AlamoINSTITUTES

FY22 Focus on:
**Health &
Biosciences
Micro-pathways**

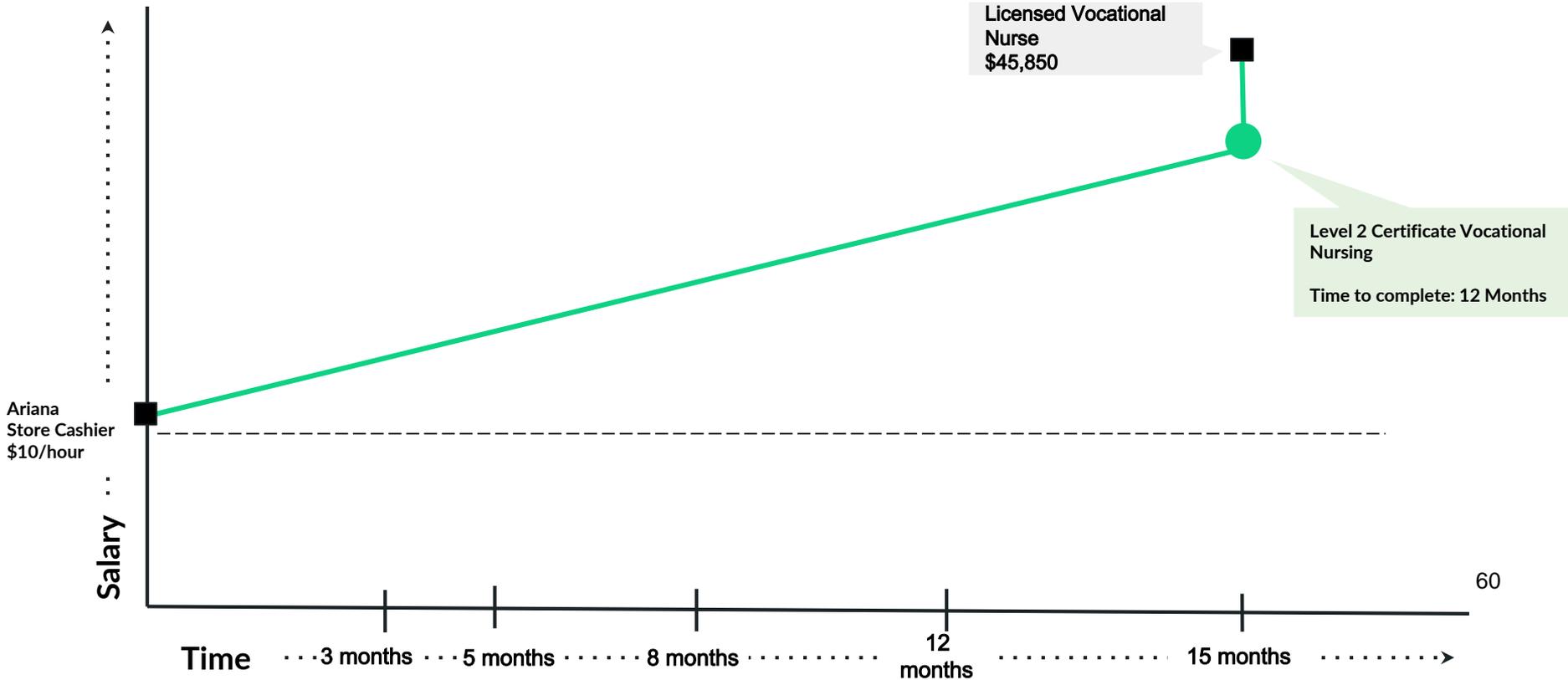


Meet Ariana

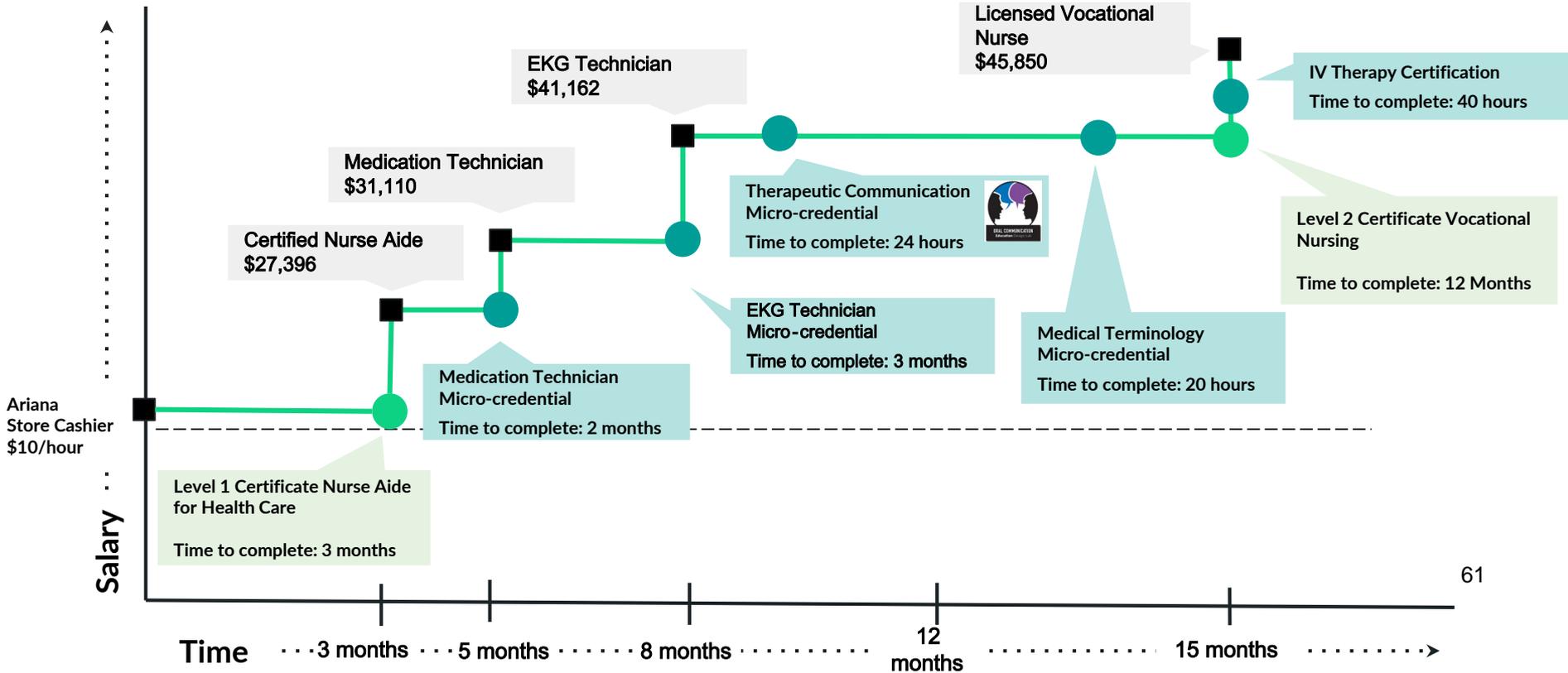
- 25 year-old Latina female
- Lifelong San Antonio resident
- English as Second Language
- Lives at home with her mother and three siblings
- Some College / No Degree (4 Courses)
- Works two jobs
- Must work and fit in school
- Wants to own her own business
- Does not know where to begin



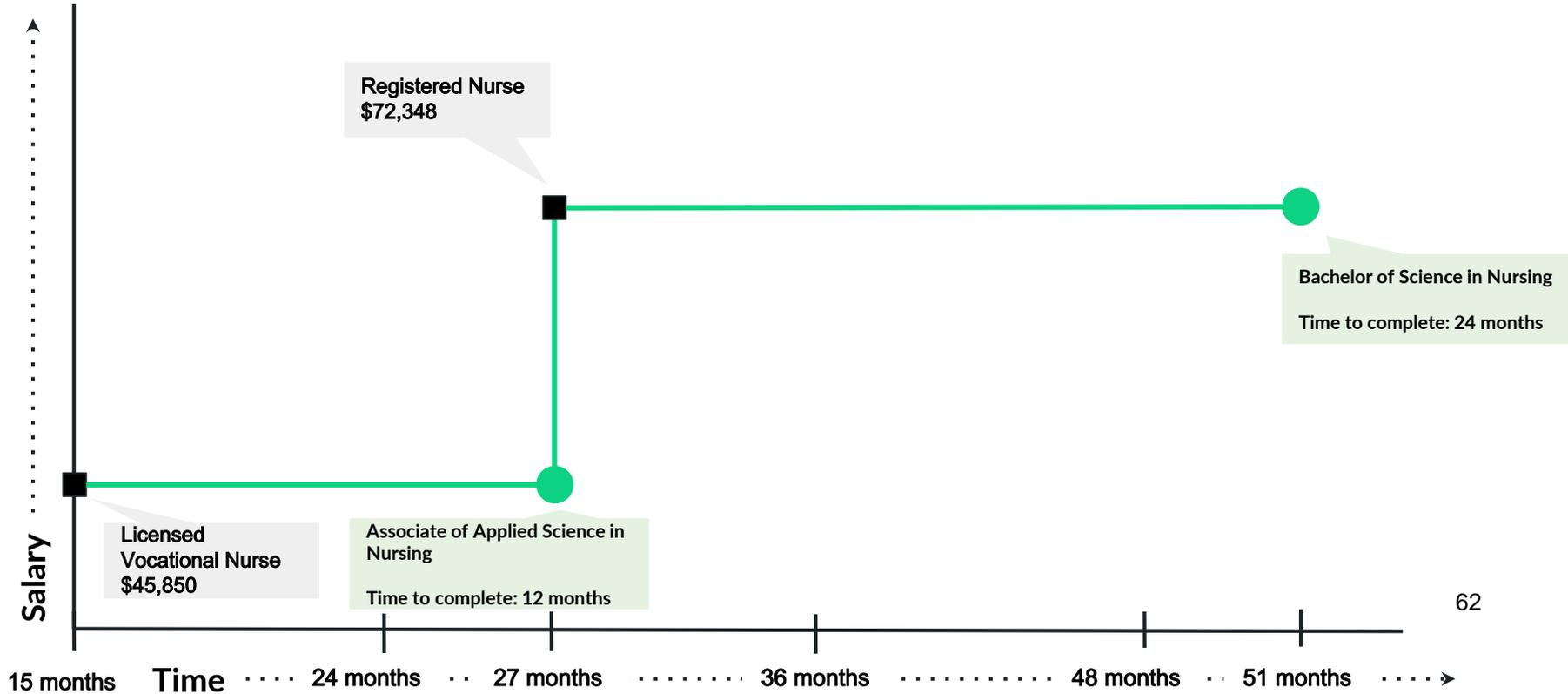
Nursing| Career Pathway [0 - 15 months]



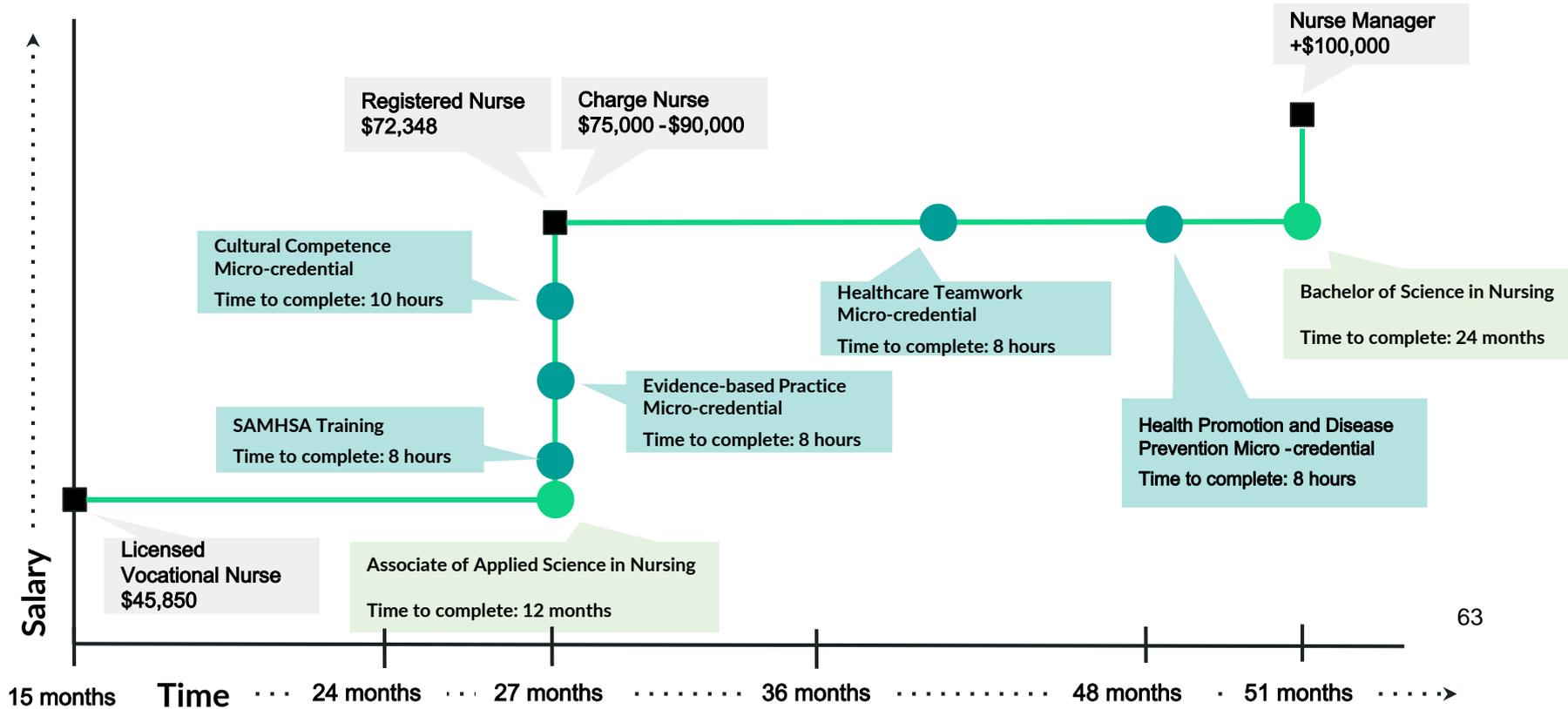
Nursing| Micro-pathway [0 - 15 months]



Nursing| Career Pathway [15 - 51 months]



Nursing| Micro-pathway [15 – 51 months]



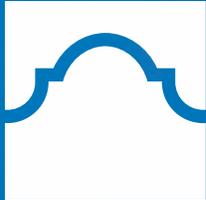


FY22 Proof of Concept

- Focus on micro-pathways in the Health and Biosciences Institute
- Confirm leading and lagging measures
- Align offerings to high-wage, high demand jobs
- Build capacity with College and CE to offer micro-credentials
- Monetize micro-credentials
- Market Program Offerings
- Report progress to SLT and Board of Trustees
- Scale to high-demand, high-wage in two more AlamoINSTITUTES in FY23



FY22 Smart Talent Strategies



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Linda Boyer-Owens

AVC of HR & Organizational Development



Talent Strategy Priorities

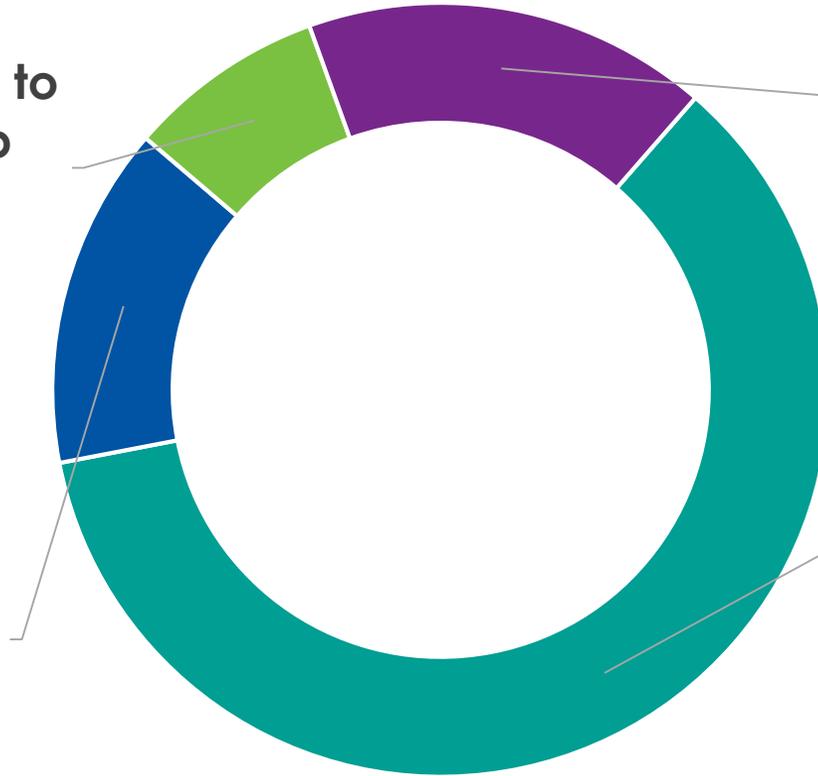
- Compete in post-pandemic talent market
- Recruit & retain high-wage, high-demand program faculty
- Dramatically expand student employment/work-based learning
- Enhance life-work value proposition



FY22 Smart Talent Investment - \$12,295,433 Operating Budget

Extending Offer Equity to Student Success Job Family,
\$1,300,000

Assuring Faculty for High-Wage/High-Demand Programs,
\$2,258,024



Improving Life-Work Value Proposition,
\$2,665,795

Smart Talent Recruiting & Retention,
\$9,565,899



A woman in a white lab coat and glasses is pointing at a computer monitor in a laboratory setting. A man in a dark shirt and glasses is looking on. The image is overlaid with a blue tint.

Faculty-Focused Talent Strategies



Full-time Faculty Talent Market

Recommendation

- Retain commitment to '3ness' target
- Fund to the extent we are able
- Increase salaries 3% on 9/1/2021
- Improve market rank from 5th to 4th
- Hold hiring table 1.75% below existing faculty

Peers	Rank	MA Minimum	% Below 3ness
Tarrant	1	\$ 53,372	
Austin	2	\$ 51,594	
Dallas	3	\$ 51,000	3ness Target
Alamo FY22 +3%	4	\$ 48,536	5.2%
Lone Star	4	\$ 47,754	
Alamo Today	5	\$ 47,122	8.2%
Houston		\$ 45,245	
San Jacinto		\$ 45,002	
El Paso		\$ 42,478	
Average		\$ 47,946	





Adjunct Faculty Talent Market

Recommendation

- Retain commitment to '3ness' target
- Fund to the extent we are able
- Increase compensation 3% on 9/1/2021
- Retain market position of 4th

Peers	Rank	Pay Per Course	% to 3ness
Austin	1	\$ 3,399	
El Paso	2	\$ 2,990	
Tarrant	3	\$ 2,887	3ness Target
Alamo FY22 +3%	4	\$ 2,643	8.5%
Alamo Today	4	\$ 2,566	12.5%
Dallas		\$ 2,374	
Houston		\$ 2,052	
Lone Star		\$ 2,100	
San Jacinto		\$ 2,064	
Average		\$ 2,554	

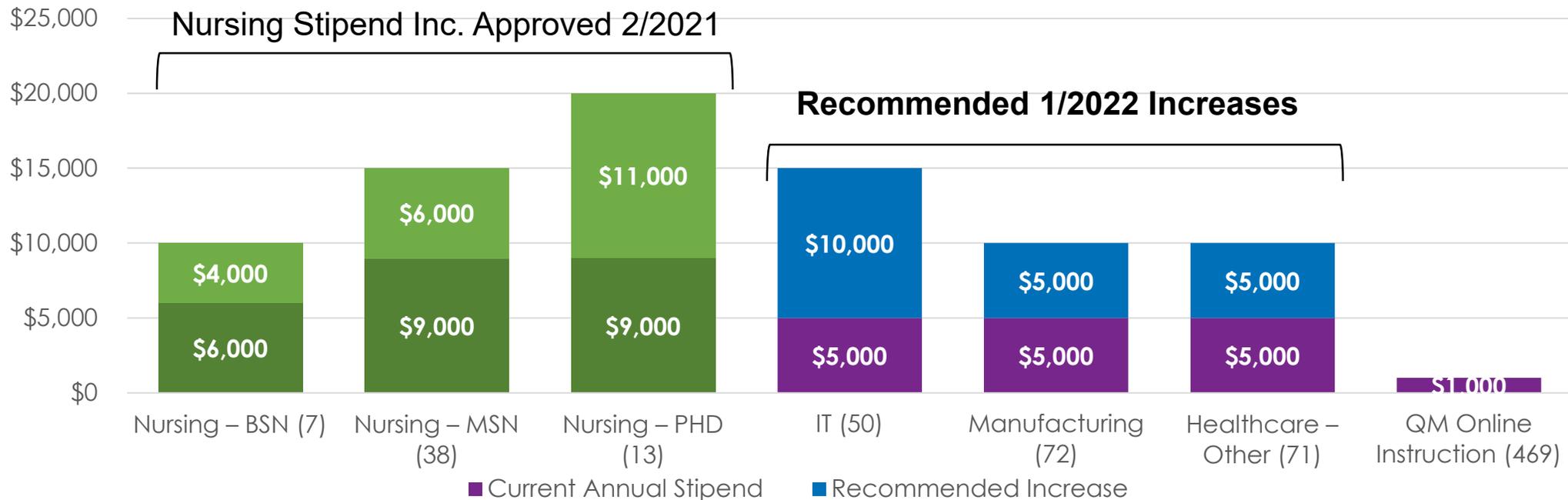




High-Wage, High-Demand Faculty Markets

Recommendation

- Continue Nursing stipend increases approved March 2021
- Increase IT, Advanced Mfg. & Other Healthcare stipends on January 1, 2022
- Continue Quality Matters Online Instruction Certification stipend





Staff-Focused Talent Strategies



Recommendation

- Retain commitment 100% comp-a-ratio target
- Fund to the extent we are able
- Increase ranges 9-10% on 9/1/2021
- Increase salaries 3% on 9/1/2021
- Hold minimum full-time rate 3% below existing staff

Hay/Korn Ferry Final Market Recommendations		
	Staff/Administrator Scale	IT/Tech Scale
FY22 Range Adjustments	10%	9%
FY22 Actual Pay Adjustments	3% or New Min	3% or New Min





Continuing Living Wage Commitment

Minimum Rates	Today	Recommended
ACD Full Time Staff	\$15.00	\$16.50
ACD New Full-Time Hires	\$14.60	\$16.00
ACD Part-Time Staff & Student Workers	12.50	\$13.75





Student Success Staff Offer Equity

Recommendation

- Implement Phase 2 Offer Equity in the Student Success Job Family on 9/1/21
 - **FY21 - Phase 1: Hire & Promotions Offer Equity**
 - Successfully applied to all for new hire & promotions offers
 - Objective, formula-driven offer calculations
 - Produces fair, uniform pay offers that are fair to existing staff
 - **FY22 - Phase 2: Student Success Offer Equity**
 - Apply formula to 650 staff in the Student Success Job Family
 - Increase pay of those paid inequitably low based on formula
 - **FY23 & Phase 3 & beyond: Apply Remaining Job Families**
 - Academics & IT, followed by College Services & DSO support



The image shows two young women walking outdoors, likely on a college campus. They are both smiling and wearing backpacks. The woman on the left is holding a water bottle and some papers. The woman on the right is wearing large hoop earrings and a necklace. The background consists of a building with large windows and some foliage. The entire image is overlaid with a blue tint.

Student-Focused Talent Strategies



Increase Student Employment

- Increase Student Wage Rate
 - Student Rate increase from \$12.50 to \$13.75
 - Work-study Employment, Student Employees, Earn & Learn Internships



Life-Work Balance Strategies

The background of the slide is a blue-tinted photograph. It depicts a professional setting where two individuals are working. In the foreground, a person's hand is visible, holding a pen and writing on a document. In the background, another person is using a calculator. The overall scene suggests a focus on business, finance, or administrative tasks.



Life-Work Evolution

FY22 Investments	ACD Investment	Employee Expense Change
Continue expanded EAP benefit	Continue FY21 enhancement	100% employer paid
Continue telecom allowance	2.1M FY22, 3.2M annualized	100% employer paid
Fund health plan increase	Fund 285k+ increase	2%+ Increase CFHP Child/Family
Fund retirement plan increase	Increase from 7.5% to 7.75%	TRS Increase from 7.7% to 8.0%

Value Proposition	Enhancements
Commemorate & Celebrate	<ul style="list-style-type: none"> Adopt Juneteenth Holiday (starting in 2022)
Begin Flex/Hybrid Strategy	<ul style="list-style-type: none"> Experiment and assess what students need and prefer to succeed post-pandemic in FY22.
Continue Work-Life Evolution	<ul style="list-style-type: none"> Engage external expert in FY23 to help us in further work-life enhancement that meet the needs of students and employees.
Issue Total Compensation Statements	<ul style="list-style-type: none"> Issue 1st statement in Fall 2021

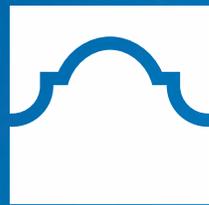
EAP (Employee Assistance Program); CFHP (Community First Health Plans); TRS (Teachers Retirement System); ORP (Optional Retirement Plan)





- Discussion and Possible Action on FY22 Smart Talent Compensation Adjustments (\$11,986,058)
- Discussion and Possible Action on FY22 Supplemental Employer Contribution for ORP Participants (\$309,385)

Thank you.



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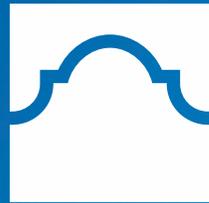


Malcolm Baldrige
National Quality Award
2018 Award Recipient



Achieving the Dream LEADER
COLLEGE
OF DISTINCTION

APPENDIX



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Living Wage Perspective

Minimum Rates	Today	Recommended
ACD Full Time Staff	\$15.00	\$16.50
ACD New Full-Time Hires	\$14.60	\$16.00
ACD Part-Time Staff & Student Workers	12.50	\$13.75

	1 ADULT				2 ADULTS (1 WORKING)				2 ADULTS (BOTH WORKING)			
	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Children	0 Children	1 Child	2 Children	3 Children
Living Wage	\$13.47	\$28.67	\$35.22	\$44.94	\$22.46	\$27.21	\$30.61	\$32.89	\$10.73	\$15.64	\$19.38	\$22.55
Poverty Wage	\$6.13	\$8.29	\$10.44	\$12.60	\$8.29	\$10.44	\$12.60	\$14.75	\$4.14	\$5.22	\$6.30	\$7.38
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25

MIT Living Wage Calculator, San Antonio Area



FY22 Revenue

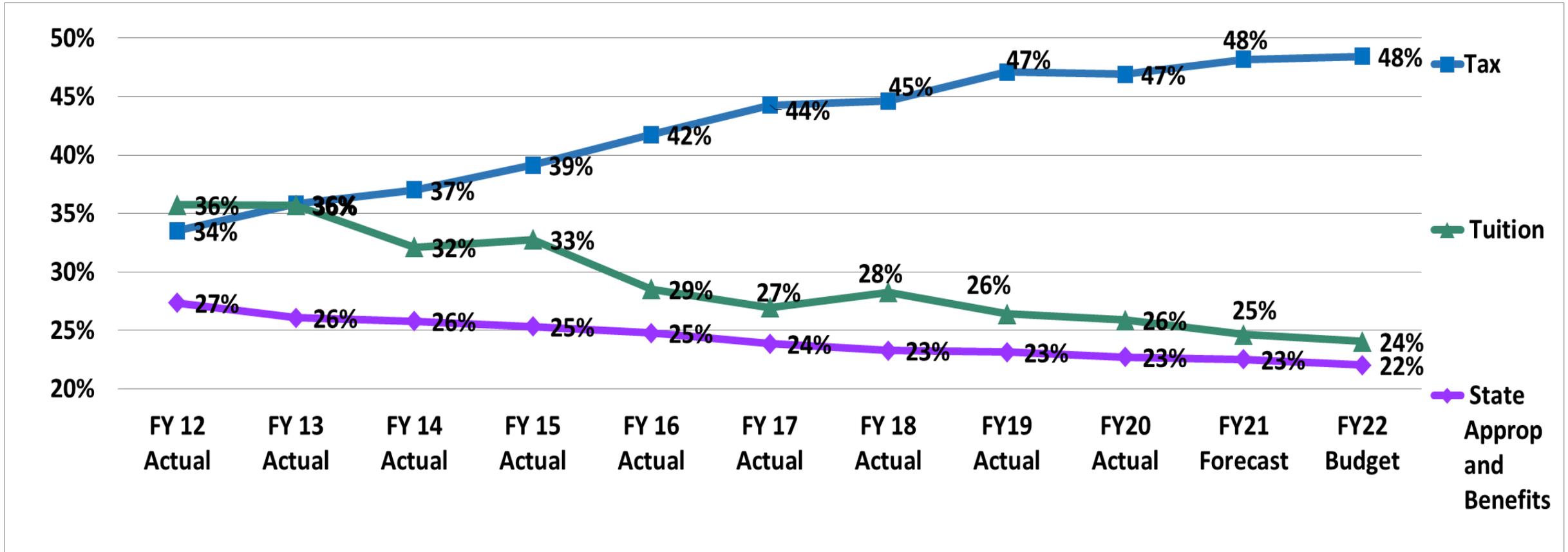
Alamo Colleges District Revenues

General Operating (UNRESTRICTED)

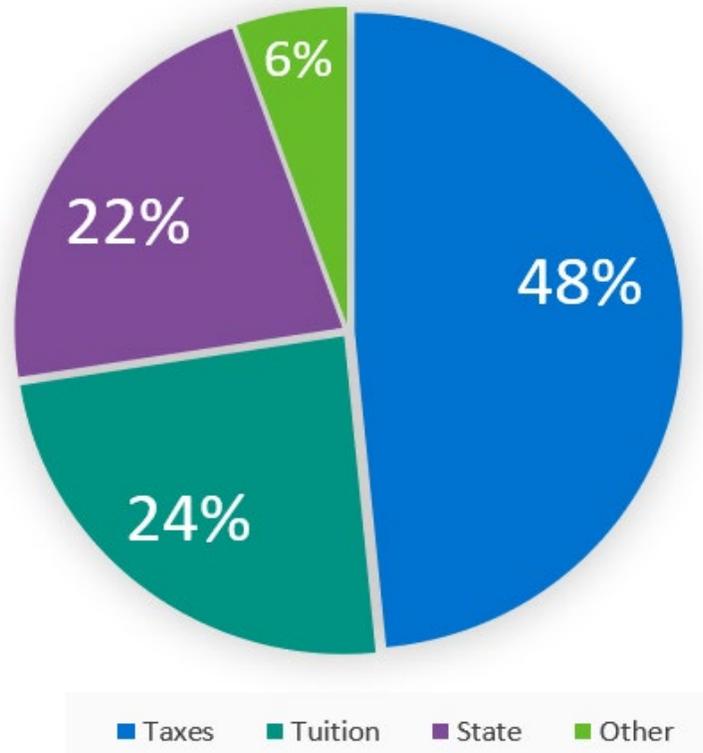
- Maintenance & Operation (M&O) Property Tax
- Tuition & Fees
- State Funding
- All Other



ACD Revenues 10 Year Historical Trend



ACD Revenue – What Does It Resource?



Ad Valorem Tax \$195.0 (48.5%)

Capital, Preventive Maintenance, Facilities, Institutional Support, General Institutional, Fringe Benefits

Tuition \$96.8M (24.1%)

Instruction, Student Services

State Appropriations \$88.6M (22%)

Instruction, Academic Success, Student Services, Fringe Benefits, Veteran's Assistance Centers

Other Formula, Investment Income, Non-formula, CE \$22M (5.5%)

General Institutional, Non-Formula, Continuing Education (CE)

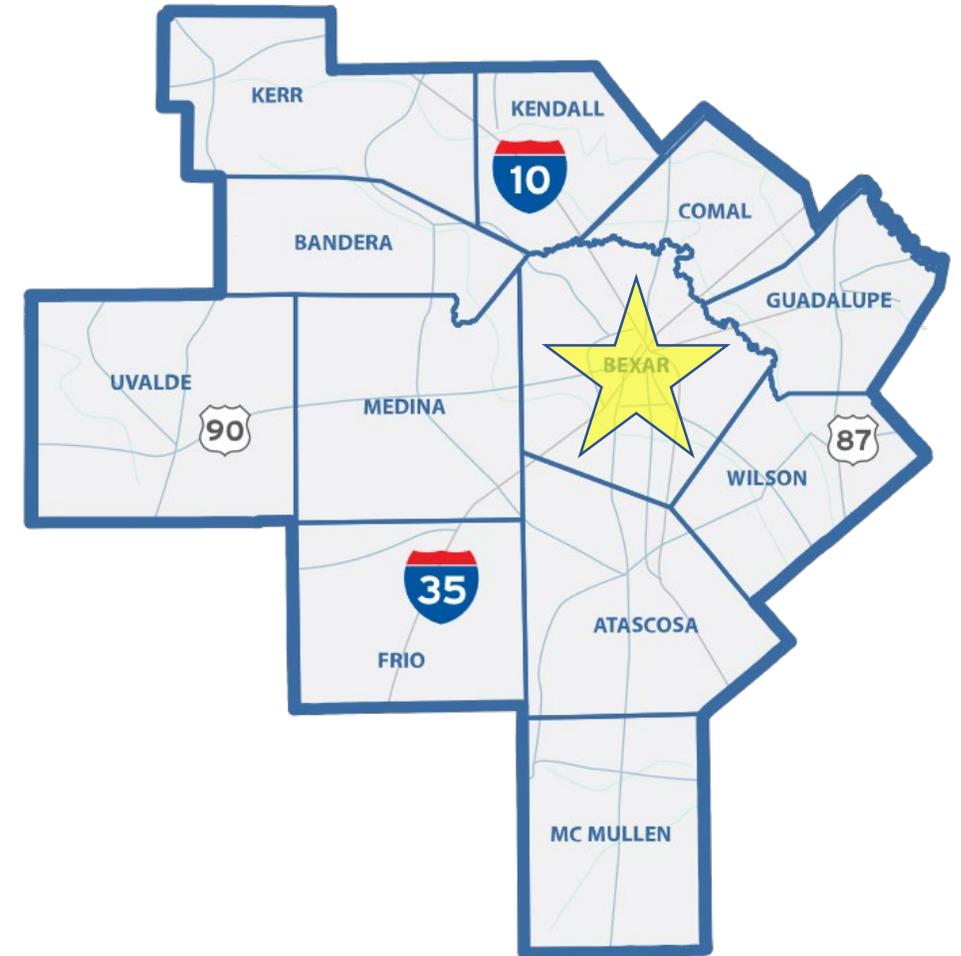




M&O Property Tax Revenue

M&O Tax Revenue – NO RATE INCREASE

- Bexar County Taxable Assessed Valuation (TAV) = \$186.5B (2021 Prelim.)
- ACD Tax Rate = 14.9 cents per \$100 of valuation
 - M&O \$0.10776 per \$100 of valuation
 - Debt \$0.04139 per \$100 of valuation
- How much of my property tax goes to ACD?
 - Median Home Value of \$268,500
 - $\$268,500 / 100 \times .14915 = \400
- For fiscal year 2022 budget, **M&O \$195M**, or 48.5% of total revenue
 - 5% TAV growth, 98% Collection Rate

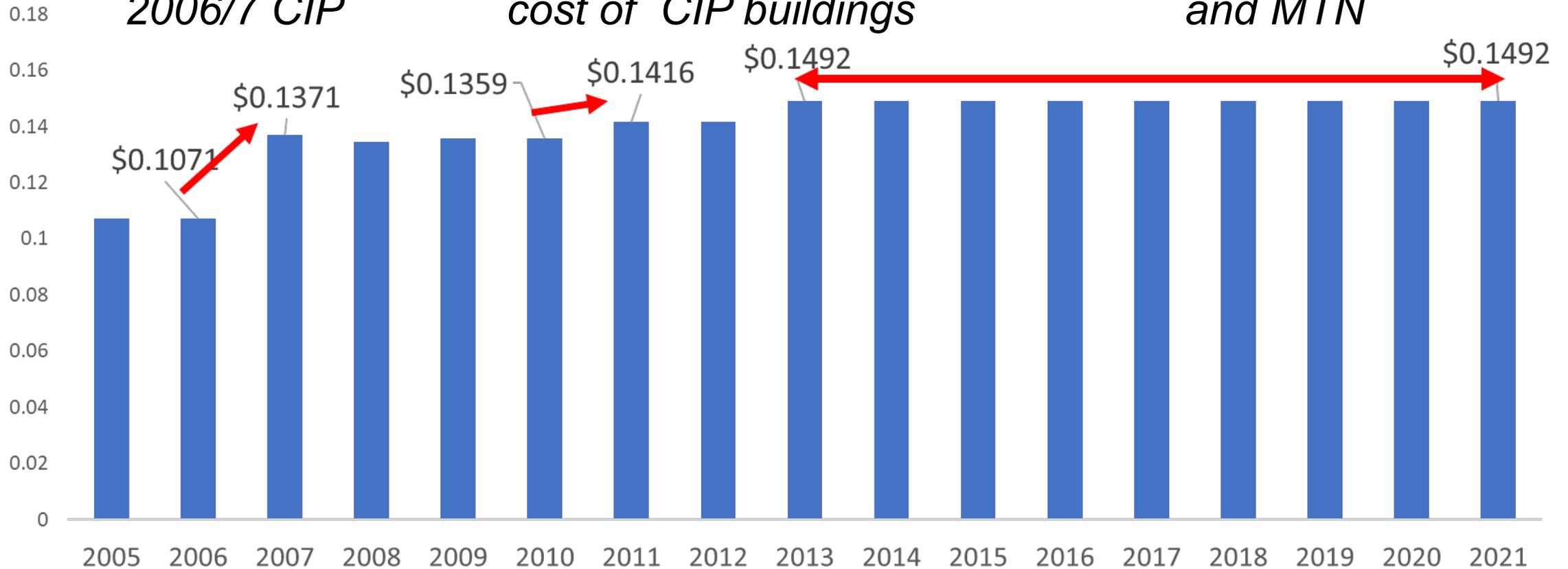


Manage Debt to Maintain a Stable Tax Rate

2007: 3 cent tax hike for \$450M 2006/7 CIP

2011: half cent M&O tax hike to cover operating cost of CIP buildings

2017-2022: no tax hike for \$500M CIP and MTN



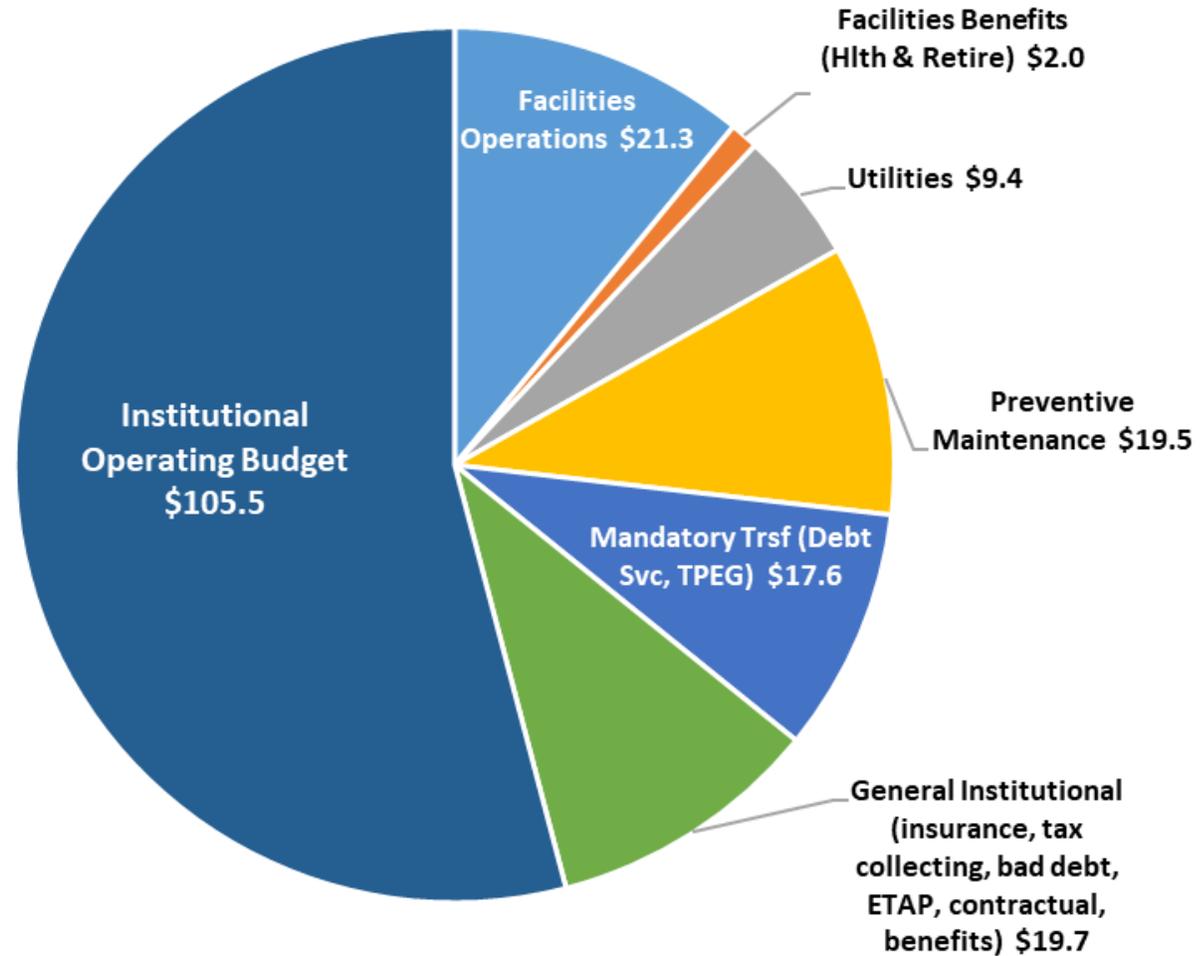
CIP= Capital Improvement Plan MTN = Maintenance Tax Notes



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FY22 - What Does M&O Taxes Fund? (In \$Millions)



TPEG = Texas Public Educational Grant
ETAP = Employee Tuition Assistance Program



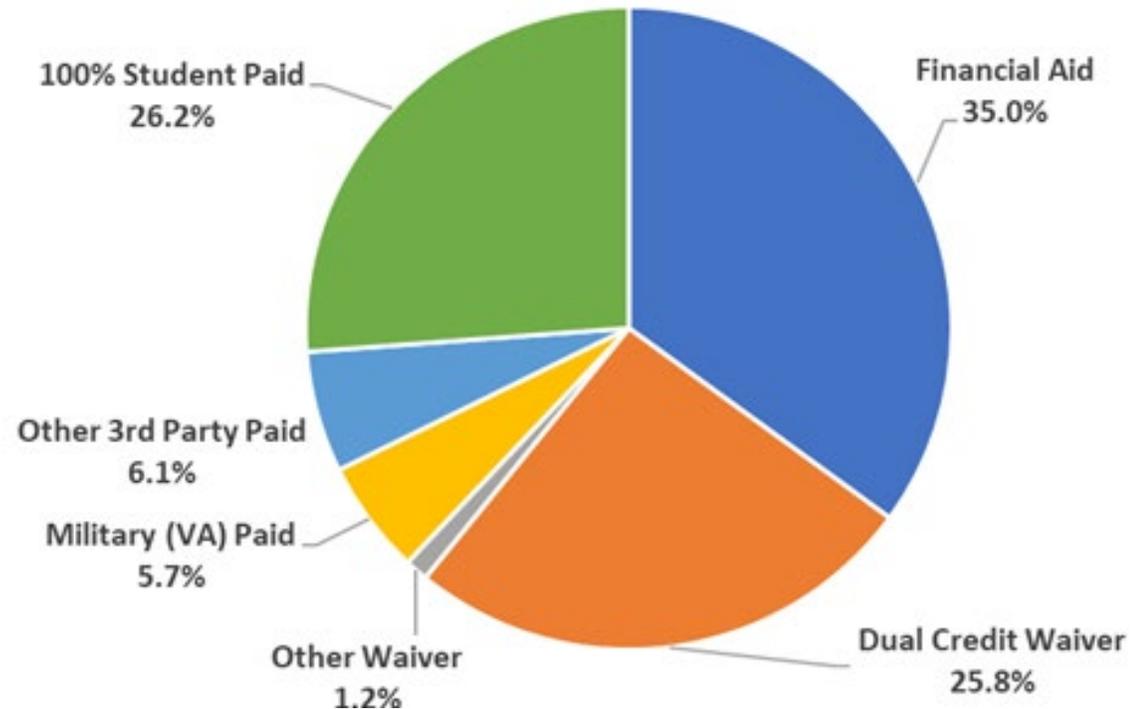


Tuition & Fee Revenue

Tuition & Fee Revenue – NO RATE INCREASE

- 1.1M Semester Credit Hours generates **\$96.8M** in net revenue
- Enrollment Mix
 - 84% In-district
 - 14% Out-of-district
 - 2% Non-Texas Resident & International

Who Pays Tuition

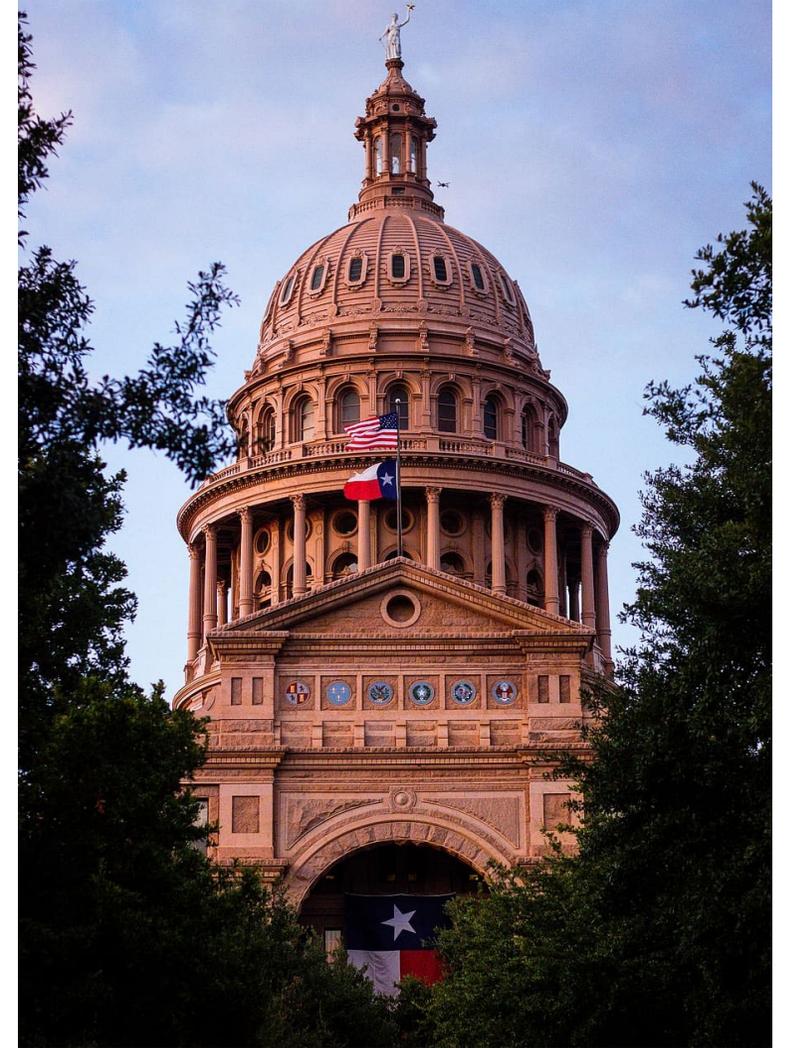


The image features a blue-tinted background with a large, semi-transparent Texas state flag. The flag is positioned on the left side of the frame, showing its characteristic vertical stripes and a five-pointed star. Overlaid on the right side of the flag is the text "State Revenue" in a bold, white, sans-serif font.

State Revenue

State Appropriations

- Each biennium, the Legislature must pass one bill – the General Appropriations Act
- Article III (Education) provides funding for all 50 Community College Districts (also Public Ed & 4-Yr's)
- What does the State fund?
 - Instruction – Contact Hours & Student Success Points
 - Core Operations
 - Benefits – 50% of Group Health & Retirement
- For fiscal year 2022 budget, **\$88.6M**, or 22% of total revenue

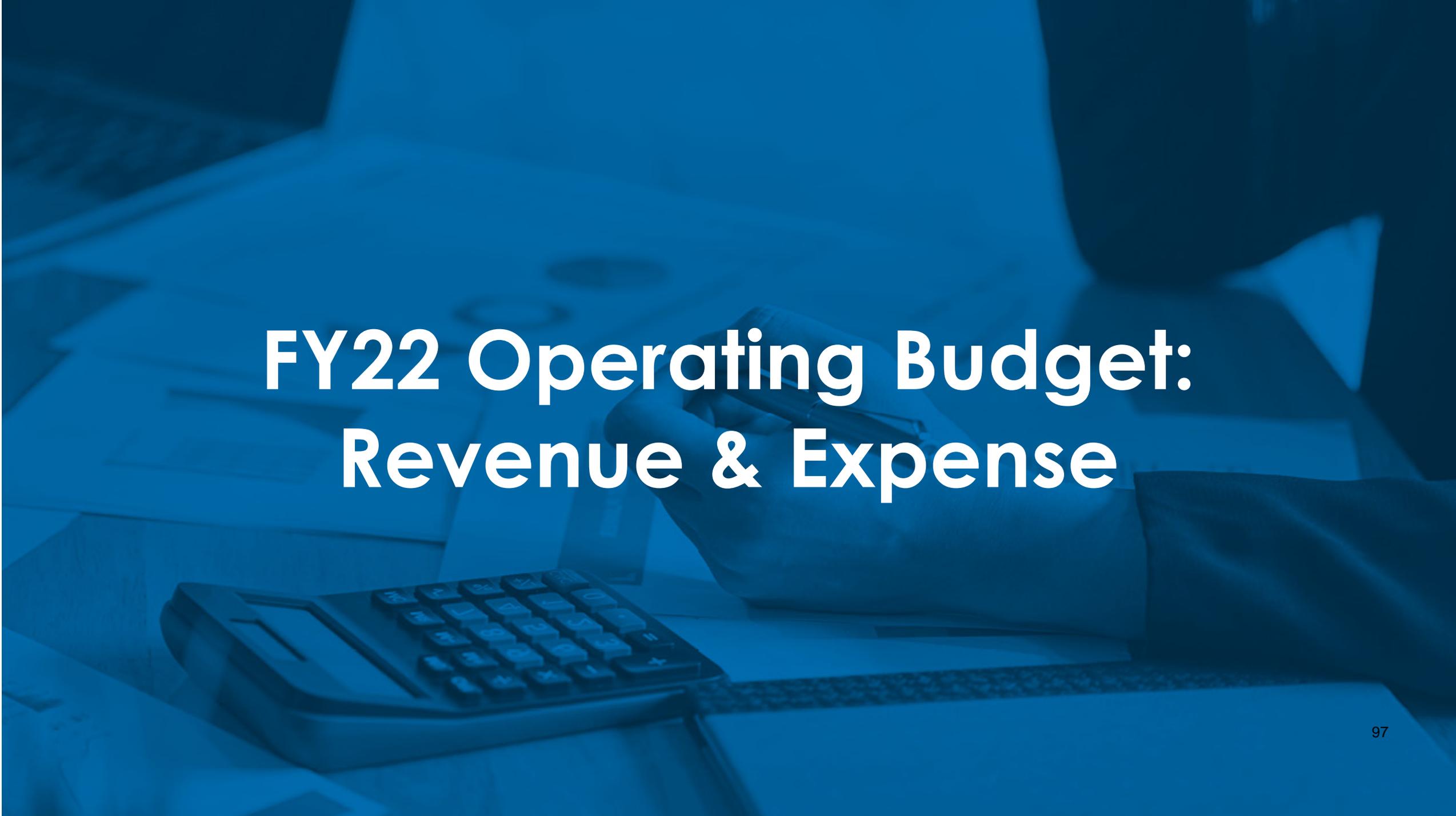


What Is The State Appropriation For The ACD?

	86 th Legislature (FY'20-'21)	87 th Legislature (FY'22-'23)	Difference %
Core Operations	\$1,360,812	\$1,360,812	0%
Student Success Points	\$18,320,218	\$24,115,318	31.6%
Contact Hours	\$105,867,918	\$102,400,624	-3.3%
TOTAL Instructional Funds	\$125,548,948	\$127,876,754	1.9%
Veterans Assistance Center	\$8,116,800	\$7,710,960	-5%
TOTAL State Appropriations (Biennium)	\$133,665,748	\$135,587,714	1.4%

TOTAL FY'22 State Appropriation = \$67,793,857, plus State-Paid Benefits of \$20,966,235

- **Core operations** funding remained flat for Alamo and all Texas CCs
- **Student Success Points** will see an increase of 31.6% as compared to last biennium
- **Contact Hour** funding will slightly dip by 3.3% due to enrollment declines in Fall '20 and Spring '21 semesters
- **Veterans Assistance Centers** funding was reduced by 5% at request of the Legislative Budget Board – this was an across the board cut to all CCs nonformula funding requests



FY22 Operating Budget: Revenue & Expense

FY22 Revenue Summary

M&O Property Tax	\$195,031,684
Net Tuition & Fees	\$96,821,730
State Funding	\$88,760,092
All Other Revenues	\$22,009,602
FY22 Proposed Revenue	\$402,623,108

Fund Balance Transfer	\$7,108,905
FY22 Proposed Resources	\$409,732,014

Tax Revenue (**NO** Change to Tax Rates)

- 5% Taxable Assessed Valuation growth
- 98% collection rate

Tuition Revenue (**NO** Change to Tuition Rates)

- Based on SCH projections and Board-approved Tuition rates
- True-up to FY21 actuals including Lost Revenue covered by HEERF
- FY21 = \$88.2 + \$7.8m = \$96.1M

State Revenue

- 1% overall increase

- Fund Balance Transfer – putting prior year savings into production (\$7.1M of \$19.5M)



FY22 Expense Summary

FY21 Approved Expense	\$387,763,142
	<u>Change from Prior Year</u>
Operating Budgets	\$3,629,946
Preventive Maint. & Facilities	\$3,869,878
Fringe Benefits	\$2,566,633
General Institutional	-\$1,057,227
Student Success Fund (FY21 \$2M, no char)	\$0
Talent Strategies	\$11,986,058
Technology & Other Investments	\$973,584
FY22 Proposed Expense	\$409,732,014

1. College & DSO Operating budgets reflect a \$3.6M / 1.7% increase versus prior year
2. Funding provides full support for our students (Instruction and a full suite of Student Services) and our talent
3. Facilities increases provide the level of service needed for our students & employees upon return-to-campus and sustains new buildings (CIP) coming on-line
4. \$11.9M talent strategy to retain & recruit talent in a tight market
5. Investments in Community Connections and Cyber Security & Technology
6. Student Success Fund remains at \$2M



Student Success Fund - \$2M

FY22 Budgeted Investments

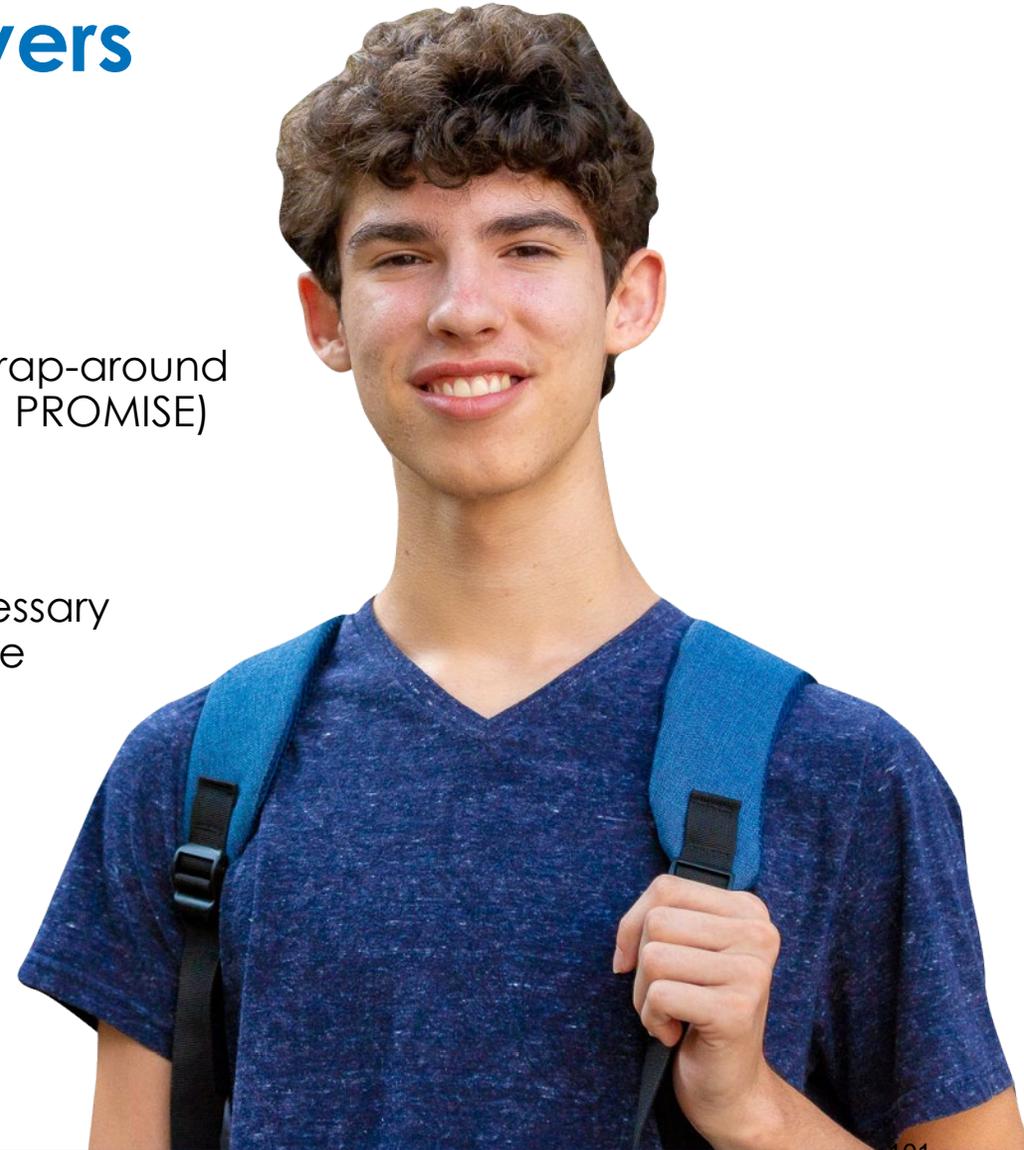
Expanded Tutoring for Math/English/Science/Accounting	\$300,000
Micro-credentialing, Digital Badges & Course Peer Review Challenge	\$585,000
Student Advocacy: Healthcare Clinics	\$500,000
AlamoEXPERIENCE team leads (year 2, 50% funding)	\$250,000
Student Advocacy: San Antonio Food Bank	\$210,000
Participatory Budget	\$125,000
Diversity, Equity & Inclusion training	\$30,000
TOTAL	\$2,000,000



State Of The ACD: What FY22 Delivers

The Fiscal Year 2022 budget delivers:

1. Support for our 71k students
 - 5% growth in contact hours
 - Return-to campus Instructional delivery and a full-suite of wrap-around services (Advocacy Centers, Advisors, Enrollment Coaches, PROMISE)
2. Support for our 5k+ employees (full-time & part-time)
 - Return-to campus
 - Comprehensive market adjustments to compensation necessary to retain and attract talent (last market adjustment effective Jan. 1, 2020)
3. Looking forward
 - Lay the foundation for long-term growth and achieving our 'Moon Shot'
 - Healthy fund balance, with a projected \$15M - \$19M increase in available funds



Request For Approval Of The Minute Order For The FY22 Operating Budget

REVENUE	\$402,623,108
FUND BALANCE TRANSFER *	\$7,108,905
OPERATING EXPENSES	-\$409,732,014
BALANCED BUDGET	\$0

* Fund balance transfer utilizing \$7.1M of the current year \$19.5M favorable increase to fund balance.



July 17, 2021 Minute Order Actions

- 6.E. Discussion and Possible Action on FY22 Smart Talent Compensation Adjustments
- 6.F. Discussion and Possible Action on FY 2022 Supplemental Employer Contribution for ORP Participants
- 6.G. Discussion and Possible Action on Approval of FY22 Operating Budget
- 6.H. Discussion and Possible Action on the District Internal Audit Department's Proposed Fiscal Year 2022 Budget and Staffing – Frank Cortez

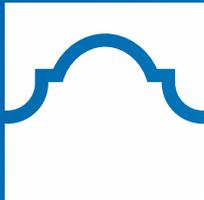


Next Steps

- **August** – Minute Order approval for FY22 Preliminary All Funds Budget (Unrestricted & Restricted budgets, including briefing on HEERF)
- **September** – Minute Order approval setting Tax Rate for FY 2021-2022
- **October** – Minute Order approval for Spring 2022 Tuition & Fee Schedule



Appendix



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FY22 Revenue Details – Reference Information

REVENUE CATEGORY	FY21 Approved	FY22 Proposed	\$ Δ
M&O Property Tax	\$178,255,051	\$195,031,684	\$16,776,633
Gross Tuition	\$132,198,195	\$130,631,441	-\$1,566,754
Exemptions & Waivers	-\$30,168,563	-\$30,808,363	-\$639,800
Summer Momentum Prgm	-\$3,001,348	-\$3,001,348	\$0
TOTAL NET TUITION	\$99,028,284	\$96,821,730	-\$2,206,554
State Appropriations	\$62,774,478	\$63,938,377	\$1,163,899
Nonformula Item - Vet Ctrs	\$4,058,400	\$3,855,480	-\$202,920
State Paid Benefits	\$20,443,541	\$20,966,235	\$522,694
TOTAL STATE FUNDS	\$87,276,419	\$88,760,092	\$1,483,673
All Other Formula Revenue	\$4,483,000	\$3,770,000	-\$713,000
TOTAL NON-FORMULA & CE	\$18,720,388	\$18,239,602	-\$480,786
Fund Balance Transfer	\$0	\$7,108,905	\$7,108,905
TOTAL REVENUE	\$387,763,142	\$409,732,014	\$21,968,871



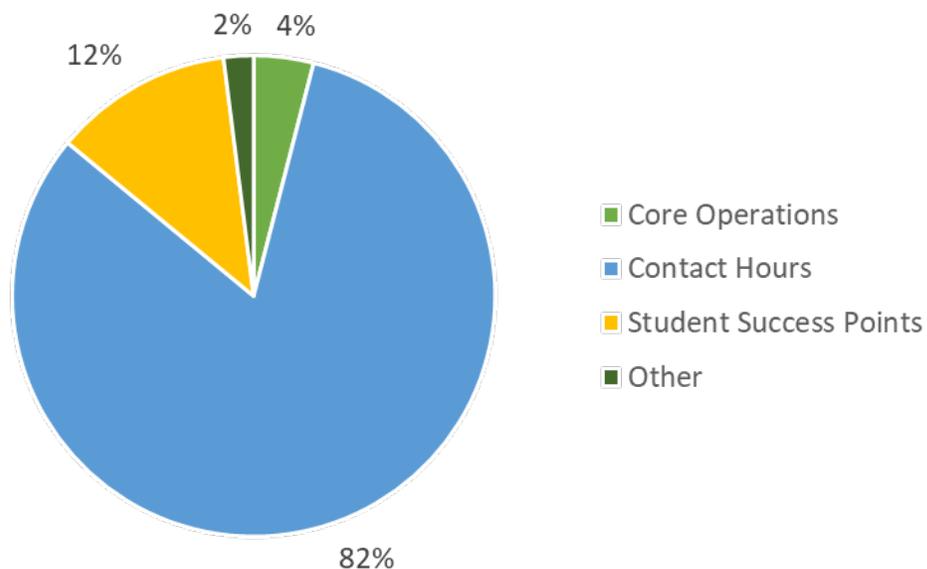
FY22 Expense Details – Reference Information

	FY21 Approved	FY22 Balanced to Revenue	\$ Δ vs. FY21
<u>Colleges</u>			
Formula	\$153,746,130	\$156,038,225	\$2,292,095
Capital	\$4,730,920	\$5,300,000	\$569,080
Non-Formula	\$10,261,563	\$9,539,764	-\$721,799
TOTAL COLLEGE	\$168,738,613	\$170,877,989	\$2,139,376
<u>DSO</u>			
Formula	\$72,837,027	\$74,344,238	\$1,507,211
Non-formula/CE	\$3,385,211	\$3,368,570	-\$16,641
TOTAL DSO	\$76,222,238	\$77,712,808	\$1,490,570
<u>Institution-wide Costs</u>			
Fringe Benefits	\$59,904,378	\$62,471,011	\$2,566,633
General Institutional	\$33,440,358	\$32,383,131	-\$1,057,227
Facilities/Utilities	\$24,338,495	\$27,708,373	\$3,369,878
Preventive Maintenance	\$19,000,000	\$19,500,000	\$500,000
TOTAL INSTITUTION-WIDE COSTS	\$136,683,231	\$142,062,515	\$5,379,284
<u>Strategic Initiatives/Investments</u>			
Student Success Fund	\$2,000,000	\$2,000,000	\$0
Talent Strategies	\$0	\$11,986,058	\$11,986,058
Other Investments	\$4,119,060	\$5,092,644	\$973,584
TOTAL INITIATIVES/INVESTMENTS	\$6,119,060	\$19,078,702	\$12,959,642
GRAND TOTAL EXPENSE	\$387,763,142	\$409,732,014	\$21,968,872

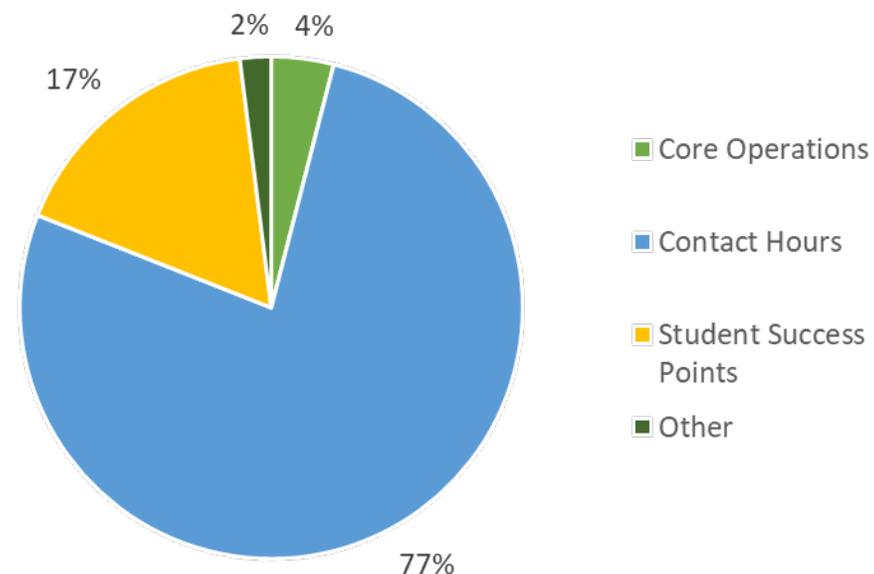


Overview Of The Budget For Texas Community Colleges

Texas CC Budget (FY20-21 Biennium)



Texas CC Budget (FY22-23 Biennium)



Community colleges receive state funding for instructional support through a formula consisting of:

- **Core Operations** Funding,
- **Contact Hour** Funding, and
- **Student Success Points** (outcomes-based funding)

The state also provides support for group health insurance and retirement benefits.

Student Success Point Shift For Texas Community Colleges

	Historical	Adopted (SB1)
SCH Completion		
15 SCH Completed	1 point	1 point
30 SCH Completed	1 point	1.5 points
Transfer		
Transfer	2 points	3 points
Co-enrolled Transfer	2 points	3 points
Degrees/Certificates		
Critical Degrees	2.25 points	3.25 points
All other Degrees	2 points	1.2 points

- **Two issues considered by Budget writers this session:**
 - Whether to shift the weights within the Student Success Points system
 - Whether to use updated base year contact hours
- Legislators shifted Student Success points to focus on **transfer** and **critical degree** completion
- Legislators utilized updated base year contact hours BUT also removed \$86.5M from the Contact Hour portion of the budget to Student Success Points



Discussion and Possible Action on FY22 Smart Talent Compensation Adjustments

Presented to the Alamo Colleges District Board of Trustees for approval on July 17, 2021.

MINUTE ORDER

“The Alamo Colleges District Board of Trustees hereby approves compensation adjustments effective September 1, 2021, and January 1, 2022, as noted for full-time regular faculty, adjunct faculty, CE Instructors, full-time and part-time/temporary staff, work study students and administrators.”

PURPOSE

Compensation adjustments are recommended as we enter FY22 to recruit and retain the excellent talent our Alamo Colleges District student success mission requires. Careful market analyses show compensation adjustments are needed, across the board, to secure a competitive position to recruit and retain essential talent. A further set of faculty stipend adjustments are required to recruit and retain high-wage/high-demand faculty for our Nursing, Healthcare, IT and Advanced Manufacturing programs. Finally, a wage increase for work study students and other students employed by the College District is recommended to keep pace with the local market, thereby ensuring students can afford to participate in work-based learning opportunities provided by the College District.

MARKET ADJUSTMENTS

The defined market position for faculty is 3rd among the eight largest Texas Community College districts based on the results of the annual TCCTA survey of Texas colleges. The defined market position for staff, administrators and IT technical talent is 100% comp-a-ratio in ranges developed independently through Hay/Korn Ferry analysis of the Higher Ed and General Industry markets to produce a competitive pay position comparable to faculty “3ness” in a blended market of Higher Ed and General Industry benchmark jobs for each ACD salary grade. The college district remains committed to achieving the market position targets for faculty and non-faculty within the limits of available funding.

A FY22 market adjustment of 3% is recommended, effective September 1, 2021, for all employees. This market adjustment is tempered by limits of available funding. While not sufficient to achieve the College District’s targeted market positions, it does represent significant progress while remaining within the limits of the FY22 budget.

Compensation for existing faculty will be increased 3% on September 1, 2021, and the hiring rate table will be increased but will continue to lag 1.75% behind the rates paid to existing faculty to avoid compression.

Compensation for non-faculty will also increase 3% on September 1, 2021. The S-Scale and T-Scale Ranges will increase 10% and 9% respectively. Compensation adjustments will be limited to 3% unless an additional amount is required to bring an employee’s rate up to the new range minimum. As in prior years, the adjustment amount may not increase an employee’s compensation above the new range maximum. If an employee’s rate that exceeds the range awarded a one-time 1% adjustment will be awarded instead of a recurring base rate increase.

The following expenses by employee classification are projected:

Employee Classification	% Increase	Average Increase	Head Count	FY22 Cost
Full-time Regular Faculty	3%	\$1,902	812	\$1,544,311
Adjunct Faculty	3%	\$331	2,250	\$743,969
CE Instructors	3%	\$29	862	\$24,955
Full-Time Regular Staff* **	3%+	\$2,056	1,735	\$4,517,181
Part-Time/Temporary Staff	3%+	\$968	558	\$651,458
IT Sr. Professional/Manager	3%+	\$4,766	70	\$392,969
Work study & student workers	3%	\$1.25/hour	Target 1,800	State/Federal Funded
Administrators	3%+	\$6,852	77	\$359,752
Total Increase				\$8,234,595
Total Benefit Cost Increase***				\$1,194,949
Grand Total				\$9,429,544

* Adjusting more than 3%, if required to bring wage/salary up to new range minimum

** 1% one-time temporary adjustment in FY22.

*** (15.805% FT, 8.305% PT Benefit exp.)

HW/HD (HIGH-WAGE/HIGH-DEMAND) FACULTY STIPENDS

The College District currently provides additional compensation in the form of annual stipends to HW/HD faculty. The additional compensation is required to compete in the job markets for qualified Nursing, IT, Advanced Manufacturing, and Healthcare faculty. The stipends address the significant compensation gap that exists between teaching and the HW/HD profession in which those faculty are qualified to work.

In February 2021 the Board of Trustees approved an off-cycle stipend increase for nursing faculty to support the timely recruitment and retention of nursing faculty for the new SAC BSN program. The Board requested that these Nursing Stipend be brought back for review during the FY22 budget cycle and in relation to the need for stipend adjustments for other high-wage/high-demand disciplines.

The nursing stipend increase has helped stabilize recruiting and retention in the discipline but the compensation gap for IT, Advanced Manufacturing, and other Healthcare faculty continues to grow, jeopardizing our ability to operate those programs. Faculty turnover in the programs and the time to fill vacant positions continues to increase.

To ensure faculty for the HW/HD programs, continuation of the nursing stipends is recommended. The following stipend increases for other HW/HD disciplines are also recommended to become effective January 1, 2022 based on current market data for instructors and individuals employed in other HW/HD professions.

HW/HD Faculty	FTEs	Current Annual Stipend	Proposed Annual Stipend	Annualized Cost	FY22 Cost
Nursing – BSN*	7	\$6k to 10k on 3/1/2021*	\$10,000	\$28,000	\$28,000
Nursing – MSN*	8	\$9k to 15k* on 3/1/2021*	\$15,000	\$228,000	\$228,000
Nursing – PhD*	13	\$9k to 20k on 3/1/2021*	\$20,000	\$143,000	\$143,000
IT**	59.6	\$5,000	\$15,000	\$595,704	\$297,852

Manufacturing**	79.9	\$5,000	\$10,000	\$399,495	\$199,747
Healthcare (non-Nursing)**	83.6	\$5,000	\$10,000	\$417,992	\$208,996
Total Increase				\$1,812,191	\$1,105,595
Total Benefit Cost Increase				\$239,977	\$150,919
Grand Total				\$2,052,168	\$1,256,514

* Already in effect. Approved by the Board in February 2021, to be effective March 1, 2021.

** Effective 1/1/2022 with special tuition funding

*** (15.805% FT, 8.305% PT Benefit exp.)

The HW/HD faculty at Alamo Colleges sustain and grow programs that are critical to student success, economic mobility and the economic development of our community. Annual stipend amounts are provided to full-time faculty and, on a prorated basis, to adjunct and CE faculty. Stipends are extended in the same manner to other high-wage high-demand programs. Full time faculty teaching in the summer in a high-wage high-demand are compensated at 130% of the high-wage high-demand adjunct faculty rate, which is an enhancement of current practice.

STUDENT SUCCESS OFFER EQUITY

In May 2020 a standardized Offer Equity Formula was implemented for the determination of pay offers for staff hires and promotions. Longstanding staff and HR concerns about the fairness of salary offers for new hires was the genesis for this effort to establish more, consistent, objective and equitable compensation offers. The United Staff Senate was engaged to work with HR developed a standardized Formula for offer calculation that uniformly recognizes each candidate's education and experience beyond the minimum requirements for the position. The calculation also had to factor in the pay of existing staff to avoid new hire offers that exceed the pay of similarly situated staff already onboard. The Formula that was ultimately recommended is now applied objectively and consistently by the HR Recruiting Team for each staff hire and promotion.

The Offer Equity Formula has proven trustworthy over the first year because it replicates the education and experience factors used successfully for many years to produce consistent faculty job offers. The Formula has eliminated salary negotiation and inconsistent consideration of other factors that can introduce unintentional implicit bias into the offer process.

This first-year experience clears a path for the 2nd phase of Offer Equity, which is recommended to begin on September 1, 2021, for the 650 employees of the ACD Student Success job family. OE Phase 2 is designed to apply the very same Offer Equity Formula to existing Student Success employee pay, with increases as required to align the pay across the job family through application of the Offer Equity Formula. In FY23, the Formula will be recommended to be applied to the Academic and IT Job Families and, finally, to the remaining College Services/DSO/Administrative Support Job Families.

The cost to apply the Offer Equity Formula to the Student Success Job Family on September 1, 2021 has been calculated at \$1,300,000. Application of the Formula will enhance the College District's ability to retain and recruit staff performing Advising, Enrollment and the other functions of the job family that are so essential for student success.

Discussion and Possible Action on FY22 Supplemental Employer Contribution for ORP Participants

Presented to the Board acting as Committee of the Whole on July 20, 2021 and forwarded to the Board for approval on July 27, 2021.

MINUTE ORDER

“The Alamo Colleges District Board of Trustees hereby approves a supplemental employer contribution of 1.15% for all eligible ORP participants.”

PURPOSE

The Texas Legislature has established FY22 required employer contributions of 7.75% for TRS retirement plan participants and 6.6% for ORP retirement plan participants. Employers may opt to make additional local supplemental contributions in FY22 of up to 1.9% for ORP participants. The purpose of this minute order is to equalize the employer contribution rate to both retirement plans by making a supplemental contribution of 1.15% for each ORP participant.

The projected cost to equalize the contribution rate to both plans to is \$309,385 for 298 employees currently participating in ORP.

BACKGROUND

In FY 2012 the Alamo Colleges District Board of Trustees began funding ORP and TRS at the same rate regardless of plan for all employees. Historically, the ORP local supplement had been funded at the maximum allowable rate for grandfathered ORP participants regardless of funding requirements for the TRS plan. ORP non-grandfathered participants received no additional contributions resulting in a lesser contribution than all others.

Each fiscal year, the governing board of an institution of higher education may make a supplemental contribution to ORP using any local funds or other sources of funds. A supplemental contribution from the institution may be any amount that is equal to or less than the difference between the amount the state is required to contribute to the benefit of each participant and the maximum supplemental contribution amount. The rate may change yearly and institutions may, instead of funding all participants the same supplemental rate, have two (2) supplemental rates based upon the following criteria:

- Grandfathered participants whose first date of participation in ORP is prior to September 1, 1995, may have one rate of supplemental contribution regardless of any break in service; and
- Non-grandfathered participants whose first date of participation in ORP is on or after September 1, 1995, shall have another rate which will be the same supplemental rate as other participants in this group.

The Teacher Retirement System (TRS) is a traditional defined benefit state retirement program. In 1967, when the Optional Retirement Program (ORP) was created, TRS required 20 years of creditable service to qualify for a service retirement. Because higher education faculty, and administrators have careers which normally involve interstate mobility, it was determined that a more “portable” retirement program option would substantially improve Texas public higher education’s ability to compete for quality employees at the national level.

ORP requires contributions from the employee just like employees who are participants in the TRS plan. An employee may not participate in both TRS and ORP; they must select one plan, if eligible, upon initial hire. Both the employee and the state/employer make contributions to TRS

Attachment A.



Retirement Plan Contribution Cost Projections

Retirement Plan	Employee Count	6.6% State/ER Annualized	Optional Expense of 1.15%	7.5% State/ER Annualized for FY21	7.75% State/ER Annualized for FY22	Increased Expense for FY22
TRS	2886			\$11,504,194	\$11,887,668	\$383,473
ORP	298	\$1,775,602	\$309,385	\$2,017,730	\$2,084,987	\$309,385
Total				\$ 13,521,924	\$13,972,655	\$692,858

¹ **50% to be funded by ACD:** \$887,801 \$309,385 \$6,841,824

¹ 50% of eligible expenses to include full Supplemental ORP amount of 1.15% and 100% of facility employees. Grant employees are funded by the grant.

Source: Payroll Register 1/1/2021 - 5/31/2021, annualized.

*Current FY21 projected contribution made by Alamo Colleges District and the State of Texas for TRS at 7.5% rate and ORP at 6.6% rate. State funds 50% of the employer contribution for eligible employees, which excludes facilities and grant employees.

Discussion and Possible Action on Fiscal Year 2021-2022 Operating Budget

Presented to the Board for approval on July 17, 2021

MINUTE ORDER

“The Alamo Colleges District Board of Trustees hereby approves a Fiscal Year 2021-2022 Educational and General (E&G) Operating Expense Budget of \$384,952,213; Auxiliary Enterprise Budget of \$2,047,781; Mandatory Transfers for Texas Public Education Grants and Revenue Bond Debt Service of \$16,123,567; Natatorium Major Repair Fund Addition of \$51,000; Non-mandatory Transfers for San Antonio River Authority and State Energy Conservation Office of \$1,257,453; and Capital Expense Budget of \$5,300,000 for Total Operating Expense Budget of \$409,732,014 based on revenues of \$402,623,108 and operating fund balance commitment of \$7,108,905 of prior year savings.”

PURPOSE

Approval of the Fiscal Year 2021-2022 Operating Expense Budget so that Colleges and Departments can begin ramping up operations for the fall 2021 semester. In August 2021, we will submit for approval the Total Budget including: a) Operating Tax Revenue updates upon receipt of the tax rolls, b) Restricted and Plant fund budgets and c) fund balance transfer updates as required.

BACKGROUND

The 2021-22 fiscal year budget reflects a balanced budget in these unprecedented times with an emphasis on two key focal points: **our students**, by sustaining excellent instructional services and a full suite of wrap-around support services, and **our employees**, by maintaining competitive compensation and fringe benefits and other services aimed at retaining and supporting our talented workforce.

Key Assumptions for the FY22 budget include:

- Revenues
 - Projected 3.8% growth in student enrollment with no change in Tuition rates.
 - Increase of \$16.8 million in ad valorem tax revenue - 5% taxable assessed valuation growth (TAV) in Bexar County, and a 98% collection rate. Provides sustainable funding for student success strategies and Facilities Maintenance and Operations with no tax rate increase.
 - Increase of \$1.5 million in state appropriated funding as fiscal year 2022 - first year of the bi-annual funding of the 87th Texas Legislature
- Expenses
 - Provide all essential personnel and services required to serve our students
 - Student-focused: Instruction and student support services, including advocacy centers at each college, enrollment coaches, certified advisors, and the accessibility to healthcare centers via on-campus and tele-medicine services
 - \$2.0 million in the Student Success fund – Expanded tutoring for Math/English/Science/Accounting, Macro-credentialing, digital badges & course peer review challenge, Healthcare Clinics, AlamoEXPERIENCE year 2 (50% funding), San Antonio Food Bank navigators and pop-up markets support, programming to support our equity mindedness strategies, participatory budgeting
 - Employee-focused: Retain and recruit our talented workforce by providing competitive market adjustments to compensation and a full suite of fringe benefits, along with training and development opportunities
 - Facilities Maintenance and Operations increase of \$3.4M to operate the new CIP buildings supported 100% by ad valorem tax revenues without raising the tax rate.
 - Increased investments in Preventative Maintenance by \$0.5M for our aging facilities with a total allocation of \$19.5M in FY22. College Capital funds for furniture, fixtures and equipment replacement remain the same with a total allocation of \$5.3M

ALAMO COLLEGES DISTRICT
Three Year General Operating Budget Comparison: FY20, FY21, & FY22

DESCRIPTION	FY20 APPROVED	FY21 APPROVED	FY22 PROPOSED	INC/(DEC) FY22 vs. FY21
REVENUES				
STATE APPROPRIATIONS	\$66,832,870	\$66,832,878	67,793,857	\$960,979
State Paid Benefits	\$20,388,116	\$20,443,541	20,966,235	\$522,694
<u>TUITION AND FEES:</u>				\$0
Tuition	\$112,181,109	\$114,045,106	112,945,865	(\$1,099,241)
Pledged Tuition	\$24,592,440	\$25,507,410	24,955,771	(\$551,639)
Exemptions	(\$34,805,368)	(\$33,169,911)	(33,809,714)	(\$639,803)
Fees	\$5,535,232	\$4,259,978	4,066,590	(\$193,388)
TAXES	\$175,587,193	\$178,255,051	195,031,684	\$16,776,633
CONTRACTS & INDIRECT COSTS	\$560,000	\$560,000	645,000	\$85,000
INVESTMENT INTEREST INCOME	\$3,500,000	\$700,000	500,000	(\$200,000)
OTHER INCOME	\$5,438,398	\$5,238,867	4,971,332	(\$267,535)
TOTAL EDUCATIONAL & GENERAL REVENUE	\$379,809,990	\$382,672,920	398,066,620	\$15,393,700
AUXILIARY ENTERPRISES	\$5,371,072	\$5,090,222	4,556,488	(\$533,734)
TOTAL GENERAL OPERATING REVENUES	\$385,181,062	\$387,763,142	402,623,108	\$14,859,966

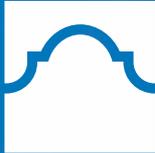
FUND BALANCE COMMITMENTS:				
General Operations	\$0		7,108,905	7,108,905
TOTAL FUNDS AVAILABLE	\$385,181,062		409,732,014	\$21,968,872

EXPENDITURES				
<u>EDUCATIONAL AND GENERAL ** :</u>				
INSTRUCTION	\$122,099,743	121,305,589	125,427,239	4,121,650
PUBLIC SERVICE	\$1,554,338	1,475,579	1,542,255	66,676
ACADEMIC SUPPORT	\$24,637,933	24,259,563	25,275,998	1,016,435
STUDENT SERVICES	\$50,242,725	52,154,179	55,046,566	2,892,387
INSTITUTIONAL SUPPORT	\$111,254,062	113,434,348	122,129,964	8,695,616
OPERATIONS and MAINTENANCE of PLANT	\$48,778,948	48,659,596	53,846,285	5,186,689
SCHOLARSHIPS/EXEMPTIONS	\$1,189,401	2,076,343	1,683,906	(392,437)
TOTAL EDUCATIONAL and GENERAL EXPENDITURES	\$359,757,150	\$363,365,197	384,952,213	\$21,587,016
<u>AUXILIARY ENTERPRISE EXPENDITURES</u>	\$2,381,653	\$1,955,950	2,047,781	\$91,831
<u>MANDATORY TRANSFERS FOR:</u>				
REV BOND DEBT SERV	\$10,459,125	\$10,459,125	10,312,463	(\$146,662)
TEXAS PUBLIC EDUCATIONAL GRANT	\$5,723,222	\$5,943,497	5,811,104	(\$132,393)
CAPITAL BUDGET	\$5,300,000	\$4,730,920	5,300,000	\$569,080
<u>NON-MANDATORY TRANSFERS FOR:</u>				
NON-MANDATORY TRANSFER - OTHER	\$1,508,912	\$1,257,453	1,257,453	\$0
NATORIUM MAJOR REPAIR FUND	\$51,000	\$51,000	51,000	\$0
TOTAL UNRESTRICTED CURRENT FUND	\$385,181,062	\$387,763,142	409,732,014	\$21,968,872

** FY22 proposed budget is pending final Banner load by functional category

Internal Audit Proposed Budget for Fiscal Year 2022

July 17, 2021



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Malcolm Baldrige
National Quality Award
2018 Award Recipient



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FY 2022 Budget Overview (effective 9-1-2021)

- Total Operating Budget - \$812,476
 - Decrease of \$45,679 over prior year FY 2021 budget due to salary adjustments and benefits.
- Salaries and Other Compensation - \$ 530,846 (65 percent)
 - Staff - Director and four Auditors (Five FTE).
 - Cell phone allowance of \$720.
- Professional Fees - \$40,000 (4.9 percent)
 - No increase over prior year FY 2021 budget.
 - Internal Audit may elect to use an outside consultant or specialized audit firm to assist the Internal Audit Department in its performance of the IT Remote Device Management audit or other audits included on the FY 2022 Internal Audit Plan. Internal Audit has determined that the best resource for performing specialized audit work would be an experienced external service provider.



FY 2022 Budget Overview (effective 9-1-2021)

- Employee Development and Travel - \$40,000 (4.9 percent)
 - No increase over prior year FY 2021 budget.
 - Regular continuing professional education (CPE) training provided to Internal Audit staff which is required to maintain the active status of professional certifications and keep staff up-to-date on the latest auditing techniques and skills. The overall training program will pay long-term dividends in the quality of audit work in the coming years.
- Professional Dues - \$5,000 (0.6 percent)
 - No increase over prior year FY 2021 budget.
 - Expenses for professional membership dues are necessary to maintain the active status of the professional certifications and memberships held by Internal Audit staff.
- Office Expenses and Software - \$25,000 (3 percent)
 - Cost for supporting audit management and analytical software.
- Fringe Benefits - \$171,630 (21 percent)
 - Decrease of \$10,412 due to salary adjustments.

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Budget Comparison (effective 9-1-2021)

Operating Budget	Board Approved FY 2021 Budget	FY 2021 Actual and Projected	FY 2022 Budget
Salaries	\$565,393	\$488,718	\$530,126
Other Compensation (Cell Phone Allowance)	720	720	720
Professional Fees	40,000	390	40,000
Office Expense	5,000	4,094	5,000
Software	20,000	11,361	20,000
Employee Development	25,000	15,990	25,000
Professional Dues/Licenses/Memberships	5,000	3,855	5,000
Travel	15,000	0	15,000
Fringe Benefits	182,042	157,354	171,630
Total	\$858,155	\$682,482	\$812,476
% Variance from Board Approved FY 2021 Budget. <i>(Projected \$175,673 or 20.5% under budget in 2021; \$45,679 or 5.3% under budget in 2022 due to salary adjustments and benefits.)</i>		-20.5%	-5.3%

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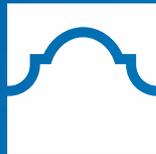
Action Required in July

Approve the preliminary Internal Audit department's operating budget of \$640,846 plus an additional amount of \$171,630 for allocable benefit costs, for a total of \$812,476 for consideration in the overall Alamo Colleges budget planning process.

The final Internal Audit budget will be considered for approval with the overall Alamo Colleges fiscal year 2022 budget.



Thank you.



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Discussion and Possible Action on the District Internal Audit Department's Proposed Fiscal Year 2022 Budget and Staffing

Presented to the Alamo Colleges District Board of Trustees for approval on July 17, 2021.

MINUTE ORDER

"The Board of Trustees hereby approves the proposed Internal Audit Department operating budget for the fiscal year 2022 of \$640,846 plus an additional amount of \$171,630 for allocable benefit costs, for a total of \$812,476. This total does not include any adjustments for salaries that are included in the general budget presentation for the new fiscal year. The final Internal Audit budget will be considered for approval with the overall Alamo Colleges fiscal year 2022 budget."

PURPOSE

The Audit Committee Charter tasks the Audit, Budget, and Finance Committee with reviewing the plans, activities, staffing, and budget for the Internal Audit function.

The Internal Audit Charter states that Internal Audit has various responsibilities, including but not limited to:

- Maintaining a professional audit staff group;
- Following professional audit practices and standards; and
- Proposing an appropriate annual staffing plan to the Audit Committee and Board.

BACKGROUND

The District Director of Internal Audit prepared a proposed operating budget for the fiscal year 2022. The analysis provides a summary of expenditures anticipated and a comparison with the current year's budget.

The staff and related expenses does not include any adjustments for salaries that Alamo Colleges has typically included in the general budget presentation for implementation in the new fiscal year.

The proposed budget amount totals \$812,476, including salaries, direct operating expenses, and allocable benefit costs. The proposed budget is sufficient to fund the Internal Audit Department to include the District Director of Internal Audit position and four experienced internal audit professionals. It also has \$40,000 for potential contracting with an outside source to perform specialized audit work to assist Internal Audit in its performance of Information Technology related work or other audits included on the fiscal year 2022 Internal Audit Plan. Internal Audit has determined that the best resource for performing this specialized audit work would be an experienced external service provider.

An internal audit plan is being developed that can be accomplished with the available resources.

IMPLICATION

Financial: Funding Source: Account 119001-891031-5010

Cost: Internal Audit Department’s Budget for the fiscal year 2022 is \$812,476 for direct salaries, operating expenses, and allocable benefit costs.

Strategic Plan: Strategic Objective III: Performance Excellence

Human Resources: N/A

ATTACHMENT: Internal Audit Proposed Budget for Fiscal Year 2022

Frank Cortez Date
District Director of Internal Audit

Dr. Diane E. Snyder Date
Vice Chancellor for
Finance & Administration

Dr. Mike Flores Date
Chancellor