




Office of the President

TO: Faculty and Staff
FROM: Steve Kinslow 
DATE: July 12, 2006
RE: GENERAL UPDATES

This will be the last General Update for the 2006-07 academic year (but more will follow in FY07, of course).

FY07 Master Plan and Budget

On July 5, our governing board approved (unanimously) the Master Plan revised for 2007-09 and the operating budget for the 2006-07 academic year. Our Master Plan continues to be devoted to Closing the Gaps initiatives. You can view the report at <http://www.austincc.edu/masterplan/>.

The \$159 million FY07 budget is one of the most significant in the history of the College. Key highlights of the FY07 budget include:

- Development of a long-term financial model to guide our District through 2015 (paralleling our Closing the Gaps projections) and based on the philosophy that additional tax revenue from annexations will be used partially (50%) to support operating/recurring costs, and partially (50%) to address long-term facilities maintenance and deferred maintenance items;
- Lapsed salaries are no longer used to balance the budget; instead, any savings accrued through vacancies will be directed to fund future land purchases;
- The College will meet its compensation goals of competitive salaries for all employee groups;
- Close to an additional \$3 million dollars, over the \$3 million generated by student building use fees, is allocated to make progress on deferred maintenance issues identified in our previous 3D/I consultant study;

Faculty and Staff
July 12, 2006
Page 2

time faculty in FY 07;

- \$2.7 million in operating costs for the new South Austin Campus are included, and reflect new support staff positions rather than diluting staffing at existing campuses;
- The College will establish two Weekend Colleges in Spring 07 and has funded that initiative to expand some workforce education programs and to market to those for whom weekends may be the only option to attend college;
- The College will establish two new Evening Centers in Spring 07 (Pflugerville and Leander);
- The College will expand its very successful College Connection program to include the ISDs of Elgin, Jarrell, Lockhart, Luling, Prairie Lea, Round Rock (Stoney Point High School only), and Smithville;
- Over \$5.5 million in capital equipment;
- In-District mileage and postage budgets are increased 5%;
- In-District tuition, which applies to nearly 80% of our students, remains unchanged for FY07, while Out-of-District tuition is increased \$8 per credit hour. Non-resident tuition, representing a very small portion of our student body, is increased \$62 per credit hour to ensure no subsidization of tuition by tax payers.

The budget reflects an investment in our faculty and staff, in our facilities, and in our programs and services. ACC remains the lowest-cost provider of higher education in this region. Most significantly, our budget reflects an investment in our Service Area by taking new annexation revenues and applying them in significant ways that allow ACC to expand its outreach and its impact on the communities we serve.

The FY07 budget is currently available on the web at <http://www.austincc.edu/board/agendas/2006/8242.pdf>.

FY07 Compensation

The approved budget realizes the goal of compliance with Board Policy F-10 – i.e., competitive market salaries for all faculty and staff. Employees will receive over \$6.2 million in compensation increases, including nearly \$2 million above the Cost of Living Increase for classified and professional-technical employees affected by the classification and compensation study. HR is working hard to complete the details of

Faculty and Staff
July 12, 2006
Page 3

the compensation study, and details of FY07 salary schedules for all employee groups will be on the HR website by the end of the first week in August.

In the meantime, however, the following summary information is provided:

FY2007 COST OF SALARY INCREASES				
Classification	COLA	Cost of COLA	Cost of Market Adjustment	Total Cost
F-T Faculty	4.00%	1,200,971	426,089	1,627,060
Adjunct Faculty/Overloads	4.00%	1,036,569	-	1,036,569
Classified/Prof-Tech/IA-CA	4.00%	1,381,293	1,896,630	3,277,923
Administrators	4.00%	127,432	-	127,432
AE Instructors	4.00%	8,321	-	8,321
Hourly	4.00%	164,297	-	164,297
Total		3,918,883	2,322,719	6,241,602

South Austin Campus/SACS Substantive Change Process

We've been officially notified by SACS that they are waiving the site visit for our new South Austin Campus. This is a strong statement that SACS viewed our substantive change prospectus favorably and that our institution is perceived well by SACS.

Administrative Retreat

The President's Leadership Team will have a day long Retreat soon, and will be focused on aligning the FY07 Administrative Planning Calendar with the newly-drafted Board Work Plan for FY07. We'll also be detailing the follow-up activities related to the new budget, and sharing internal unit goals for the coming year.

Fall General Assembly

August 25 is the Fall General Assembly date. You've received details in other formats, and will get a reminder or two before the event. We hope to inform and entertain you well.

Good Things

FY06, overall, has been a good year. While disappointed that our San Marcos annexation effort is delayed, it will occur later, and I am thankful for the many good things that have occurred this past year. A small list among the many positive things this year:

- ACC's enrollment is increasing, and our enrollment of traditionally under-served populations is increasing;
- Our high school partnerships are flourishing, and recognized as State models;
- Financial aid applications and awards have increased, and the processing time for making awards has significantly decreased;

Faculty and Staff
July 12, 2006
Page 4

- ACC101 on-line tutorial for potential students has been launched and well-received;
- We've made good progress in increasing diversity of the full-time faculty;
- Grant funding has increased;
- The level of public support for ACC and the understanding of our critical role in Closing the Gaps continues to increase;
- We've significantly enhanced master planning and facilities planning in our District;
- We've made major improvements to orientation programs for new employees;
- We implemented a Service-Learning program for all supervisors, and developed four follow-up training modules;
- We're well underway with planning a major capital/giving campaign;
- The College is meeting its student outcomes policy directives and the planning directives established by the board and president;
- We've had a year characterized with good communication and collaboration with all employee and affiliate organizations.

To list all the folks who have played major roles in the successes noted above is not possible in this space, but I hope that I am regularly communicating through my behavior that I appreciate all you do to serve our students and our many constituencies. Working together, we are achieving great things. Thank you.

SBK/pws