State Aid per FTSE to Arizona Community Colleges (average, operations aid only)

<table>
<thead>
<tr>
<th>Year</th>
<th>State Aid per Non-Dual Enrollment FTSE</th>
<th>State Aid per Dual Enrollment FTSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$1,024</td>
<td>$1,024</td>
</tr>
<tr>
<td>2007</td>
<td>$1,026</td>
<td>$1,026</td>
</tr>
<tr>
<td>2008</td>
<td>$1,047</td>
<td>$1,047</td>
</tr>
<tr>
<td>2009</td>
<td>$1,020</td>
<td>$1,020</td>
</tr>
<tr>
<td>2010</td>
<td>$856</td>
<td>$856</td>
</tr>
<tr>
<td>2011</td>
<td>$820</td>
<td>$410</td>
</tr>
<tr>
<td>2012</td>
<td>$254</td>
<td>$127</td>
</tr>
<tr>
<td>2013</td>
<td>$253</td>
<td>$127</td>
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<tr>
<td>2014</td>
<td>$253</td>
<td>$127</td>
</tr>
<tr>
<td>2015</td>
<td>$253</td>
<td>$127</td>
</tr>
</tbody>
</table>
State Aid to PCC for Capital Outlay/STEM
(FY 2006-2015, includes STEM funding for FY 2015)

Cumulative funding loss, FY09-FY15:
$22,982,080
Notes: 1. Figures for Regular positions are based on budgeted full-time equivalents. Figures for Adjunct, Temporary & Student positions are based on estimates from actual costs.
2. Prior to 1997, Personnel Statistics were calculated using a different methodology.
Long Term Financial Modeling

} State Appropriations Outlook
} Property Tax Valuations
} Understanding Enrollment in a Financial Context
  ◦ Tuition and Fees
    ñ Distance education out-of-state tuition
    ñ International marketing
  ◦ Marginal revenue versus expenses
  ◦ Expenditure Limitation
} Capital equipment and facility renewal
} Contractual costs
Integrated Budget / Planning

Establish inclusive and transparent processes
- Budget / planning committee
  - Review processes and communications
  - Establish criteria for decision making

Implement proactive budget scenario planning
- Develop cost reduction recommendations
- Aligning infrastructure with enrollment and College direction

Review / revise current funding structures
- Encourage student success
- Support changes related to distance education initiative

Support Strategic Initiatives
- Program seed / renewal funds
- Out-of-state incentives
- Return on investment funding