



September 14, 2023

TO: THE DISTRICT BOARD OF TRUSTEES OF VALENCIA COLLEGE

FROM: DR. KATHLEEN PLINSKE
President

RE: 2022-23 FUND BALANCE CARRYFORWARD SPENDING PLAN

In accordance with Florida Statute 1013.841, F.S., (End of Year Balance of Florida College System Institution Funds), each Florida College System institution with a final FTE (Full Time Equivalent) enrollment of 15,000 or greater that retains an operating fund balance exceeding seven percent shall submit to the State Board of Education a spending plan for its excess carry forward balance.

Currently, Valencia College maintains \$48,446,286 in operating carry forward funds. The following plan seeks to reduce the amount of the operating fund balance by \$28,149,412 to the required seven percent, or \$20,296,874 as required by law.

Operational Support \$13,815,371: These funds will allow the College support operational needs that are aligned with Valencia's Strategic Impact Plan and support increased student enrollment.

Health care reserves \$8,934,041: Valencia College is self-insured for health care services provided to employees, dependents, and retirees. Since the pandemic, the College has experienced significant increases in health care costs, which have steadily depleted reserves estimated to approach 60-day minimum requirements before the plan year ends. To continue meeting the health care needs of college employees while maintaining sufficient health care liability coverage, a one-time infusion of funds is necessary. The College estimates completion of the transaction by June 30, 2024.

Campus furniture, classroom, and equipment refresh \$4,000,000: These funds will provide for targeted furniture, classroom and equipment updates to support academic and student support initiatives. The College estimates completion of the transaction by June 30, 2025.

Transition of Administrative functions to West Campus \$1,000,000: As the sale of the College's District Office is finalized, a plan has been designed to transition administrative functions to Building 10 at West Campus. This transfer of funds has been authorized by the District Board of Trustees as part of the September 2022 carryforward spending plan.

Osceola campus adjacent land acquisition \$400,000: As approved by the District Board of Trustees in 2018, provides payment to Osceola County as stipulated in an Interlocal Agreement for Reimbursement between the City of Kissimmee, Osceola County, and Valencia College, to purchase a parcel adjacent to Valencia's Osceola campus for the construction of a trail landing and bridge from the Toho-Valencia Trail across US 192 to a location within the purchased property.

The spending plan above ensures the reduction of the College's operating fund balance to \$20,296,874, or seven percent, as required by law.

RECOMMENDED ACTION:

The President recommends that the District Board of Trustees of Valencia College approve the spending plan for the excess carry forward fund balance as presented.



President

Valencia College
 2023-24 Florida College System Carryforward Spending Plan
 Pursuant to 1013.841, Florida Statutes
 July 1, 2023

Line Item #	Carryforward Spending Plan Category	Specific Expenditure/Project Title	Carryforward Amount Budgeted for Expenditure During FY2023-24	Project Timeline			Comments/Explanations
				Total # Years of Expenditure per Project	Current Expenditure Year #	Estimated Completion Date (Fiscal Year)	
1.	(e) Operating expenditures	Investments for Valencia's Impact Plan and increased enrollment	\$13,815,371	3	1	June 2026	Operational support
2.	(e) Operating expenditures	Health care reserve and cost increases.	\$8,934,041	1	1	June 2024	Reserve balance
3.	(b) Completion of renovation, repair or maintenance project	Furniture, classroom, and equipment refresh.	\$4,000,000	2	1	June 2025	Non-recurring
4.	(e) Operating expenditures	Osceola Campus adjacent land acquisition.	\$400,000	2	1	June 2025	Board Designated - non-recurring
5.	(b) Completion of renovation, repair or maintenance project	Transition of administrative functions to West Campus.	\$1,000,000	2	2	June, 2024	Transfer from fund 1 to fund 7 - non-recurring

Total as of July 1, 2023: * **\$ 28,149,412**

Amount Requiring Spending Plan **\$ 28,149,412**