

## All Staff Email Sent October 18, 2006

Colleagues,

Since I last spoke to you to at the all college gathering much work has gone into finalizing the budget development process for FY 08. College Council worked over the summer to develop and approve the components of the budget process. On September we presented these documents to the board of education and last night the board approved, with minor changes, the following documents:

- Budget Development Process and Calendar
- Principles and Criteria
- Data Elements
- Priorities
- Budget Assumptions
- Budget Development Strategies

These documents will be posted to the budget development website today and I have attached all but the assumptions for your convenience. Of note in the process is that this year we will have a representative Budget Review Group that will review all the budget proposals and develop a set of recommendations for College Council and me. While you are being asked to participate in budget planning within your own divisions and departments we will also be holding interactive sessions in November where you can come together with colleagues to think about institutional responses.

Of course, the question on everyone's mind is "what do the projections look like?". I have called an all staff meeting for October 31 and we will be sharing the projections at that time.

As always, there are many "unknowns" in our budget - PERS rate, Health Insurance costs, Lane's local option measure on the ballot in November, legislative allocation, the potential of passage of ballot measures 41 and 48, enrollment and on and on. We are developing four scenarios taking into account these unknowns. Any one of these unknowns could make a difference of hundreds of thousands of dollars either way in our budget, making it difficult to accurately project. However, we are working now to assure that the things we do know about are as accurate as possible and loading them into the projection. You can imagine that I am being very cautious about the projections given the error that occurred last year. I think it is safe to say that even in the best scenario we are likely to have a budget deficit.

At the board meeting last night we shared a new, more dynamic model of projections. In this model we can change assumptions (for example, increase enrollment by 4%) plug that in, and immediately see the impact on the bottom line. The model is by no means perfect yet but it is a good start that will allow us to see the effects of decisions we might make about revenue or expenses.

Finally, some of you have requested access to Banner financial data. Greg Morgan will make access available but it will be necessary for anyone who wishes access to participate in some training so that you understand what you are seeing. Banner contains a lot of **data** but that is not **information**. Banner data is loaded into a data warehouse that provides reports that hopefully make meaning of the data. Greg will inform you of how you can request access and the training.

I look forward to seeing you on October 31 and of course if you can't make it everything will be posted to the web.

Thanks.

Mary.