

LANE COMMUNITY COLLEGE
BUDGET COMMITTEE MEETING
May 20, 2009

The meeting was called to order at 5:34 p.m. by Rick Yecny.

Committee members in attendance included Bob Ackerman, Pat Albright, Paul Holman, Susie Johnston, Rayna Luvert, Tony McCown, Chris Matson, Marston Morgan, Carmen Urbina, and Rick Yecny.

Also in attendance were President Mary Spilde, Vice President Sonya Christian, and Chief Financial Officer Greg Morgan.

1. Approval of Minutes

McCown moved to approve the May 13, 2009, budget committee meeting minutes. Albright seconded.

Motion passed unanimously.

2. Legislative Update

Spilde gave an update on the state budget situation. The Ways and Means Co-chairs' budget was published on Monday, and the Community College Support Fund (CCSF) is \$423 million, down from \$500 million in the current biennium. It is a 15.22% decrease from the current biennium; in comparison, the Oregon University System budget decrease is 8.38%. This makes no sense given the enrollment increase at community colleges.

Since Monday, we have been working hard with legislators to see what can be done to fix this problem quickly. There are some public commitments to get this fixed, but it will be an uphill battle.

3. Discussion on Growth

Christian and the Academic and Student Affairs (ASA) team have been doing more work to determine the enrollment growth projection for 2009-10. She distributed handouts showing enrollment growth over the last fifteen years and the projection for next year as well as projected growth for target areas.

ASA had previously projected a 15% enrollment growth over two years—10% in 2008-09 and 5% in 2009-10. Actual enrollment growth for 2008-09 is 13.3%. ASA is planning a 5% increase in enrollment for 2009-10; however, for recurring budget purposes, a 3% increase is projected. Plans for growth include an aggressive agenda for online and evening classes.

Some committee members felt that the projection was too low based on this year's enrollment increase. Other members felt that the college should not be too aggressive in predicting high rates in enrollment growth, since many students

will drop out to return to work when the recession shows signs of ending. The question arose how much revenue a 3% increase in enrollment would bring. G. Morgan explained that 2% was already included in the budget proposal; after expenses related to offering additional courses, the additional revenue would be approximately \$100,000. Any additional revenue above the 3%, if realized, will be use for one-time expenses. Another factor to consider is that tuition will be raised significantly; historically, enrollment has decreased when there is a spike in tuition.

McCown moved to recommend that staff use a growth prediction of 3% for 2009-10, resulting in a composite of 16.7% over the two year period. Johnston seconded.

Motion passed 9 – 1. Matson opposed.

4. Budget Status Summary

Spilde compared building next year's budget to building a house of cards. There are a lot of one-time fixes, such as reducing capital outlay, temporary reductions of materials and services accounts, and a temporary tuition surcharge, among others. Even with the temporary solutions, the college is reasonably comfortable recommending next year's budget proposals because we are in a budget crisis yet still want to keep programs and services available to serve students. If the state number goes lower than \$423 million, the amount allotted to Lane will decline and further cuts will have to be made. If the number happens to go higher, there will be discussions held about alleviating some of the one-time fixes.

5. Discussion on Tuition and Tech Fee

The board is seeking a recommendation from the budget committee on the tuition surcharge and a possible increase to the technology fee. The discussions were postponed until next meeting. The budget committee requested information regarding the board approved tuition rate increase, the proposed tuition surcharge, and the current technology fee. Pat Albright requested the amount of the student fee increases recently approved in the student election.

6. Information requests

- Matson requested that the budget committee discuss the Foundation and the Enterprise Zones
- Albright requested information on the ASLCC fees
- Ackerman wanted to see line items on the expenditures and not just the totals
- The committee requested that the proposed budget be updated to reflect the \$423 million community college allocation

Approved:

Date

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