

# Meyer Memorial Trust Responsive Grant / PRI Grant Proposal - 2008

**Organization Name:** Lane Community College Foundation

**Submission Date:** August 15, 2008

**EIN:** 23-7113266

**Tax Exempt Status:** 501(c)(3) / 509(a)

**Year Founded:** 1971

**Fiscal Year End:** June 30

## Needs Statement

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Like many communities, Lane County suffers from a shortage of nurses and allied health care professionals. Based on current Oregon Employment Department projections, Lane County will need an additional 1,491 nurses by 2016; over 40 percent of these new positions (618 nurses) will come from retirements in the existing nursing workforce. Compounding this issue of capacity is the county's ageing population. In 2003, for example, 25 percent of the county's population was 55 years or older, and the county has a higher percentage of persons over 65 than the State of Oregon and the country. As the only trainer of nurses in Lane County, Lane Community College cannot keep pace with this pressing demand.

The college can only graduate up to 72 nurses each year with the current space and faculty configuration--an annual average shortage of 77 nurses. Without expansion of the nursing program, Lane County will experience a shortage of nearly 770 nurses by 2018. Our community's and the college's problem, however, is not a shortage of applicants for the nursing profession. In 2007 alone, Lane received 392 applications from qualified applicants for the 72 highly sought, prestigious openings in the program. Our problem has to do with capacity. Simply put, we lack the facilities and the faculty to train enough nurses to serve our community.

The current nursing program also suffers from operating in a ward-style facility, which was prominent 40 years ago. This current facility does not lend itself readily to changes in technologies and training that have occurred during the past two decades. Our new space will facilitate training using today's pedagogical, technical, and clinical standards, and will replicate situations within hospitals. The new facility also will support expansion of other health care professions such as physical therapy assistant, respiratory care, and emergency medical technician--three other health care fields in high demand in the state and county.

Over the past five years, Lane Community College has engaged a broad spectrum of community and civic leaders, businesses, and local philanthropists through a series of community conversations to discuss what the community needs from the college. Almost to the person, the community indicated that the college needed to take action to increase the health care workforce for the county. As a result, the Board of Education made expanding health care education its top priority in 2006 and asked the state legislature and the foundation to provide funding for the construction of a new \$15 million Health and Wellness Educational Center.

The building represents the cornerstone of Lane's first-ever comprehensive major gifts campaign, a \$23 million effort called Opening Doors. The campaign also involves the establishment of three endowments to fund new faculty positions, to create approximately 100 new annual scholarships of \$1,000 to \$1,200 to make Lane affordable and accessible to a greater number of students, and to invest a renewable source of funds in innovation and technology to make the college more responsive to changes in the regional workforce and workplace.

The health care workforce shortage is a community-wide problem for Lane County. The broader community and business sector have been working to remedy problems of access and availability on their end. Two local health care providers, for example, have responded by increasing access through new hospital and medical facilities. Lane Workforce Partnership, our Workforce Investment Board, focuses half of its training and retraining funds within the

health care sector. Lane Community College's role--as the sole trainer of nurses and allied health care professionals in Lane County--is to find, develop, and implement the means by which to train health care professionals in sufficient numbers to address our community's needs. The building and additional faculty will enable the college to fulfill this role.

As health care education has increasingly become the focus within the community and in the community conversations, Lane has expanded enrollment for the nursing program from 54 students to 72 students annually. This expansion is the direct result of PeaceHealth-Oregon Region's funding of four additional nursing faculty. (PeaceHealth chose to fund four additional clinical nursing faculty to expand the local nursing pool at approximately \$250,000 per year rather than spending \$4 million annually to recruit nurses from outside the county.)

With PeaceHealth's financial support for additional faculty, the college has now reached capacity in educating nurses; the new building and additional faculty will help us solve the nursing shortages of today and help us prepare for the needs of tomorrow. The new building's use of simulation technology will allow the college to move from the current student-faculty ratio of 8:1 to 12:1 (while maintaining mandatory teacher-student ratios for clinical education in the hospital setting). Through the new building and simulation technology, cohorts will be divided into two rotational subgroups of six, with half of the students on clinical rounds and the other half in the simulation lab.

This transition to modern technology and pedagogical techniques will not only improve the cost-effectiveness of the nursing program and other allied health care professions, but it will also provide students with more comprehensive hands-on instruction in the simulation laboratory and at the hospital. In the simulation lab, six students will be able to simulate new experiences that they would rarely see in their clinical placements; at the hospital, instructors will be able to provide more individual attention to six students than they currently can for eight students.

The community and the college have truly come together and collaborated on this project to help Lane open its doors to serve more students and to provide for our collective needs for access to health care.

## **Project Description**

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The Lane Community College Foundation has launched Opening Doors, a comprehensive campaign (1) to address and remedy the health care workforce shortages in the county and (2) to improve access to postsecondary education for county residents. Opening Doors is comprised of the following four separate initiatives within the overall campaign to achieve these overarching goals:

1. The construction of a new \$15 million Health and Wellness Educational Center to expand enrollment for students interested in nursing and other health care professions. This new building will enable the college to increase the number of nursing student it accepts from 72 to 144 per year.

Timeline: The college will finish raising 90 percent of funds (including pledges, gifts, and grants) in December 2008, break ground for the building in July 2009, and occupy the new building by fall term 2010. Our goal of enrolling 144 students per class cannot be achieved, however, by a new building alone. That also requires additional nursing faculty, leading to our second goal: an endowment for faculty chairs.

2. The establishment of a \$3 million faculty endowment to hire additional health care faculty. Due to mandatory low student-teacher ratios in health care education--such as the 8:1 ratio in nursing in hospital/clinical settings--faculty costs for nursing education exceed costs of traditional academic and other professional technical careers.

Timeline: Beginning in the 2008-09 academic year, the college has a long-term commitment from PeaceHealth-Oregon Region of \$1.3 million over five years to provide additional faculty to meet community needs. The foundation will begin to focus fundraising efforts for the faculty endowment after the building's fundraising concludes in 2009. In addition to approaching prospective donors to endow a chair, our strategy will be to seek multiyear commitments for faculty support from others in the healthcare industry, similar to that provided by

PeaceHealth. Our goal is to have additional faculty in place to be at full capacity by 2014.

3. The establishment of a \$3 million endowment to provide \$1,200 scholarships to an additional one hundred Lane students, including students entering health care professions. These scholarships will increase access and affordability for another 100 hardworking, deserving students.

Timeline: The foundation was invited and has applied for a \$500,000 grant from the Coeta and Donald Barker Foundation to provide the initial investment for the scholarship endowment. In addition, Lane has received a challenge grant from the James F. and Marion L. Miller Foundation to raise additional scholarship dollars. During the fall 2008, the college will kick off this initiative in its staff campaign. The foundation has raised \$341,190 toward the scholarship endowment (excluding the Barker Foundation request).

4. The development of a \$1.5 million fund for innovation and technology to ensure workforce training, including health care educational training, remains current with industry developments.

Timeline: Fundraising for this initiative will begin in July 2011.

These four initiatives arose from deliberate consultation and collaboration with the communities of Lane County. Lane Community College and its foundation have spent the past five years building, cultivating, and enriching relationships with the business community and civic leaders to ascertain what the community wants and needs most from the college in developing a collective vision for the college's future. Opening Doors is the result of those conversations and the community consensus that more health care education and training are needed to serve the communities of Lane County.

## Project Benefits

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Opening Doors benefits all of Lane County--the community, students, health care employers, the college, and workforce needs. Specifically, Opening Doors will result in the following:

1. The 337,000 residents of Lane County--especially the one-third of the population over 50 years of age--will benefit from having an adequate health care workforce in nursing. As a whole, Lane County has an older population than the state and nation, with 14.1 percent of residents (47,503) over 65 years of age as of 2006 (U.S. Census American Community Survey [ACS 2006]). (The national average is 12.4 percent.) Nearly another 20 percent of Lane County residents, according to the Oregon Employment Department, fall between 50 and 65 years of age. The need to increase the nursing graduates is especially important in that the average age of nurses in Lane County is 51 years. Nearly 42 percent of the ten-year growth in nurses in Lane County can be attributed to anticipated retirements during the same time period.

2. Students benefit from greater access to the nursing program. The construction of the building and additional faculty will enable the college to expand its nursing enrollment from 72 students to 144 students per year--a figure that parallels the occupational growth in nursing for the county. In addition, community college nursing graduates will be able to pursue an OHSU baccalaureate degree in nursing on the Lane campus. Lane's nursing program and other allied health professions serve as a gateway to the middle class for all our graduates, providing family-wage jobs in critical workforce areas. Currently, 70 percent of the college's nursing students are considered "economically disadvantaged" by federal standards.

3. The health care business sector will benefit from having a sufficient pool of nursing candidates, thereby reducing millions of dollars in recruitment costs to draw nurses from outside the area.

4. The college benefits by having the ability to expand other allied health care occupations (i.e., medical office assistant, health records technician, emergency medical technician [EMT], physical therapy assistant, respiratory care technician, dental hygienist, and dental assistant) to meet other community health care needs.

5. The local workforce benefits through better access to restricted health care educational programs needed for the community.

This expansion will reverberate through the economy and the personal lives of our current and future nursing students. These high-paying, high-demand jobs are critical for Lane County, as the county, to some extent, is still reeling from the collapse of the timber industry in the mid-eighties. In Lane County, for example, the median household income is \$42,127--\$6,000 lower than the national figure of \$48,451 and \$4,000 lower than the state's figure of \$46,230 (ACS 2006). Lane County's median household income places the county among the bottom quartile of states in the nation. Lane receives nearly \$100,000 from the U.S. Department of Health and Human Services Health Resources and Services Administration (HRSA) to provide scholarships to our economically disadvantaged students in nursing.

Benefits also will redound to outlying rural communities of Lane County and other southern Oregon counties. For example, Tillamook Bay, Umpqua, and Central Oregon community colleges have partnered with Lane to access its respiratory care program, only one of two community college programs in the state. (Occupational growth in respiratory care for all four regions exceeds 31 percent for the ten-year period, 2006-2016.) The college is also providing its dental hygiene program to Umpqua and Linn-Benton community colleges. The new building, increased faculty, and modern technology will improve Lane Community College's ability to provide statewide access to rural communities throughout southern Oregon.

Lane County's ethnic distribution is as follows: 89 percent White, 1.1 percent Black, 1.9 percent American Indian/Alaskan Native, 2.8 percent Asian, 0.2 percent Native Hawaiian/Pacific Islander, and 2.0 percent Other (ACS 2006). Gender is split almost evenly: 49.2 percent of the population is male, 50.8 percent female. These demographic percentages are similar to the college's figures although Lane's enrollment of women in credit classes represents a slightly higher percentage at 55.4 percent (based on headcount).

The diversity of our nursing program reflects the overall diversity of the county, as follows: 91 percent White, 1 percent Black, 4 percent American Indian/Alaskan Native, 3 percent Asian, 0 percent Native Hawaiian/Pacific Islander, and 1 percent Other. In terms of gender, 78 percent of nursing students are female and 22 percent are male; the average age is 31 years.

## Project Effects

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### BEFORE

### AFTER

#### Effect on organization size, FTE, structure.

The college can only accept 72 nursing students per class, who are taught by nine faculty. No physical therapy assistant (PTA) program exists.

144 nursing students are taught by 15 faculty. New physical therapy assistant program for 24 students (per class) is taught by two PTA faculty.

#### Effect on organization's programs.

Nursing education takes place in antiquated ward-style facilities, with limited space for simulation training. Respiratory care and emergency medical technician programs are limited by inadequate space.

Nursing education improves and expands through modern facilities and new technology, replicating the hospital environment. The college also has the ability to expand programs based on increased workforce demand for respiratory therapists, physical therapy assistants, and emergency medical technicians.

#### Effect on organization's operating expenses.

With the student-faculty ratio of 8:1, the college subsidizes nursing education at the rate of \$3,500 per

The per-student costs for nursing students decreases by approximately 30 percent as simulation technology

student per year.

allows nursing faculty to increase their clinical/simulation students while allowing the college to implement more modern techniques in nursing education.

#### **Effect on organization's ability to generate income.**

Currently students are levied additional tuition for this costly program, thereby decreasing access for low income students.

There is a marginal increase in income through tuition and FTE. The largest financial benefit comes from the decrease in per-student expenses and the potential for generating income through the rental of the simulation lab by other healthcare organizations.

#### **Effect on the issue or need project addresses.**

Communities of Lane County lack an adequate source of professional training for healthcare professionals. In nursing alone, the college only graduates half the nurses the county needs on an annual basis.

By 2014, the college has the ability to enroll 144 nursing students each year to meet the community's need for nurses (according to labor statistics).

In the future, the new space and the faculty will provide the college with the flexibility to adjust enrollment for health care occupation programs to meet changing workforce needs.

## **Project Evaluation**

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The project's effectiveness will be determined by the following measures:

- Successful fundraising for 90 percent of the building (including the \$6.75 million state match) by the end of the 2008 calendar year. (\$13.5 million)
- Successful fundraising for 100 percent of the building by September 1, 2009. (\$15 million)
- Completion of the building by September 30, 2010.
- Enrollment of the first expanded nursing class (beyond the current 72) in fall 2010
- Enrollment of 144 students per nursing class by the fall 2014
- Expansion of the respiratory care program to support another 10 students per year to meet the needs of rural community colleges outside Lane County
- Development of a new physical therapy assistant program for Lane and surrounding community colleges, with the first class enrolling in fall 2010

## **Personnel Qualifications**

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The Opening Doors campaign is led by foundation director Janet Anderson. Ms. Anderson has decades of experience in fundraising and cultivating prospects, including 11 years as the Director of Development at United Way of Lane County and six years as Director of the Lane Community College Foundation. As of July 17, 2008, she and her support staff have been instrumental in helping the foundation board raise \$5.6 million toward the building and \$7.3 toward the full campaign, which began in July 2007. (These figures exclude the state building match of \$6.75 million.)

Dr. Sonya Christian, Vice President of Academic and Student Affairs, serves as the chief academic officer for Lane Community College, a position she has held since 2002. During the past six years, Dr. Christian has been pivotal in helping the college respond to developing and modifying educational programs to meet community workforce needs. Dr. Christian has spearheaded the college's efforts to expand its dental hygiene program by creating satellite campuses

at Linn-Benton and Umpqua community colleges through a U.S. Department of Labor grant; working with faculty to move toward doubling enrollment in the nursing program; creating a new physical therapy assistant program, which has been approved by the state; and extending the college's respiratory care program to three other Oregon community colleges through the use of distance education and local clinical experience.

Since 1999, Robert Mention has worked at Lane Community College as the Director of Bond Project Management. During his tenure, Mr. Mention has overseen and managed \$62 million in capital improvements for Lane Community College. Mr. Mention is responsible for the oversight and management of the construction of the new Health and Wellness Educational Center. At present, he is working with health occupation staff to develop the programming for the new facility. Before coming to Lane Community College, Mr. Mention worked as an architect for 27 years.

## Project Budget

<b>Total Project Cost</b>	\$ 15,000,000
<b>Amount Requested from MMT</b>	\$ 400,000
<b>We are requesting</b>	Grant

<b>Cash received or pledged:</b>	\$ 5,584,766	<b>Sources:</b>	Individual donors, family foundations, and corporations
<b>Inkind received or pledged:</b>	\$ 6,750,000	<b>Sources:</b>	State of Oregon Matching Funds for Construction
<b>Anticipated Sources of Remaining Funds:</b>	1. The college has 116 individual prospects capable of giving \$100,000 or more, at least half of whom will be cultivated by October 2008. 2. A federal appropriations request of \$500,000 for equipment (either in FY09 or FY10) 3. Private foundation requests, as follows: James F. and Marion L. Miller Foundation, \$500,000 (pending); The Ford Family Foundation, \$300,000 (pending invitation after LOI); Kresge Foundation, \$800,000 (invited and encouraged by Kresge to apply in early 2009); and Oregon Community Foundation, \$50,000 (pending).		

### How would MMT funds be used.

The MMT funds would be used exclusively toward the construction of the building, upon which the expansion of nursing and other health care occupation programs depends.

### Uploaded Files (Budget)

File Name	Description
Opening Doors Campaign Budget.doc	Campaign Budget, Cost Estimates for Building, Confirmed and Pending Contributions

## **How would the project be sustained**

The project is for the construction of a building.

The college will maintain the new building as part of its 26-building main campus after construction is completed. Depending on the college's budget, housekeeping staff will be expanded or redistributed to ensure the maintenance and regular cleaning of the new facility.

## Organization Financial Data

### Revenue

#### Earned income

Program service revenue	\$ 125,000
Government contract	\$ 0
Investment Income	\$ 75,000
	\$ 0

**Total Earned income \$ 200,000**

#### Unearned income

Individual donors	\$ 156,000
Community / civic / faith groups	\$ 0
Foundation grants	\$ 0
Corporate Support	\$ 0
Government Grants/Funding	\$ 335,437
Special events	\$ 259,800
In-Kind	\$ 5,000

**Total Unearned income \$ 756,237**

**TOTAL REVENUE \$ 956,237**

#### Comments on Revenue

This budget is the foundation's operational budget only. The program service revenue comes from administrative fees from other funds and programs the foundation runs. Individual donors include two classifications of giving: (1) unrestricted donations (\$56,000) and (2) major gifts (gifts of \$10,000 or more) (\$100,000). Funds from special events include \$199,800 for the major fall fundraiser and \$60,000 for in-kind gifts related to that fundraising event. Government funding comes from Lane Community College, covering the costs of three foundation employees (\$330,937) and expenses for the grant writer of \$4,500.

Major sources of foundation, corporate or government funding:

Source	Amount Req. / Pending	Amount Committed
Lane Community College	\$330,937	\$330,937
Lane Community College	\$4,500	\$4,500
<b>Totals</b>	<b>\$ 335,437</b>	<b>\$ 335,437</b>

### Expenses

#### Program Services

Program Related Personnel	\$ 324,587
IT / Communications	\$ 23,250
Occupancy	\$ 0
Travel	\$ 1,600
Materials / Supplies	\$ 57,000
Program Evaluation	\$ 0
Professional development, grant expenses, and	\$ 24,500
In-kind gifts	
<b>Total Program Services</b>	<b>\$ 430,937</b>

#### Administration

Administration Costs	\$ 230,050
Fundraising/Outreach	\$ 267,452
Net Transfer In	\$ 67,500
<b>Total Administration</b>	<b>\$ 565,002</b>
<b>TOTAL EXPENSES</b>	<b>\$ 995,939</b>

#### Comments on Expenses

Program-related personnel include the director, the director of annual giving, and the grants manager. IT/Communications includes dues and subscriptions (e.g., Raiser's Edge), software maintenance, equipment maintenance, and telephone. Travel includes routine travel only. Materials/supplies include printing, postage, office supplies and equipment, and design services and supplies for marketing and cultivation



events. Other Program Related Expenses: (1) \$15,000 for professional development to attend industry-related professional conferences and associated travel; (2) \$4,500 grant-related expenses for grants manager paid by the college; and (3) \$5,000 for the distribution of in-kind gifts listed above in the revenue section. Administration costs include administrative employees' salaries and benefits (\$217,000), bank fees (\$1,000), accounting expenses (\$12,000), and investment fees (\$50). Fundraising expenses include funds for general fundraising (\$32,250); in-kind gifts (\$60,000 from the major fall fundraiser); direct mail costs for the annual campaign (\$3,000); production costs for the staff campaign (\$5,000); costs associated with the major gifts campaign (\$164,202), which includes the salary and benefits of the capital campaign manager; and the business campaign expenses (\$3,000). Note on Net Transfer In from Other Accounts: Expenses exceed income presently due to the fact that capital campaign expenses are currently focused on the building in order to meet the college's December 2008 deadline for fundraising for the building. The college is currently backing the administrative costs for the campaign, and the foundation will recover costs through a 3 percent fee charged to appropriate gifts.

## Assets & Liabilities

	End of Last FY
Current Assets	\$ 508,714
Temporarily restricted assets (less current portion)	\$ 4,841,057
Permanently Restricted assets	\$ 11,305,048
Property, plant and equipment (net of depreciation)	\$ 0
Other assets	\$ 0
<b>Total Assets</b>	<b>\$ 16,654,819</b>
Current Liabilities	\$ 875,931
Long-term Debt	\$ 0
Other Liabilities & Net Assets	\$ 0
<b>Total Liabilities</b>	<b>\$ 875,931</b>
<b>Net Assets</b>	<b>\$ 15,778,888</b>

## Financial History

Year	Total Revenue	Total Expenses	Surplus/Deficit
2007	\$ 4,438,765	\$ 2,798,791	\$ 1,639,974
2006	\$ 5,023,424	\$ 3,283,988	\$ 1,739,436
2005	\$ 2,973,361	\$ 2,163,793	\$ 809,568

## Supplementary Materials

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File Name	Description
Opening Doors CASE.PDF	Opening Doors Case Statement (Provides Additional Information on the Campaign)
2007 Audit.pdf	2007 Audit
2006 Audit.pdf	2006 Audit
06-08 Financial Statement folder.pdf	Most recent financial statement (as of June 30, 2008)
501(C)(3) Letter.pdf	501(c)(3) letter and IRS documentation

## Comments

The Opening Doors Case Statement lays out the case for the four initiatives in the campaign.