

Budget Update

**BACKGROUND:**

Vice President Brian Kelly will provide a budget update for Board review and discussion to include an updated current year (FY2015) projection estimate, responses to January information requests, enrollment trend analysis, and FY2016 – FY2017 projection assumptions.

**CONTACT:**

Vice President for College Services Office, 541.463.5310

## Updated FY2015 Projection Estimate

The current year projection estimate has been updated using 4<sup>th</sup> week winter term enrollment, payroll and financial data.

	FY2014 Actual Funds I & IX Audited	12.10.14 Estimate FY2015 Funds I & IX -18.5% Cr. Enr. Δ	2.4.15 Estimate FY2015 Funds I & IX -18.5% Cr. Enr. Δ
<b>REVENUE</b>			
<b>Intergovernmental</b>			
State Funding	30,363,341	31,307,000	31,213,000
Property Taxes	16,513,061	16,946,000	16,946,000
	<b>46,876,402</b>	<b>48,253,000</b>	<b>48,159,000</b>
<b>Tuition &amp; Fees</b>			
Tuition	31,818,863	25,812,900	26,196,000
Student Fees	6,951,964	7,086,700	6,770,500
Non-Mandatory Fees	645,396	722,900	724,500
Other Fees & Charges	1,437,936	1,387,300	1,375,900
	<b>40,854,159</b>	<b>35,009,800</b>	<b>35,066,900</b>
<b>Other Revenue Sources</b>			
Administrative Recovery	571,060	1,785,700	3,395,700
Gifts & Donations	900,293	921,000	1,110,600
Grants & Contracts	30,395	22,200	27,400
Interest Income	158,599	103,000	103,000
Other Revenue	2,831,276	2,848,600	2,902,600
Sale of Goods & Services	2,298,760	2,363,000	2,516,300
	<b>6,790,383</b>	<b>8,043,500</b>	<b>10,055,600</b>
<b>Operating Transfers In</b>			
Transfers In	1,939,831	1,662,000	1,554,300
	<b>1,939,831</b>	<b>1,662,000</b>	<b>1,554,300</b>
	<b>96,460,775</b>	<b>92,968,300</b>	<b>94,835,800</b>
<b>EXPENDITURES</b>			
<b>Personnel</b>			
Personnel - Contracted	37,152,937	37,311,400	37,407,000
Personnel - P/T	16,042,095	12,749,300	12,682,100
OPE	27,649,885	28,224,030	28,259,700
	<b>80,844,917</b>	<b>78,284,730</b>	<b>78,348,800</b>
<b>Other Expenditures</b>			
Materials & Services	13,902,034	13,148,800	13,191,200
Capital Outlay	320,209	316,600	316,600
Goods for Resale	994,158	906,600	918,700
	<b>15,216,401</b>	<b>14,372,000</b>	<b>14,426,500</b>
<b>Operating Transfers Out</b>			
Transfers Out	3,596,726	2,785,470	2,700,700
Transfers Out - Fin. Aid.	137,665	-	-
	<b>3,734,391</b>	<b>2,785,470</b>	<b>2,700,700</b>
	<b>99,795,709</b>	<b>95,442,200</b>	<b>95,476,000</b>
<b>Revenue Over/Under Expenditures (Change in Fund Balance)</b>	<b>(3,334,934)</b>	<b>(2,473,900)</b>	<b>(640,200)</b>
<b>Beginning General Fund Balance</b>		<b>10,104,000</b>	<b>10,104,000</b>
<b>Ending General Fund Balance</b>		<b>7,630,100</b>	<b>9,463,800</b>

## Information Requests from January 14, 2015 Board Budget Discussion:

### 1) Please provide a breakdown of student fees.

#### 2014-2015 Credit Student Fees:

##### **Technology Fee:** \$5 per credit hour

This fee helps pay for technology used in classrooms, as well as computer labs accessible to all credit students.

##### **Transportation Fee:** \$27 per term for main campus; \$5 per term for other locations

This fee pays for expenses related to parking lot maintenance and security, as well as providing all credit students with an LTD bus pass for the term.

##### **Student Activity Fee:** \$54.30 per term

This fee is paid by students taking credit courses on main campus. It is voted on by the student body in the Associated Students of Lane Community College (ASLCC) spring elections to support student activities and services.

##### Components:

Oregon State Public Interest Research Group	\$ 3.00
Cooperative Education	\$ 7.62
ASLCC Operations	\$ 7.44
Recreational Sports	\$12.00
International Study Program	\$ 2.00
Black Student Union	\$ .50
Women's Program	\$ 2.00
The Torch	\$ 2.75
Student Clubs and Organizations	\$ 1.00
Oregon Student Association	\$ 2.54
Child Development Center	\$ 1.00
Longhouse Building	\$ 3.00
Student Productions Association	\$ .50
Learning Garden	\$ 1.50
Military/Veterans Center	\$ 1.00
Native American Student Association	\$ .65
Movimiento Estudiantil Chicano de Aztlán	\$ .65
Gender & Sexuality Alliance	\$ .65
Asian/Pacific Islander Student Union	\$ .50
ASLCC Legal Services	\$ 4.00

##### **Student Health Fee:** \$12 per term

This fee is paid by students taking credit courses on main campus. It is used to help pay for the Health Clinic, which is available to main campus students.

##### **First Time Enrollment Fee:** \$30 one-time fee

This fee is assessed the first term students enroll in credit classes and helps pay for placement testing and the degree/certificate application process.

**Late Add Fee:** \$100 per class

Students are expected to register for their classes by the add deadline. Grades submitted for non-registered students after the last day to add classes in myLane will result in this fee being assessed for each late grade submitted, in addition to all related tuition and fees.

**International Credit Student Fee:** \$12 per credit hour for international credit students only.

**2) Can the college implement a parking fee?**

The \$27 per term transportation fee for main campus students covers parking lot maintenance and security expenses, in addition to providing students with an LTD bus pass and funding BikeLane and other transportation programs.

It would require a significant investment of staff time and resources to study and analyze the feasibility and impact of implementing a fee for parking system at Lane. Analysis conducted several years ago indicated that the administrative cost of administering a program would exceed any revenue generated.

**3) What would be the revenue impact of a \$100 per credit tuition rate?**

Increasing the current \$98 tuition rate to \$100 per credit would result in an additional \$550,000 in tuition revenue assuming current enrollment levels are maintained.

**4) What would it look like to freeze tuition rates upon entry?**

Freezing tuition rates for each entry year or period would be incredibly challenging to administer, especially since a significant number of our student population have multiple entry and exit points and periods. If this is something the Board would like to consider, we would need to bring a group together for study and analysis.

For a quick look at the financial impact, if we were to have frozen tuition rates last year (FY2014) at \$90 for all prior students and imposed the \$93 rate to incoming/new credit students only, the lost revenue would conservatively be \$698,000 in that single year.

**5) How do Lane's tuition and fees compare with other Oregon Community Colleges?**

Current tuition and fees for Oregon Community Colleges are presented on the following two pages.

Oregon Community Colleges: 2014-15 Tuition and Fees

By Annualized In-District Tuition and Fees

Updated 7/09/2014

Community College	Tuition									Fees			Notes If you do not charge for every credit hour taken, what is your "window"?	In-District T&Fees - Annualized	Out-of-District T&Fees - Annualized	Out-of-State T&Fees - Annualized**
	In-District		Out-of-District		Out-of-State*		Foreign		Quarterly Fees / One-time							
	Charge Per Credit Hour	Charge per 15 cr. Hour	Charge Per Credit Hour	Charge per 15 cr. Hour	Charge Per Credit Hour	Charge per 15 cr. Hour	Per Credit Hour	Charge per 15 cr. Hour	(For typical student taking 15 hours)	One-Time fee (application etc.)	Tech.	Other				
1	<b>Blue Mountain</b>	\$90.00	\$1,350.00	\$90.00	\$1,350.00	\$270.00	\$4,050.00	\$270.00	\$4,050.00	\$135.00	\$40.50	-	\$9/credit technology fee. Other fees consist of \$1.50/credit student govt fee, \$3 security & \$15 access	\$4,577	\$4,577	\$12,677
2	<b>Central</b>	\$87.00	\$1,305.00	\$115.00	\$1,725.00	\$237.00	\$3,555.00	\$237.00	\$3,555.00	\$82.50	\$26.25	\$25.00	\$5.50/credit technology fee; \$1.50/credit student fee; and \$0.25/credit green energy fee.	\$4,241	\$5,501	\$10,991
3	<b>Chemeketa</b>	\$80.00	\$1,200.00	\$80.00	\$1,200.00	\$242.00	\$3,630.00	\$242.00	\$3,630.00	\$0.00	\$210.00	-	\$14/cr. Universal fee; non-credit tuition \$4 per contact hr.; \$265 foreign students' term fee.	\$4,230	\$4,230	\$11,520
4	<b>Clackamas</b>	\$84.00	\$1,260.00	\$84.00	\$1,250.00	\$257.00	\$3,855.00	\$257.00	\$3,855.00	\$67.50	\$50.00	-	\$4.50/credit technology fee; \$2/credit universal fee; and a \$20/term college service fee.	\$4,133	\$4,133	\$11,918
5	<b>Clatsop</b>	\$99.00	\$1,485.00	\$102.00	\$1,530.00	\$198.00	\$2,970.00	\$346.00	\$5,190.00	\$150.00	\$30.00	-	\$10/credit technology fee and a \$30/term consolidated fee.	\$4,995	\$5,130	\$9,450
6	<b>Columbia Gorge</b>	\$89.00	\$1,335.00	\$89.00	\$1,335.00	\$225.00	\$3,375.00	\$225.00	\$3,375.00	-	\$180.00	\$25.00	\$12/credit service fee. Application fee is for limited entry programs only - nursing, medical assisting, & renewable energy technology.	\$4,545	\$4,545	\$10,665
7	<b>Klamath</b>	\$89.50	\$1,342.50	\$89.50	\$1,342.50	\$167.50	\$2,512.50	\$197.50	\$2,962.50	\$60.00	\$132.50	\$40.00	\$4/credit hr. technology fee; \$6.00/credit facility fee; \$2.50/credit ASG fee; \$5/term student ID fee.	\$4,605	\$4,605	\$8,115
8	<b>Lane</b>	\$98.00	\$1,470.00	\$98.00	\$1,470.00	\$239.00	\$3,585.00	\$233.00	\$3,495.00	\$82.50	\$87.40	\$30.00	\$5/credit technology fee; \$27/term transportation fee; \$12/term Health Clinic Fee; and a Student Activity fee.	\$4,920	\$4,920	\$11,265
9	<b>Linn-Benton</b>	\$93.80	\$1,407.00	\$93.80	\$1,407.00	\$203.80	\$3,057.00	\$239.80	\$3,597.00	\$30.00	\$54.85	\$25.00	\$2/credit technology fee; \$1/credit transportation fee; \$2.15/credit student activity fees; and a student gov fee of \$7.60 per term. In 2013-14 LBCC established a higher differential tuition rate for a few programs.	\$4,476	\$4,476	\$9,426
10	<b>Mt. Hood</b>	\$92.00	\$1,380.00	\$92.00	\$1,380.00	\$209.00	\$3,135.00	\$236.00	\$3,540.00	\$78.75	\$125.00	-	After 18 credits tuition rate is 1/2. \$5.25 Technology fee (max at 15 credits). \$3/credit student fee (max at 15 credits); \$45/term service fee and a \$35/term access fee.	\$4,751	\$4,751	\$10,016
11	<b>Oregon Coast</b>	\$99.00	\$1,485.00	\$99.00	\$1,435.00	\$214.00	\$3,210.00	\$214.00	\$3,210.00	-	\$105.00	-	\$7/credit universal fee. After 90 days out of state students are considered residents, only one term charged out of state.	\$4,770	\$4,770	\$9,945
12	<b>Portland</b>	\$92.00	\$1,380.00	\$92.00	\$1,330.00	\$220.00	\$3,300.00	\$220.00	\$3,300.00	\$67.50	\$44.50	-	\$4.50/credit technology fee; \$1.70/credit student activity fee; \$19/term service fee.	\$4,476	\$4,476	\$10,236
13	<b>Rogue</b>	\$91.00	\$1,365.00	\$91.00	\$1,355.00	\$111.00	\$1,665.00	\$304.00	\$4,560.00	\$60.00	\$135.00	-	\$4/credit technology fee; \$135 service fee for 12 credits or more.	\$4,680	\$4,680	\$5,580
14	<b>Southwestern</b>	\$87.00	\$1,305.00	\$87.00	\$1,305.00	\$87.00	\$1,305.00	\$261.00	\$3,915.00	-	\$474.00	-	\$26/credit incidental fee; \$28/course registration fee (used 3 courses).	\$5,337	\$5,337	\$5,337

**Oregon Community Colleges: 2014-15 Tuition and Fees**

**By Annualized In-District Tuition and Fees**

Updated 7/09/2014

Community College	Tuition								Fees			Notes	In-District T&Fees - Annualized	Out-of-District T&Fees - Annualized	Out-of-State T&Fees - Annualized**	
	In-District		Out-of-District		Out-of-State*		Foreign		Quarterly Fees / One-time							
	Charge Per Credit Hour	Charge per 15 cr. Hour	Charge Per Credit Hour	Charge per 15 cr. Hour	Charge Per Credit Hour	Charge per 15 cr. Hour	Per Credit Hour	Charge per 15 cr. Hour	(For typical student taking 15 hours)	One-Time fee (application etc.)	If you do not charge for every credit hour taken, what is your "window"?					
									Tech.	Other						
15	<b>Tillamook Bay</b>	\$93.00	\$1,395.00	\$93.00	\$1,395.00	\$113.00	\$1,695.00	\$113.00	\$1,695.00	\$75.00	\$90.00	-	\$5/credit technology fee, \$2/credit student services fee; and a \$4/credit course fee.	\$4,680	\$4,680	\$5,580
16	<b>Treasure Valley</b>	\$94.00	\$1,410.00	\$94.00	\$1,410.00	\$104.00	\$1,560.00	\$200.00	\$3,000.00	\$0.00	\$285.00	-	*8-20 cr. hr. window. \$14/credit universal fee; and a \$5/credit Student activity fee.	\$5,085	\$5,085	\$5,535
17	<b>Umpqua</b>	\$85.00	\$1,275.00	\$85.00	\$1,275.00	\$201.00	\$3,015.00	\$201.00	\$3,015.00	\$97.50	\$85.00	\$0.00	\$6.50/credit technology fee, \$25/term registration fee; and a \$4/credit Student Activity fee.	\$4,373	\$4,373	\$9,593
<b>Statewide Average</b>		<b>\$90.78</b>	<b>\$1,361.74</b>	<b>\$92.61</b>	<b>\$1,389.09</b>	<b>\$194.02</b>	<b>\$2,910.26</b>	<b>\$235.08</b>	<b>\$3,526.15</b>	<b>\$58.01</b>	<b>\$126.76</b>	<b>\$8.53</b>		<b>\$4,640</b>	<b>\$4,722</b>	<b>\$9,285</b>

\* Out of State Tuition applies only to non-border states.

\*\* Out of State Tuition and fees - annualized is calculated with a student paying the out-of-state tuition rate for three terms.

## Enrollment Trend Update

Don McNair will provide an update on credit and FTE trends and share insight about enrollment in the coming year.

### Credit and FTE Trends

FY09 to FY15 Estimate

All Departments, College Now excluded

	FY09	FY10	YoY %Δ	FY11	YoY %Δ	FY12	YoY %Δ	FY13	YoY %Δ	FY14 Proj. °	FY14 Actual	Variance (Proj. to Actual)	YoY %Δ	FY15 Proj. ^	YoY %Δ
Credits	340,745	416,632	22.3%	441,254	5.9%	450,597	2.1%	405,410	-10.0%	347,658	346,519	0.3%	-14.2%	282,413	-18.5%
FTE	11,963	14,106	17.9%	14,656	3.9%	14,610	-0.3%	13,138	-10.1%	11,537	11,460	0.7%	-12.2%	9,535	-16.8%

° February 2014 Budget Office Projection

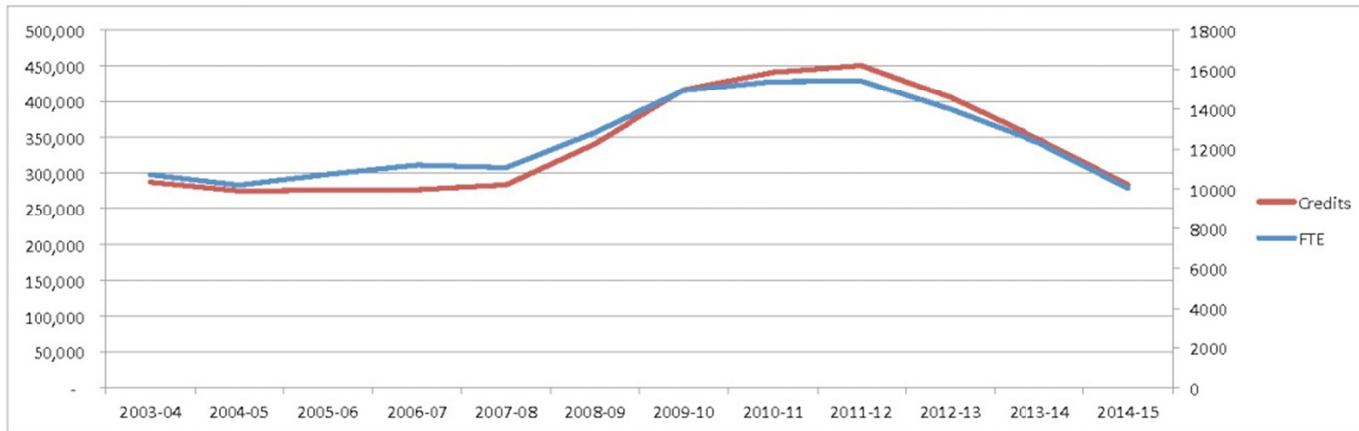
^ January 2015 Budget Office Projection

**Contracted Faculty FTE, Headcount and Enrollment Moving Average (FTE & Credits--no CN) FY06 through FY15 (approx)**

<b>FTE</b>					242.02	234.24	224.03	234.12	237.44	236.23	237.37	242.14	233.73
<b>Headcount</b>					251	244	231	241	250	249	250	255	247

Year	BASE	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Average FY04-FY08
Credits	286,886	286,886	274,557	276,233	276,697	283,495	340,745	416,632	441,254	450,597	405,410	346,519	283,217	281,000
% (=/-)		0.0%	-4.3%	0.6%	0.2%	2.5%	20.2%	22.3%	5.9%	2.1%	-10.0%	-14.5%	-18.3%	
Average		286,886	280,722	279,225	278,593	279,574	289,769	307,892	324,562	338,566	345,251	345,366	340,187	

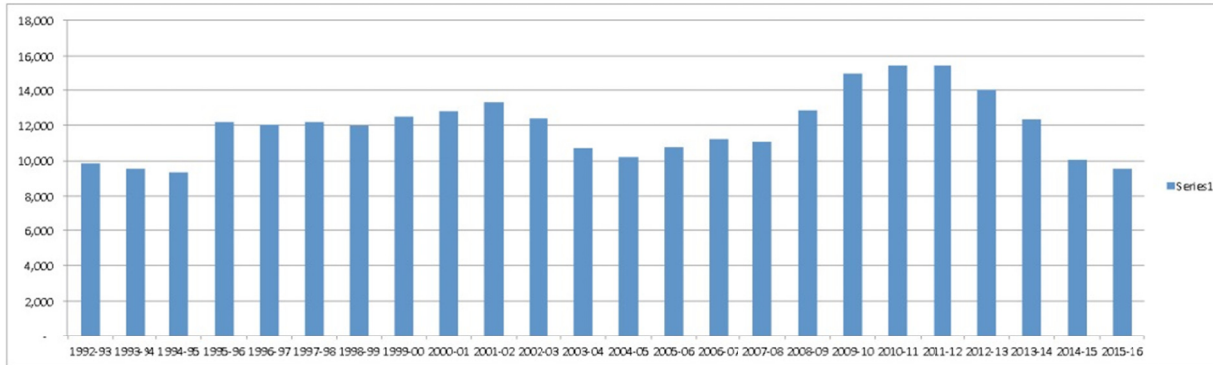
Year	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Average FY04-FY08
FTE	10704	10179	10743	11194	11069	12824	14964	15424	15445	14015	12312	10031	10,778
Credits	286,886	274,557	276,233	276,697	283,495	340,745	416,632	441,254	450,597	405,410	346,519	283,217	





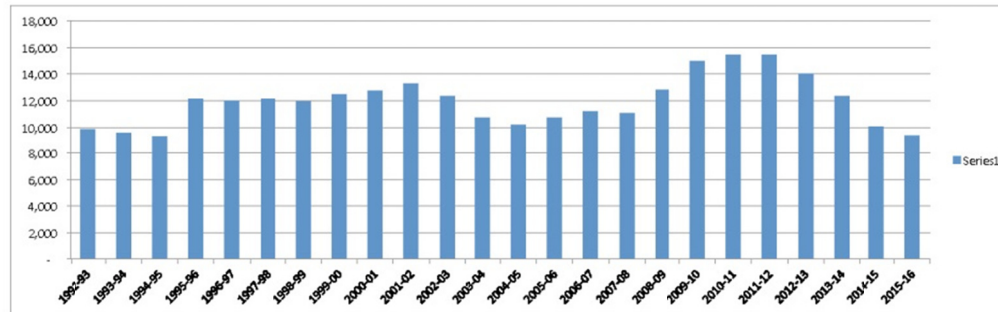
### FY16 PROJECTIONS (-5%)

Year	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
FTE	9,843	9,536	9,328	12,142	12,007	12,149	11,968	12,449	12,760	13,265	12,364	10,704	10,179	10,743	11,194	11,069	12,824	14,964	15,424	15,445	14,015	12,312	10,031	9,529
% (+/-)		-3.1%	-2.2%	30.2%	-1.1%	1.2%	-1.5%	4.0%	2.5%	4.0%	-6.8%	-13.4%	-4.9%	5.5%	4.2%	-1.1%	15.9%	16.7%	3.1%	0.1%	-9.3%	-12.2%	-18.5%	-5.0%



### FY16 PROJECTIONS (-7%)

Year	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
FTE	9,843	9,536	9,328	12,142	12,007	12,149	11,968	12,449	12,760	13,265	12,364	10,704	10,179	10,743	11,194	11,069	12,824	14,964	15,424	15,445	14,015	12,312	10,031	9,329
% (+/-)		-3.1%	-2.2%	30.2%	-1.1%	1.2%	-1.5%	4.0%	2.5%	4.0%	-6.8%	-13.4%	-4.9%	5.5%	4.2%	-1.1%	15.9%	16.7%	3.1%	0.1%	-9.3%	-12.2%	-18.5%	-7.0%



## **FY2016 - FY2017 Projection Assumptions**

At the January 14, 2014 Board meeting, Brian Kelly and Jennifer Steele presented revenue, expenditure, and investment “balancing levers”. Although several key budget levers (state funding levels and allocation percentages, enrollment, and bargaining parameters) will not be known for several weeks or months, the college will need to determine which assumptions to use in budget development scenarios.

Brian Kelly will facilitate a discussion on the following assumptions and possible scenarios for use in budget development while Jennifer Steele updates FY2016-FY2017 biennial projections.

Assumption	Scenario A	Scenario B	Scenario C
State Funding Level			
Lane Allocation %			
Year over Year Enrollment Increase/Decrease			
Tuition Rate			
Bargaining Parameters			