

LANE COMMUNITY COLLEGE<sup>SM</sup>

FY 2020-2021

# ADOPTED BUDGET



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***Cover Photo credit: Derek Vincent, IVI Photography. Derek is a 2015 Lane Energy Management Program graduate.***

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***Thank you to Brianna Butler, Graphic Design Program 2020 Graduate for her creative work on the FY2021 Budget snapshot.***

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**BUDGET MESSAGE  
FISCAL YEAR 2020-2021  
PRESENTED MAY 6, 2020**

Board of Education, Citizen Members of the Budget Committee, President Hamilton, Colleagues, and Lane Community College District Members:

It is my honor to present the proposed fiscal year 2020-2021 budget for Lane Community College.

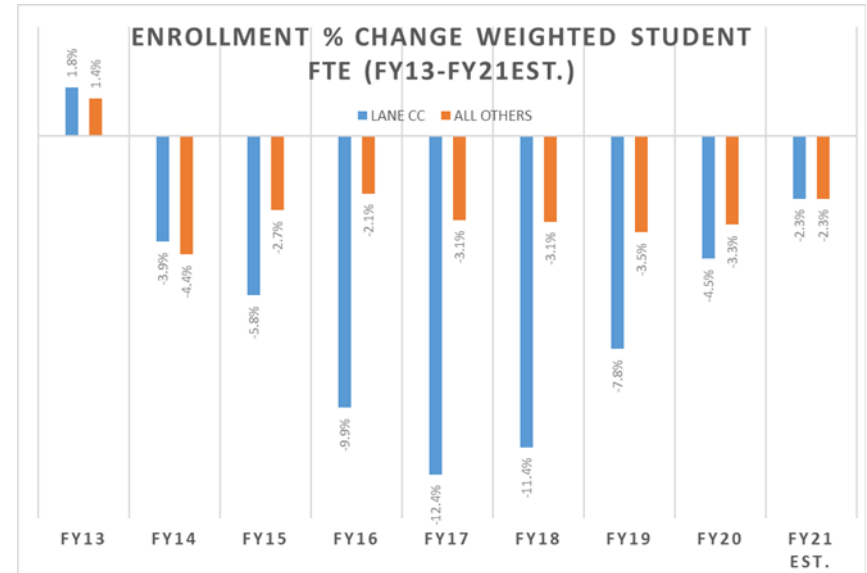
The total proposed annual budget is \$224,954,154. The proposed general fund budget totals \$91,146,647.

Lane’s budget reflects the prioritization and allocation of resources to support the college’s vision, mission, and strategic directions.

Vision: Transforming lives through learning.

Mission: Lane is the community’s college: we provide comprehensive, accessible, quality, learning-centered educational opportunities that promote student success.

Strategic Directions from the college’s 2016-2021 Strategic Plan: Commitment to Student Learning and Success; A Culture of Teaching, Learning, and Innovation; Access, Equity, and Inclusion through Social Justice; Strengthened Community; and, Financial and Environmental Stewardship.



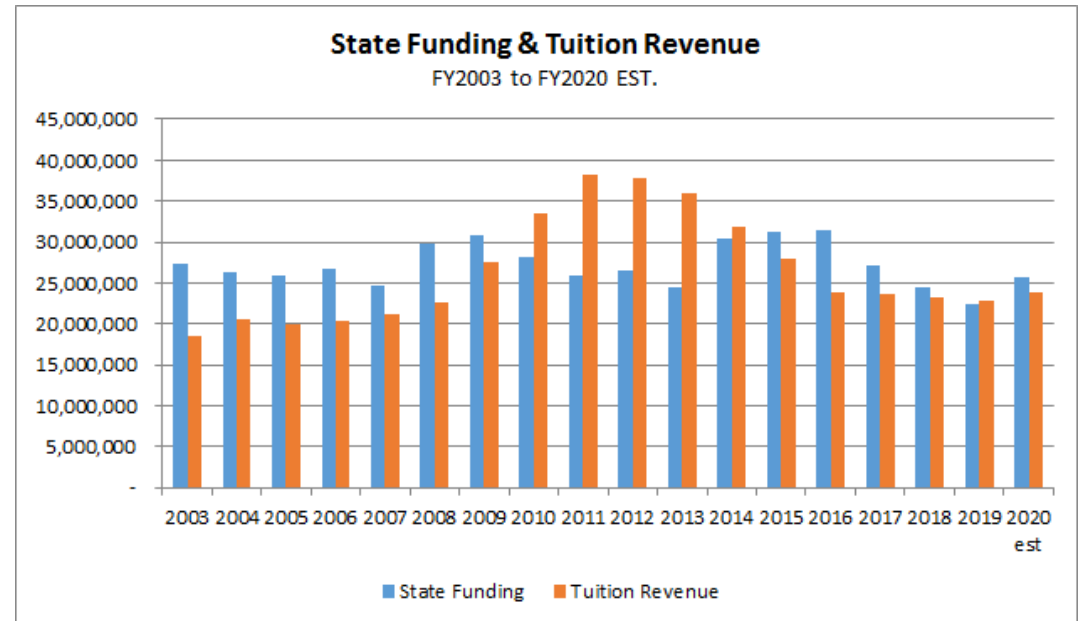
In preparing the proposed budget, revenue and expenditure forecasts are developed within the context of the current economic environment. The college continues to be challenged by declining enrollments, long-term state disinvestment in higher education funding, and aging infrastructure. The full economic and health impacts of COVID-19 on the nation, state, and college are undetermined at this time. On May 20th, the Oregon Office of Economic Analysis will release an updated revenue forecast, which is the first forecast to capture the economic impact of COVID-19 in Oregon.

The Oregon Constitution requires the state to rebalance the general fund budget if forecasted revenues fall below forecasted expenditures. The Governor may implement across the board reductions to state budgets through the allotment process, which does not require input from the state legislature. Recently, the Oregon Community College Association communicated that the Oregon Higher Education Coordinating Commission, per direction from the Governor, is tasked with reducing the Community College Support Fund by 8.5% for the 2019-2021 biennium.

The 2020-2021 budget development process was guided by the following principles:

1. The college cannot afford to maintain all programs and services it currently provides and must limit its offerings to be financially sustainable.
2. The college must limit the use of one-time funds.
3. The college shall continue to invest in student success, access & equity, and regional economic strategic priorities.

The fiscal year 2020-2021 proposed budget reflects these principles and includes a difficult mix of balancing options that will impact our students, staff, and our community. In order to close a near \$4.8M budget gap - partially due to the use of one-time funds in prior years, and personnel cost increases - the college looked to materials and service expense reductions; reduced major maintenance funding; additional program revenue from the LCC Foundation; and, personnel savings through restructuring and holding vacant positions open.



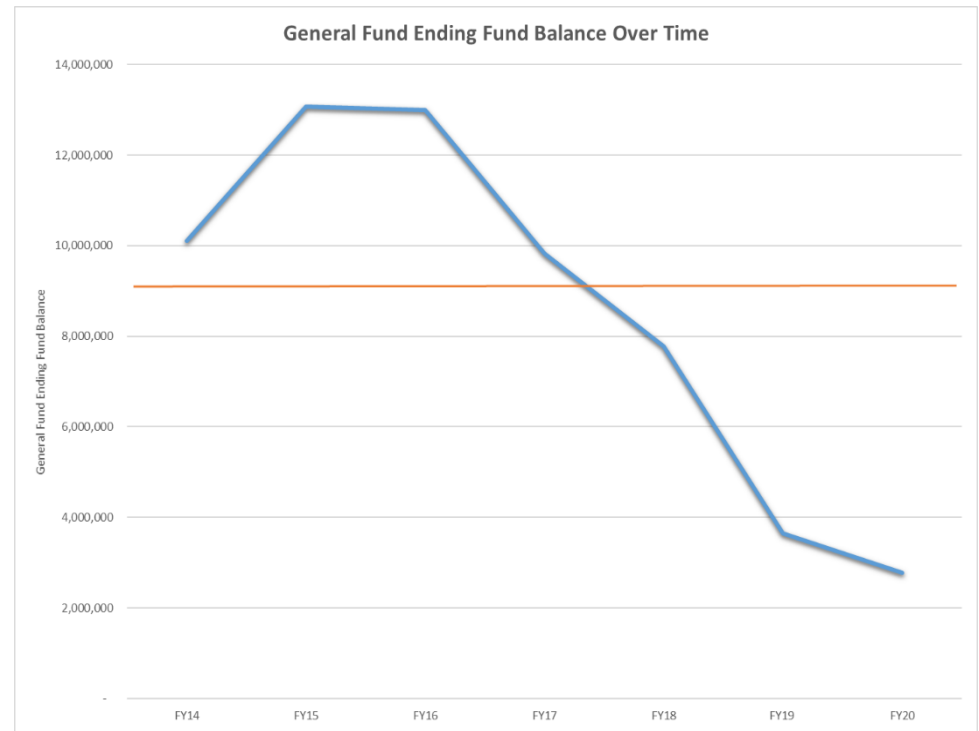
The proposed budget includes an increase in student tuition, which equals the HEPI inflationary index per credit hour. The proposed budget also includes additional funding to support investments from strategic planning, program review, and department planning. These allocations further the investment into Lane's strategic priorities.

The fiscal year 2020-2021 proposed budget reflects recurring balancing items with limited use of one-time or non-recurring funds. This budget reflects a consensus recommendation from the College Council.

### Economic Environment

The proposed budget is built upon a CCSF of \$641 million. Considering Lane's Fall and Winter term enrollments, the proposed budget assumes an 8 percent share of the fund as compared to a high of 13.35 percent in fiscal year 2012-2013.

In early-March 2020, based upon enrollment and activity levels, the projected current year (FY20) general fund operating deficit was \$877K, which is 3.3% of general fund expenditures. As required by Board Policy 245, when the college’s fund balance falls to 9 percent or less of the total expenditures and transfers, the college must adopt a plan to replenish the ending fund balance to 10 percent within three years. The proposed budget addresses year 1 of the 3-year plan. An adequate fund balance is necessary to provide cash for the first quarter payroll and operations, allow for emergency or unexpected events, support the college’s overall financial position and bond rating, and to prevent the need for costly short-term borrowing. Due to the declining fund balance, the college is borrowing \$4.35M through the Oregon Education Districts Short Term Borrowing (TANPool) program to address funding gaps.



The college prudently funded a PERS reserve account in 2004, and increased it in 2005 and 2010, in anticipation of PERS rate increases. The college utilized \$860K of this reserve in FY18, FY19, FY20, and will again in FY21 to stabilize Other Payroll Expenses (OPE) rates. Through the utilization of the PERS reserve, a proposed health insurance incentive, and changes in Lane’s employee mix between Tier 1/ Tier 2 and OPSRP PERS benefits, OPE rates will increase 1 percent for contracted staff and decrease 1 percent for part-time staff in FY21. The estimated ending PERS reserve fund balance for FY21 is \$2.1 million. PERS cost escalation is an ongoing budget challenge for the college.

**General Fund Budget for Fiscal Year 2020-2021**

The proposed general fund budget is \$91.1 million, a 1.4% increase from the 2019-2020 budget. Budgeted tuition and fee revenues are \$31.3 million, reflecting an inflationary tuition rate increase. Expenses must be firmly linked to and limited by revenue to provide a financially sustainable model for reliable and comprehensive access to education to meet our community needs. Planning for unknown disinvestment by the state requires strategic tradeoffs and choices such as increasing tuition and fee revenue, maintaining service levels at a lower cost, downsizing the college and subsequently reducing opportunities available to students, or some combination therein. Even with reductions in staffing levels realized from restructuring, and holding vacant positions open, personnel services expenditures continue to constitute the majority of the general fund budget - approximately 79.6 percent as proposed.

**Administratively Restricted Budget for Fiscal Year 2020-2021**

The proposed budget for the special revenue administratively restricted fund is \$15.4 million. This reflects continued efficiencies, restructuring, and entrepreneurial activities with KLCC FM, the Health Clinic, Flight Technology, and Extended Learning. Projections used for budget development combine the General Fund I and the Administratively Restricted Fund IX.

**Additional Important Information**

This budget document is consistent with the budget laws of the State of Oregon and other applicable policies. The budget is prepared on a modified accrual basis of accounting (revenues reported when earned; expenditures reported when the liability is incurred; taxes accounted for on a cash basis). The result is that carryovers of financial obligations from year-to-year are precluded and projections of anticipated revenue are not inflated. The format and summarization are consistent with Oregon Accounting Guidelines for Community Colleges. This budget expresses the basic and essential fiscal requirements of Lane Community College as set forth by the Board of Education.

The 2020-2021 Budget Document is submitted herewith for your consideration and action. We are ready to assist you in the important task of reviewing this document.

Respectfully,

Zach Evans  
Budget Director

# FY21 LCC

# PROPOSED BUDGET SNAPSHOT

TOTAL LCC BUDGET

**\$224.95**  
MILLION

**↑15.5%**

From FY20 Adopted Budget

### Key Principles

The college cannot afford to maintain all programs and services it currently provides and must limit its offerings to be financially sustainable.

The college must limit the use of one-time funds.

The college shall continue to invest in student success, access & equity, and regional economic strategic priorities.

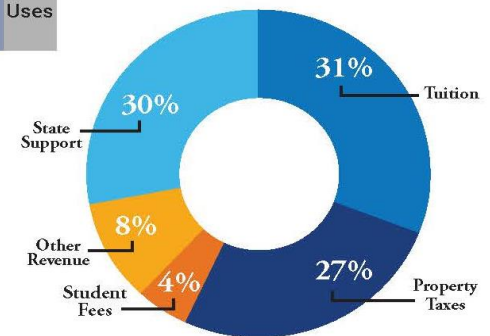


### How is a tuition dollar spent?



As a steward of public funds, Lane Community College works to ensure responsible use of taxpayer and tuition dollars to achieve its mission. In collaboration with college departments, budgets are developed to support current operational needs and long term fiscal stability.

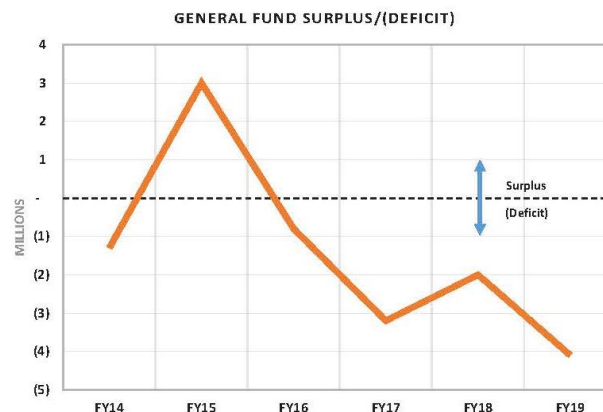
< Based on FY19 Actuals



FY21 General Fund Revenue

We focus on the general fund (or Fund 1) because it is the largest fund, and is considered an overall indicator of financial health. The general fund includes activities directly associated with the college's basic educational objectives.

The graph below compares college general fund revenue and expenditures. Looking into the future, the college will need to better align revenues and expenditures to maintain financial sustainability.





## Schedule of Changes Between FY21 Proposed, Budget Committee Approved, and Board Adopted Budget

The following table summarizes changes between the staff Proposed Budget and the budget approved by the Budget Committee.

Changes were made to reflect position list updates. Further position list updates were made between the Approved Budget and the budget adopted by the Board of Education.

Fund	Program	Staff Proposed Budget	Changes	Notes	Budget Committee Approved Budget	Changes to Approved Budget	Board Adopted Budget
General Fund I	Instruction	44,428,639	251,841	Position budget adjustment	44,680,480	134,445	44,814,925
	Instructional Support	6,286,527	-		6,286,527	(102,082)	6,184,445
	Student Services	9,818,288	(115,976)	Position budget adjustment	9,702,312	(5,615)	9,696,697
	College Support Services	18,025,132	(135,865)	Position budget adjustment	17,889,267	(26,748)	17,862,519
	Plant Operations & Maintenance	6,085,677	-		6,085,677	-	6,085,677
	Contingency	2,450,000	-		2,450,000	-	2,450,000
	Transfers Out	1,492,384	-		1,492,384	-	1,492,384
	Unappropriated Ending Fund Balance	2,560,000	-		2,560,000	-	2,560,000
		<b>91,146,647</b>	-		<b>91,146,647</b>	-	<b>91,146,647</b>

Continued

Internal Service Fund II	College Support Services	890,200	-		890,200	-	890,200
	Contingency	50,000	-		50,000	-	50,000
		<b>940,200</b>	-		<b>940,200</b>	-	<b>940,200</b>
Debt Service Fund III	Debt Service	<b>24,566,051</b>	-		<b>24,566,051</b>	-	<b>24,566,051</b>
		<b>24,566,051</b>	-		<b>24,566,051</b>	-	<b>24,566,051</b>
Capital Projects Fund IV	Plant Additions	22,507,000	-		22,507,000	-	22,507,000
		<b>22,507,000</b>	-		<b>22,507,000</b>	-	<b>22,507,000</b>
Financial Aid Fund V	Financial Aid	46,965,500	-		46,965,500	-	46,965,500
	Contingency	1,210,000	-		1,210,000	-	1,210,000
	Transfers Out	50,000	-		50,000	-	50,000
		<b>48,225,500</b>	-		<b>48,225,500</b>	-	<b>48,225,500</b>
Enterprise Fund VI	Instruction	144,845	-		144,845	-	144,845
	Student Services	6,340,780	-		6,340,780	-	6,340,780
	Contingency	100,000	-		100,000	-	100,000
	Transfers Out	800,000	-		800,000	-	800,000
		<b>7,385,625</b>	-		<b>7,385,625</b>	-	<b>7,385,625</b>
Special Revenue Fund VIII	Instruction	4,946,000	-		4,946,000	-	4,946,000
	Instructional Support	804,500	-		804,500	-	804,500
	Student Services	2,520,750	-		2,520,750	-	2,520,750
	Community Services	5,709,300	-		5,709,300	-	5,709,300
	College Support Services	804,500	-		804,500	-	804,500
		<b>14,785,050</b>	-		<b>14,785,050</b>	-	<b>14,785,050</b>
Administratively Restricted Fund IX	Instruction	2,952,301	-		2,952,301	-	2,952,301
	Instructional Support	830,800	185,288	Position budget adjustment	1,016,088	-	1,016,088
	Student Services	2,221,386	-		2,221,386	-	2,221,386
	Community Services	2,140,695	-		2,140,695	-	2,140,695
	College Support Services	2,474,100	-		2,474,100	-	2,474,100
	Contingency	3,700,000	(185,288)	Position budget adjustment	3,514,712	-	3,514,712
	Transfers Out	1,078,799	-		1,078,799	-	1,078,799
		<b>15,398,081</b>	-		<b>15,398,081</b>	-	<b>15,398,081</b>
<b>Total Budget</b>		<b>224,954,154</b>	-		<b>224,954,154</b>	-	<b>224,954,154</b>



# **INTRODUCTION**

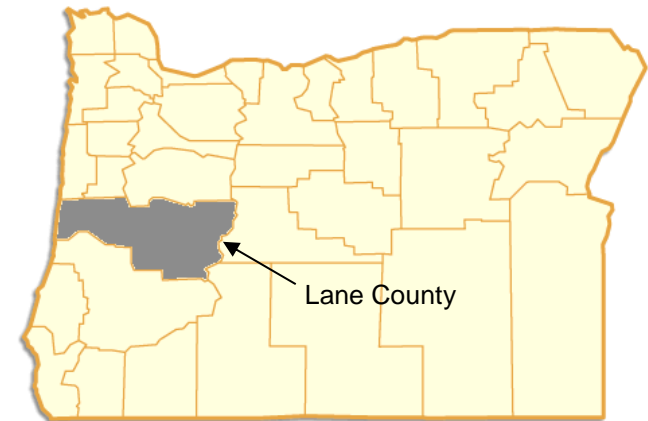
## Local and Regional Information

### Lane County, Oregon

Lane County was established in 1851. Covering 4,722 square miles from the Pacific Ocean to the Cascade Mountains, the county has three unique climate zones: the Willamette Valley, the Coast, and the Cascade Mountains. Although 90 percent of Lane County is forest land, Eugene and Springfield comprise the second largest urban area in the state (second to Portland). Lane County is renowned for its beautiful topography and climate and outdoor recreational opportunities.

#### Lane County Fast Facts:

- County Seat: Eugene, Oregon
- Average Temperatures: January: 48°, July: 82°
- Annual Precipitation: 46"
- Population: 379,611
- Median Age: 39.5 years
- Assessed Value: \$33,960,599,964
- Real Market Value: \$61,943,645,766
- Principle Industries: Lumber & wood manufacturing, healthcare, government, agriculture, tourism, retail trade and education
- Top 10 Employers: PeaceHealth, University of Oregon, Eugene 4J School District, City of Eugene, US Government, Lane Community College, Lane County Government, Springfield School District, State of Oregon, McKenzie-Willamette Medical Center, and Monaco Coach Corp.
- Top 10 Taxpayers: IP Eat Three, Comcast, Valley River Center, Shepard Investment Group, Verizon, Century Link, NW Natural Gas Co., PeaceHealth, Weyerhaeuser Company, Gateway Mall Partners



**Table 1: Economic and Educational Indicators**

Economic Indicator	Lane County	Oregon	Educational Indicator (pop. 25 & over)	Lane County 251,966	Oregon 2,901,195
Labor Force	177,274	1,938,200	Non-HS graduate	6.0%	5.9%
Median Home Value	\$281,200	\$341,800	High school graduate	23.5%	23.0%
Median Monthly Rent	\$943	\$1,079	Some college	28.7%	25.7%
Renter-occupied housing	41%	37%	Associate's degree	9.6%	8.8%
Unemployment Rate	4.2%	3.3%	Bachelor's or higher	17.9%	20.5%

Sources: [www.census.gov](http://www.census.gov) [www.qualityinfo.org](http://www.qualityinfo.org) [www.lanecounty.org](http://www.lanecounty.org) [www.city-data.com](http://www.city-data.com) [www.usclimatedata.com](http://www.usclimatedata.com) [www.bls.gov](http://www.bls.gov)

## About Lane Community College

### **Institutional Overview**

Lane Community College, founded in 1964, is a comprehensive community college dedicated to transforming lives through learning. The college fulfills its promise to the community by providing access to higher education, supporting student success, and ensuring its mission, core values, programs and services reflect community values and needs.

Lane's service district represents approximately 379,600 residents, slightly less than 9 percent of Oregon's population. The district encompasses 5,000 square miles, which includes most of Lane County from the Pacific Ocean to the Cascade Mountains, as well as individual school districts in Benton, Linn, and Douglas Counties. Lane's 314-acre campus is located in southeast Eugene and the college offers classes and services at a number of other locations including the Mary Spilde Center in downtown Eugene, centers in Cottage Grove, Florence, the Eugene Airport and outreach sites in the community. Lane employs more than 1,000 employees who serve almost 24,300 students annually. Approximately 44% are credit students, 19% are College Now credit students, and 37% are non-credit students. During fall term 2019, 44% of credit students were enrolled full-time, however only 21% of credit students were enrolled full-time for the entire academic year. The college had a total of 8,077 full-time-equivalent (FTE) students in the 2018-2019 academic year. Credit student enrollment accounts for approximately 89% of total FTE.

Students come to Lane with a variety of goals including transfer to a four-year college or university, career technical education, foundational skills development, and life-long learning. All students at Lane benefit from a broad range of options for their education and support, as the college provides comprehensive programming to meet both the community's and students' needs.

**Transfer.** Students who come to Lane with the goal of transfer to a four-year institution in the arts and sciences are guided by a growing number of Transfer Guides. These guides help students in their pursuit of a transfer degree through Lane's School of Arts and Sciences. Lane has a strong association with its neighbors - the University of Oregon, Oregon State University, the Oregon Health Sciences University, and Pacific University. In November 2018, new articulation agreements were created with Bushnell University (formerly Northwest Christian University) and the Oregon State University College of Business which will allow transfer students to earn a bachelor's or master's degree in less time and at a lower cost. Four global pathways to complete a bachelor's degree are also offered to Lane students: an International Business Management 2 + 1 in France, a Graphic Design 2 + 1 in New Zealand, a Global Tourism and Business in Australia, and a Global U.K. Transfer in England. In addition, Lane students who choose to pursue a career technical degree through the college's School of Professional and Technical Careers benefit from an ever-increasing number of opportunities to extend their associate's degree by continuing to a four-year college or university.

**Career and Technical Education.** Lane has continued the tradition of career and technical education begun in 1938 by its precursor, the Eugene Vocational School. Since that time, the college has greatly expanded services and programs to meet the community's changing needs. Today, Lane offers applied degrees and certificates in a wide range of technical program areas, from health professions to culinary arts to advanced technology and trades.

**Foundational Skills.** Lane students access many developmental courses to improve their foundational skills in reading, writing, and math in preparation for pursuing a college-level educational goal. Lane's offerings include Academic Learning Skills, Adult Basic and Secondary Education, and English as a Second Language.

**Extended Learning.** The college offers a wide array of courses through its Continuing Education and Small Business Development Programs. Classes are designed to support lifelong learning in areas such as creative arts, health and wellness, small business development, and training for the incumbent and emerging workforce.

**Accreditation.** Lane is accredited by the Northwest Commission on Colleges and Universities. The Commission is an institutional accrediting body recognized by the Council for Higher Education Accreditation and the U.S. Department of Education. Related regional accreditation documents are on reserve in the college library. Individual Lane programs are evaluated for quality by numerous vocational and professional accrediting associations.

During the 2013-2014 academic year, the college completed a comprehensive accreditation self-study and hosted an accreditation visit from representatives of the Northwest Commission on Colleges and Universities. The college's accreditation was reaffirmed, with the commission commending the college for its emphasis on student success; student support services; strong policy leadership by the board; transparency and integrity; innovative work attracting national distinction in areas such as student success, sustainability, and college leadership; a comprehensive library; and diligence in addressing student loan default rates. The college was advised to continue its work in integrating planning and institutional effectiveness efforts, enhancing the governance system, assessing student learning outcomes, scaling up its pilot program review process, implementing its cultural competency policy, and expanding communications related to student complaint procedures. The college has begun its next accreditation self-study process in preparation for a 2021 report and evaluation.

**Finances.** By most measures, state financial support for higher education is substandard in Oregon. The State Higher Education Executive Officers (SHEEO) Association reported for fiscal year 2019 that Oregon ranks 33rd in the nation in terms of educational funding per FTE. Oregon community colleges receive funding through three primary sources: state allocation of funds through a biennial state budget; student tuition and fees; and a county-based property tax. During the Great Recession, the state significantly reduced funding for community colleges. To compensate for the loss in revenue, tuition and fees were increased and now comprise more than 36% of Lane's general fund revenues. As a result, the college budget is much more sensitive to enrollment fluctuations than it once was. As the economy has improved following the Great Recession, the college has experienced substantial declines in enrollment and a corresponding reduction in revenue.

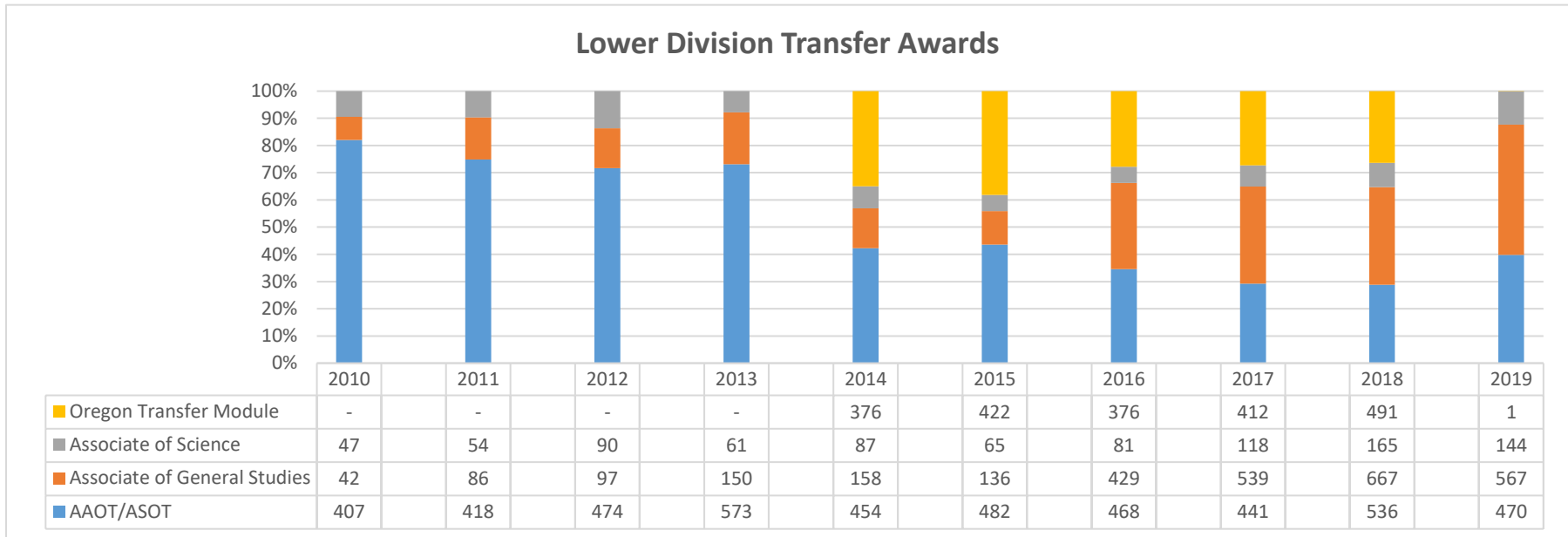
The college provides benefits to the community, both in terms of economic growth and investment. In 2015-2016, the college's net economic impact to the community was \$857.4 million (EMSI, 2017). This impact is comprised of \$83.7 million operations spending, \$27.8 million student spending, and \$745.9 million alumni impact. Furthermore, the college's relationship with the community helps Lane provide the right programs and services to students as they develop, progress toward, and achieve their goals. Lane's work reflects the identity of the college developed over the past half-century.

***We are the community's college...Transforming lives through learning***

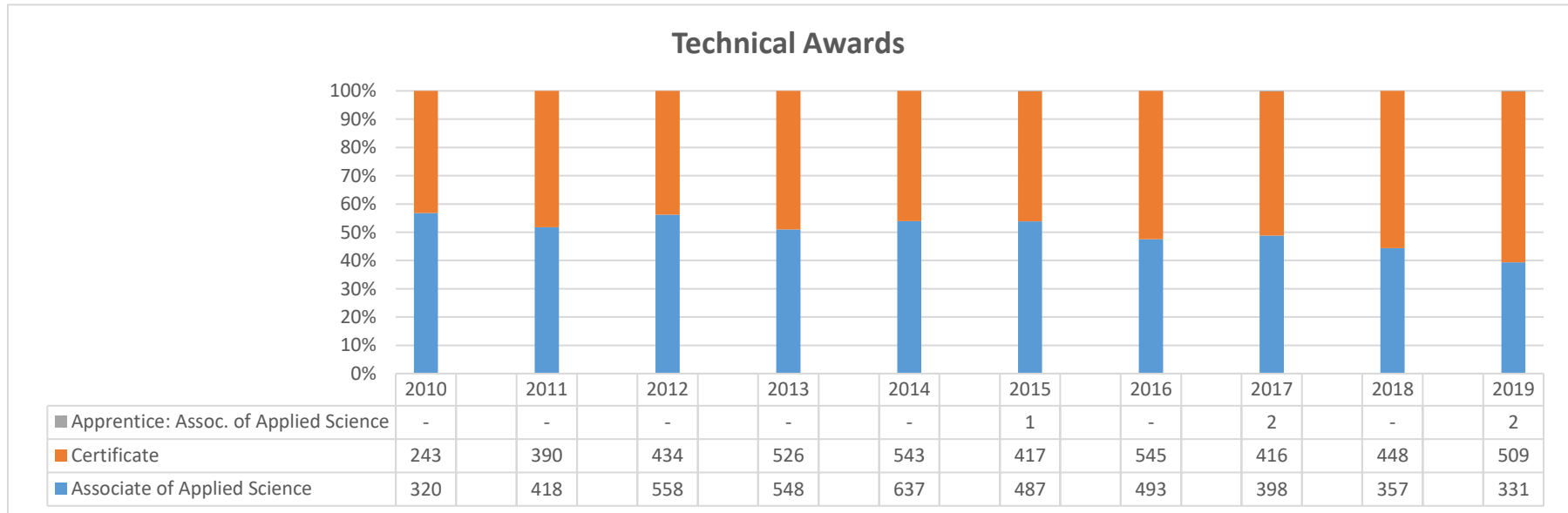
## Enrollment & Degree Statistics

<b>Enrollment Statistics</b>	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Unduplicated Headcount	37,783	37,561	38,671	37,254	33,695	30,449	28,219	26,176	25,793	24,259
Full-time Equivalent Student	14,958	15,417	15,375	14,015	12,312	10,464	9,250	8,716	8,295	8,077
<b>Lower Division Transfer Awards</b>	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
AAOT/ASOT	407	418	474	573	454	482	468	441	536	470
Associate of General Studies	42	86	97	150	158	136	429	539	667	567
Associate of Science	47	54	90	61	87	65	81	118	165	144
Oregon Transfer Module	-	-	-	-	376	422	376	412	491	1
Total Transfer Awards	496	558	661	784	1,075	1,105	1,354	1,510	1,859	1,182
<b>Technical Awards</b>	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Associate of Applied Science	320	418	558	548	637	487	493	398	357	331
Certificate	243	390	434	526	543	417	545	416	448	509
Apprentice: Assoc. of Applied Science	-	-	-	-	-	1	-	2	-	2
Total Technical Awards	563	808	992	1,074	1,180	905	1,038	756	805	842
Total Awards	1,059	1,366	1,653	1,858	2,255	2,010	2,392	2,266	2,664	2,024

**Chart 1: Lower Division Transfer Awards**



**Chart 2: Technical Awards**





## Board of Education

Seven elected unpaid Board members have primary authority to establish policies governing the operation of the college and to adopt its budget. Their charge is to encourage the development of programs and services that will best serve the needs of College District constituents.

**Melanie Muenzer**, Associate Vice President, Eugene  
Appointed April 2017, term expires June 30, 2021  
Zone 1-Western

**Angela VanKrause**, Healthcare/Financial Analyst, Eugene  
Elected July 1, 2019, term expires June 30, 2023  
Zone 2-Northern

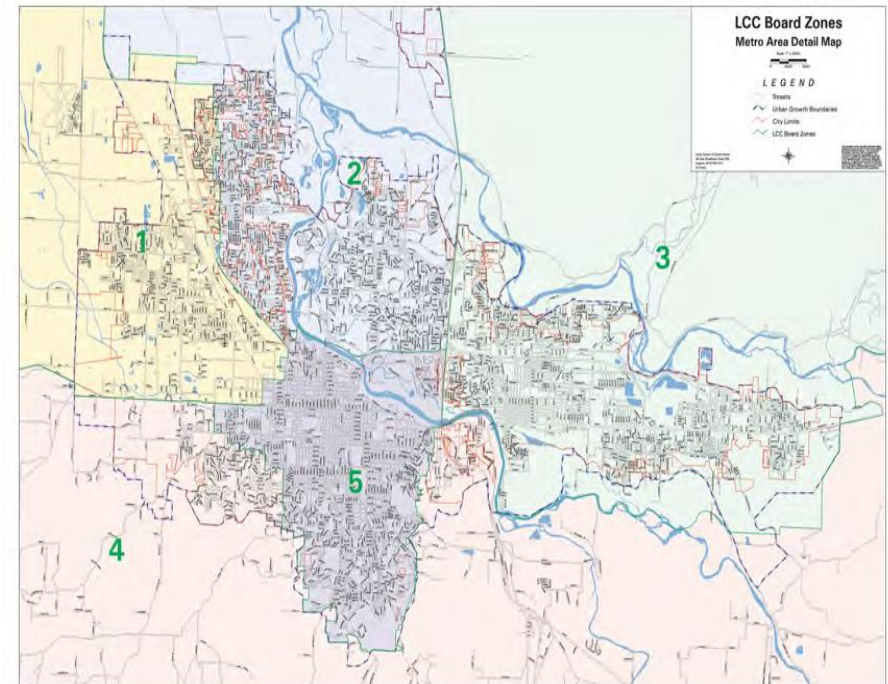
**Mike Eyster**, Retired, Springfield  
Elected July 1, 2017, term expires June 30, 2021  
Zone 3-Marcola and Springfield

**Matt Keating**, Creative Marketing Consultant, Eugene  
Elected July 1, 2017, term expires June 30, 2021  
Zone 4-Eastern

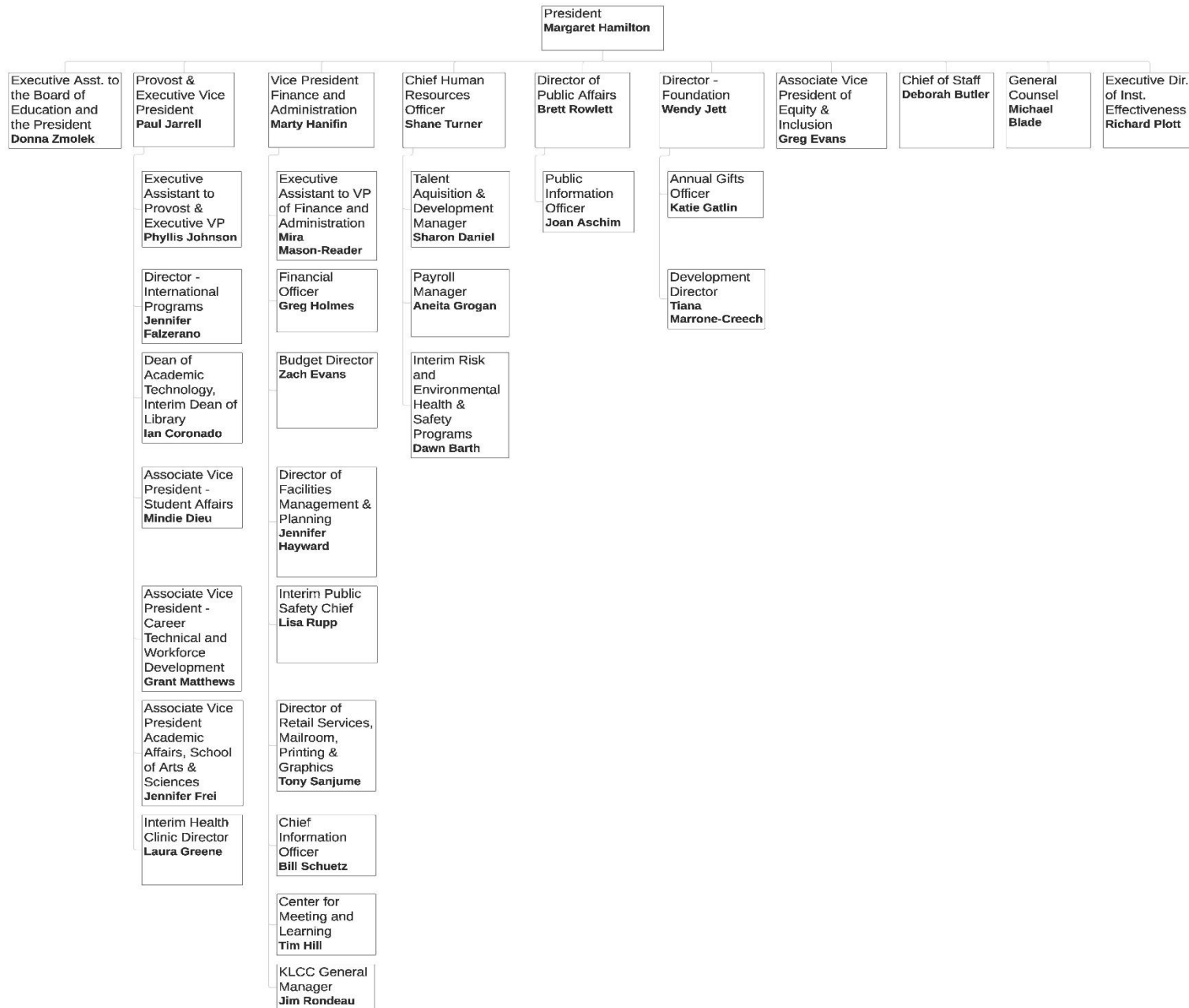
**Chelsea Jennings**, Field Director, Eugene  
Elected July 11, 2019, term expires June 30, 2021 (appt)  
Zone 5 - Central Eugene

**Rosie Pryor**, Retired, Eugene  
Elected July 1, 2019, term expires June 30, 2023  
At-Large, Position 6

**Lisa Fragala**, Licensed Professional Teacher, Eugene  
Elected July 1, 2019, term expires June 30, 2023  
At-Large, Position 7



# Organizational Chart





## **Vision**

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**Transforming lives through learning**

## **Mission**

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**Lane is the community's college:  
We provide comprehensive, accessible, quality, learning-centered  
educational opportunities that promote student success.**

## **Core Themes**

---

**Responsive Community Engagement  
Accessible and Equitable Learning Opportunities  
Quality Educational Environment  
Individual Student Achievement**



# Values

## Learning

Working together to create a learning-centered environment

Recognizing and respecting the unique needs and potential of each learner

Fostering a culture of achievement in a caring community

## Diversity

Welcoming, valuing, and promoting diversity among staff, students, and our community

Cultivating a respectful, inclusive, and accessible working and learning environment

Working effectively in different cultural contexts to serve the educational and linguistic needs of a diverse community

Developing capacity to understand issues of difference, power, and privilege

## Innovation

Supporting creativity, experimentation, and institutional transformation

Responding to environmental, technological, and demographic changes

Anticipating and responding to internal and external challenges in a timely manner

Acting courageously, deliberately, and systematically in relation to change

## Collaboration and Partnership

Promoting meaningful participation in governance

Encouraging and expanding partnerships with organizations and groups in our community

## Integrity

Fostering an environment of respect, fairness, honesty, and openness

Promoting responsible stewardship of resources and public trust

## Accessibility

Strategically growing learning opportunities  
Minimizing financial, geographical, environmental, social, linguistic, and cultural barriers to learning

## Sustainability

Integrating practices that support and improve the health of systems that sustain life

Providing an interdisciplinary learning environment that builds understanding of sustainable ecological, social and economic systems, concern for environmental justice, and the competence to act on such knowledge

Equipping and encouraging all students and staff to participate actively in building a socially diverse, just and sustainable society, while cultivating connections to local, regional, and global communities



# Strategic Directions

## Lane Transforms Students' Lives Through Learning

We acknowledge that students occupy many roles, including those of family members, workers, members of social groups, and citizens of an increasingly interconnected world.

We provide educational experiences, support services, and institutional structures that enhance student learning and success.

In our work inside and outside of the classroom, and in our daily interactions with students and one another, we aim to empower all students; we encourage students to grow, to take risks, and to assume responsibility for succeeding in all aspects of their lives.

### Commitment to Student Learning and Success

Foster a collegewide culture of service to student learning, academic excellence, and success

Define, build shared understanding, and implement practices that lead to student learning and success

Improve communications, services, systems, and structures to maximize access and opportunity for all students

### A Culture of Teaching, Learning, and Innovation

Support teaching, learning, assessment, and innovation through faculty research and scholarship

Develop cross-disciplinary structures and supports to improve collaboration and innovation in Lane's programs and services

Provide professional development opportunities for faculty, staff, and managers that advance teaching and learning at Lane

Build capacity to expand and support online teaching, learning, and educational resources

### Access, Equity, and Inclusion through Social Justice

Integrate principles of social justice throughout the college learning and working environment

Develop a culture of inclusivity and respect through dialogue, outreach, education, and equitable policies and practices

Improve recruitment, retention, and support of diverse students, faculty, staff, and managers

### Strengthened Community

Foster a sense of college community through engagement, dialogue, transparency, and leadership development of Lane faculty and staff

Identify, evaluate, and agilely respond to evolving community needs, issues and opportunities

Strengthen the effectiveness of collaborative partnerships with employers, advisory boards, K-12 school districts, universities, and community organizations

### Financial and Environmental Stewardship

Develop planning, decision-making, and resource allocation structures for programs and services to achieve optimal enrollment levels, student affordability, and fiscal sustainability while continuing to support a high-quality teaching and learning environment

Implement environmental sustainability principles and practices

Increase adaptive capacity in our staff, students, community, and built environment to create organizational and environmental resilience





# **OVERVIEW**

Lane Community College 2020 -2021 Budget Committee		
Melanie Muenzer	Amber White	Rosie Pryor
Angela VanKrause	Clarissa Parker	Hillary Kittleson
Mike Eyster	Alayne Clarke	Lisa Fragala
Matt Keating	Kevin Matthews	Celine Swenson Harris
Chelsea Jennings	Ashley Espinoza	

## Budget Development Process

Lane Community College conforms to Oregon Local Budget Law by following the process outlined below. In addition to providing a financial plan for fiscal year revenues and expenses, Lane’s Budget document outlines programs and initiatives, and implements controls on spending authority. The budget development process is designed to encourage citizen input and public opinion about college programs and fiscal policies.

### I Establish a Budget Committee

The Budget Committee consists of the seven members of the Board of Education plus seven citizens at large. Each board member appoints one citizen to the committee for a term of three years. Terms are staggered so that about one third of the appointed terms end each year.

### II Appoint a Budget Officer

The president or designee shall serve as budget officer. The budget officer shall be responsible for preparation and maintenance of the budget document in compliance with Local Budget Law ORS 294.

### III Prepare a Proposed Budget

The Budget Officer supervises the preparation of a Proposed Budget which includes the following actions:

- A. Discuss budget assumptions with Budget Committee
- B. Develop resource (revenue) estimates and base expenditures budget
- C. Estimate preliminary surplus/deficit
- D. Determine tuition rate
- E. Develop changes to base and final budgets in accordance with internal planning processes and Board of Education approval
- F. Prepare Budget Message for the Budget Committee, public, employees and other stakeholders

### IV Public Notice

Lane’s Budget Officer publishes a public Notice of Budget Committee Meeting(s).



\*Oregon Revised Statutes (ORS) section 294:<http://www.leg.state.or.us/ors/294.html>



**V Budget Committee Meeting(s)**

At least one Budget Committee meeting is held to 1) review the budget message and document, 2) hear the public and 3) revise and complete the budget as needed. At the time the proposed budget is distributed to the Budget Committee, it becomes public record and is made available to the public.

**VI Budget Approval**

When the Budget Committee is satisfied with the proposed budget, including any additions to or deletions from the budget prepared by the Budget Officer, the budget is approved. Note: if the budget requires an ad valorem tax to be in balance, the budget committee must approve an amount or rate of total ad valorem property taxes to be certified to the assessor.

**VII Publication**

After the budget is approved a budget hearing is held by the Board of Education. The Budget Officer publishes a summary of the approved budget and a Notice of Budget Hearing.

**VIII Budget Hearing**

The Budget Hearing is held to receive citizen testimony on the approved budget.

**IX Adoption**

The Board of Education enacts a resolution to 1) formally adopt the budget, 2) make appropriations and, if needed, 3) levy and categorize taxes. The resolution must be adopted no later than June 30 for the fiscal year starting July 1.

**X Budget Filed and Levy Certified**

A copy of the complete budget is sent to the Lane County Clerk. When levying a property tax, Lane's Budget Officer submits notice of levy, categorization and resolutions to the County Assessor's office by July 15.

**Budget Amendment Process**

Budget estimates as shown in the Budget Document may be amended by the Board of Education 1) prior to formal adoption or 2) after formal adoption is amendments are adopted prior to the commencement of the budget fiscal year *and* the amount of estimated expenditures for each fund is not adjusted by more than 10%, a summary of the proposed changes must be published and another Budget Hearing must be held.

Total ad valorem property tax amounts or rates may not be increased following formal adoption of the Budget Document unless 1) an amended Budget Document is republished and another public budget hearing is held and 2) the college obtains written approval and files a supplemental notice of property tax.

## Operating Resources

This section presents the major operating resource categories for Lane’s primary operating funds I and IX, and the methodologies used to analyze and forecast each category.

**Figure 1: Operating Resource Categories, Funds I & IX**



### State Funding

The college receives funding from the State of Oregon Department of Community Colleges and Workforce Development (CCWD) through a biennial allocation, paid quarterly to each of Oregon’s 17 community colleges. The total amount funded to CCWD is allocated to each community college district based upon a formula that factors rolling three-year full time equivalent (FTE) student enrollment and property tax revenue into a distribution formula. Enrollment gains relative to other colleges have a positive correlation to state funding allocations, while property tax increases have a negative correlation.

**Figure 2: Oregon Community Colleges State Funding Formula**

$$\epsilon = \frac{\text{(Next year's imposed property tax revenue(1) + General Fund appropriations by the Legislature)}}{\text{Total Weighted Reimbursable FTE(2)}}$$

- (1) Imposed property tax revenues do not include (i) taxes levied or imposed by a community college district to provide a public library system established prior to January 1, 1995, (ii) property taxes raised by Local Option Levies and General Obligation Bond Levies, (iii) base payments of \$720 per FTE up to 1,100 and \$360 per FTE for unrealized enrollments between actual enrollment numbers and 1,100 FTE, as adjusted pursuant to OAR 589-002-0100(8)(a), (iv) COD payments, and (v) any other payments directed by the BOE or the Legislature.
- (2) Reimbursable FTEs are calculated based on a three-year weighted average of reported reimbursable FTE submitted by the community college districts to CCWD. Residents of the State and the states of Idaho, Washington, Nevada, and California shall be counted as part of each community college district's reimbursable enrollment base, but only for those students who take part in coursework offered within Oregon's boundaries. The biennial growth management component is applied to each college's actual annual FTE and the result is weighted as follows: prior year enrollment weighted at 40 percent, second year prior enrollment weighted at 30 percent and third year prior enrollment weighted at 30 percent.

When forecasting Lane’s state funding revenues, staff assess the economic, budgetary and political environment in the state to project total CCWD funding levels. They then estimate enrollment and property tax levels at Lane and the other 16 community colleges in the state. During the biennial funding cycle, budget staff often model multiple total funding scenarios as it is not possible to predict the ultimate outcome of legislative budget sessions.

### Property Taxes

Lane receives property taxes based upon assessed property values in Lane County and small portions of Linn, Benton, and Douglas Counties. A tax rate limitation was established in 1990 as the result of an amendment to Article XL Section 11b of the Oregon Constitution, often called “Measure 5.” Measure 5 limits education taxes to \$5 per 1,000 of the taxable real market value of property. If taxes on a property exceed the \$5 limit, tax rates are compressed, thereby reducing revenue received by the college. Property tax revenues are incorporated into the state funding formula as illustrated on page 14, and are thus subject to equalization across all 17 community college districts.

When forecasting property tax revenues, staff review county records for assessed value and collection rates, actual collections, and housing market trends and forecasts.

### Tuition

Credit students at Lane pay a per-credit tuition rate based upon their residency status.

Tuition revenue is forecast through term by term enrollment trend analysis, review of external and environmental factors (such as economic and employment conditions, high school graduation rates, and financial aid regulatory changes), application of tuition rate changes, and offsets such as tuition waivers and discounts.

### Student Fees

Credit and non-credit students at Lane pay a variety of fees that factor into revenue forecasts and projections:

- The **Technology Fee** is assessed to all credit students at a rate of \$11 per credit. The fee helps cover the cost of technology used to run classes and serve students through technology-enhanced “smart” classrooms, online courses, Wi-Fi, internet access, computer labs, and staff support.
- Students enrolled in credit classes on the main campus are assessed a **Transportation Fee** of \$27 per term. This fee pays for expenses related to parking lot maintenance and security, as well as providing all credit students with a Lane Transit District (LTD) bus pass for the term. Credit students enrolled in classes at locations other than main campus pay \$5 per term for transportation fees, which contributes to parking lot maintenance and security costs at outreach sites. Proposals for special transportation projects are reviewed and voted on by a Transportation Fee Committee. Past projects include a covered bike parking structure and purchase of a fleet of bikes that are loaned to students on a per-term basis at no cost.
- Main campus credit students also pay a \$61.52 per term **Student Activity Fee**. This fee is established by a vote the Student Activity Fee Committee, a group made up of various elected and appointed representative students who review requests each year. The Student Activity Fee provides funding to various clubs, activities, and services for Lane students. The Board of Education approves final allocations.
- The **Student Health Fee** of \$45 per term is paid by students enrolled in credit courses on the main campus, and is used to fund the college’s Health Clinic. The Health Clinic provides episodic and limited acute care, as well as referrals to community health professionals and services as appropriate.
- Credit students enrolling in their first term at Lane are assessed a one-time, \$30, **One-Time Credit Enrollment Fee**. This fee helps cover the cost of placement testing and degree evaluation.
- Students taking online and hybrid courses pay a \$10 per credit **Online Credit Fee, capped** at \$50 per course, to support online course development, technological support, tutoring support and quality assessment.
- Students in high-cost health professions and advanced technology programs pay **Differential Fees** that vary by program and help offset cost differentials in these programs.
- Students pay class fees that go into an **Income Credit Program (ICP)** fund for a variety of consumable, class-specific materials, supplies and equipment. These vary by class and are usually expensed in the year in which they are received.
- Continuing Education students pay **Continuing Education Course Fees**, which vary by course.

Staff forecast student fee revenue based upon credit enrollment and headcount projections, new credit student headcount projections, program-specific enrollment, fee rate changes, and trend analysis.

**Other Fees & Charges**

Other fees and charges include charges for bad debt provision (contra-revenue), facilities rental, late charges, admissions fees, and other miscellaneous user fees and charges. These are projected using trend analysis and analysis of program-specific plans and activities.

**Administrative Recovery**

The general fund receives administrative recovery from several sources:

- The International Program contributes to the general fund on an annual basis to offset overhead and administrative costs.
- The Lane Community College Foundation reimburses the general fund for staff salaries, based on actual payroll and benefit expenses.
- The college receives revenue from grant programs it administers. Revenue is based upon the chargeback or administrative rate, which varies by grant. This is forecast by reviewing the college's current grant portfolio and anticipated new grant activity.
- Finally, the college receives funding for administering student Pell grants at a rate of \$5 per student per term. This is forecast through Pell enrollment projections.

**Gifts & Donations**

A primary source of gift and donation revenue in Funds I & IX is membership contributions through the college's radio station, KLCC FM. Membership contributions are forecast through trend analysis and radio station strategic planning metrics. Another primary source of gift and donation revenue is the Lane Community College Foundation through program support and student scholarships. Other sources of gifts and donations come from specific program-support donations and are insignificant within the context over overall revenues.

**Sale of Goods & Services**

This category includes revenue from Specialized Support Services (S3) contracts, KLCC FM underwriting, dental clinic billing, and other miscellaneous sales revenue. Revenue is forecast by program-specific trend analysis and activity projections.

**Other Revenue Sources**

Other revenue sources include interest income, credits, rebates, and miscellaneous other revenue. Revenues in this category are forecast individually by activity. Interest income is forecast by analyzing the college's investment portfolio and return rates. Other revenues in this category are forecast using trend analysis and activity projections.

**Operating Transfers In**

This category includes interfund operating transfers for items such as program support and salary reimbursement. These transfers are forecast based on a standard budgetary transfer schedule and analysis of program or activity changes.

**Table 2: Summary of Resource Categories, Data Sources and Key Forecasting Variables/Assumptions**

Resource Category	Data Sources	Key Forecasting Variables/Assumptions
<b>Intergovernmental</b>		
State Funding	<ul style="list-style-type: none"> <li>• CCWD funding worksheet</li> <li>• State economic and political environmental scanning and analysis</li> <li>• Lane enrollment trends and projections</li> <li>• Enrollment trends and projections from other community colleges</li> <li>• Property tax revenues</li> </ul>	<ul style="list-style-type: none"> <li>• Biennial funding base</li> <li>• Lane enrollment</li> <li>• Other Oregon community colleges' enrollment</li> <li>• Lane property tax revenue</li> <li>• Other Oregon community colleges' property tax revenue</li> </ul>
Property Taxes	<ul style="list-style-type: none"> <li>• County assessed value and collection rates, actual collections, housing market trends and forecasts</li> </ul>	<ul style="list-style-type: none"> <li>• % increase/decrease</li> </ul>
<b>Tuition &amp; Fees</b>		
Tuition	<ul style="list-style-type: none"> <li>• Credit enrollment trends</li> <li>• Environmental scanning and analysis</li> <li>• Actual receipts</li> </ul>	<ul style="list-style-type: none"> <li>• Tuition rate</li> <li>• Enrollment % change</li> </ul>
Student Fees	<ul style="list-style-type: none"> <li>• Credit enrollment and headcount trends</li> <li>• Program-specific plans and analysis</li> <li>• Actual receipts</li> </ul>	<ul style="list-style-type: none"> <li>• Fee rates</li> <li>• Enrollment % change</li> </ul>
Other Fees & Charges	<ul style="list-style-type: none"> <li>• Credit enrollment</li> <li>• Service and activity levels</li> <li>• Program-specific plans and analysis</li> <li>• Bad debt write offs, receivable and collections trends, balance sheet analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Service and activity changes</li> <li>• Collection rates</li> </ul>

(Continued)

Resource Category	Data Sources	Key Forecasting Variables/Assumptions
<b>Other Revenue Sources</b>		
Administrative Recovery	<ul style="list-style-type: none"> <li>• Administrative recovery schedules</li> <li>• Pell credit enrollment</li> <li>• Grant activity</li> <li>• Foundation staff position list</li> </ul>	<ul style="list-style-type: none"> <li>• Standard schedule</li> <li>• Staffing and activity changes</li> </ul>
Gifts & Donations	<ul style="list-style-type: none"> <li>• KLCC FM membership trends and forecasts</li> <li>• Foundation program support activity</li> </ul>	<ul style="list-style-type: none"> <li>• KLCC FM membership % increase/decrease</li> <li>• Foundation activity</li> </ul>
Other Revenue	<ul style="list-style-type: none"> <li>• Credit and continuing education enrollment</li> <li>• Actual receipts</li> <li>• Investment rates and portfolio</li> <li>• Department plans and forecasts</li> </ul>	<ul style="list-style-type: none"> <li>• Service and activity changes</li> <li>• Investment portfolio and return rates</li> </ul>
Sale of Goods & Services	<ul style="list-style-type: none"> <li>• Service and activity levels</li> <li>• Actual receipts</li> <li>• Department plans and forecasts</li> </ul>	<ul style="list-style-type: none"> <li>• Service and activity changes</li> </ul>
<b>Transfers In</b>		
Operating Transfers In	<ul style="list-style-type: none"> <li>• Budgeted transfers</li> <li>• Actual transfers</li> <li>• Scheduled updates</li> </ul>	<ul style="list-style-type: none"> <li>• Standard schedule</li> </ul>

Table 3: History of Resources, Funds I &amp; IX

Category	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
State Funding*	28,091,800	26,306,900	26,429,900	24,751,100	30,363,300	31,213,000	31,421,400	27,230,100	24,884,600	22,538,700
as % Total	12.76%	13.03%	13.21%	13.35%	13.42%	12.84%	11.46%	9.94%	8.67%	7.97%
CCWD Funding Allocation										
Property Taxes	15,635,400	15,693,300	15,746,500	16,292,300	16,513,100	17,527,800	18,013,800	18,746,800	19,728,800	21,173,200
	<b>43,727,200</b>	<b>42,000,200</b>	<b>42,176,400</b>	<b>41,043,400</b>	<b>46,876,400</b>	<b>48,740,800</b>	<b>49,435,200</b>	<b>45,976,900</b>	<b>44,613,400</b>	<b>43,711,900</b>
as % Total	45.4%	41.8%	41.1%	42.2%	48.6%	51.4%	52.9%	52.4%	50.6%	49.8%
Tuition	33,582,200	38,216,100	37,729,000	35,951,600	31,818,900	27,904,500	23,956,600	23,730,100	23,208,900	22,872,600
Student Fees	7,656,500	8,441,800	8,449,800	8,354,900	7,597,400	7,041,300	6,472,300	7,680,500	9,365,900	9,404,200
Other Fees & Charges	1,528,700	1,660,200	1,550,200	1,492,400	1,468,300	1,431,300	1,411,200	1,325,900	1,325,800	1,305,100
	<b>42,767,400</b>	<b>48,318,100</b>	<b>47,729,000</b>	<b>45,798,800</b>	<b>40,884,600</b>	<b>36,377,100</b>	<b>31,840,100</b>	<b>32,736,500</b>	<b>33,900,600</b>	<b>33,581,900</b>
as % Total	44.4%	48.1%	46.5%	47.0%	42.4%	38.4%	34.1%	37.3%	37.9%	38.2%
Administrative Recovery	471,400	1,357,900	557,600	1,128,400	571,100	1,293,700	1,889,700	1,985,100	1,898,000	4,096,800
Gifts & Donations	989,000	961,000	1,066,800	1,030,600	900,300	1,194,500	1,139,500	1,217,100	1,235,400	1,457,800
Other Revenue Sources	3,355,000	3,549,200	3,849,200	3,595,300	2,990,000	2,986,900	2,650,800	1,246,700	1,211,700	1,185,300
Sale of Goods & Services	1,449,400	1,886,700	2,383,200	2,297,900	2,298,800	2,619,000	3,158,500	2,938,700	2,656,400	2,588,900
	<b>6,264,900</b>	<b>7,754,800</b>	<b>7,856,700</b>	<b>8,052,200</b>	<b>6,760,000</b>	<b>8,094,100</b>	<b>8,838,500</b>	<b>7,387,600</b>	<b>7,001,500</b>	<b>9,328,800</b>
as % Total	6.5%	7.7%	7.7%	8.3%	7.0%	8.5%	9.5%	8.4%	7.8%	10.6%
Operating Transfers In	<b>3,658,400</b>	<b>2,328,200</b>	<b>4,819,800</b>	<b>2,455,500</b>	<b>1,884,500</b>	<b>1,619,000</b>	<b>3,294,700</b>	<b>1,559,100</b>	<b>2,605,300</b>	<b>1,176,100</b>
as % Total	3.8%	2.3%	4.7%	2.5%	2.0%	1.7%	3.5%	1.8%	2.9%	1.3%
<b>Total All</b>	<b>96,417,900</b>	<b>100,401,300</b>	<b>102,582,900</b>	<b>97,349,900</b>	<b>96,405,500</b>	<b>94,831,000</b>	<b>93,408,500</b>	<b>87,660,100</b>	<b>88,120,800</b>	<b>87,798,700</b>

Source: Lane Community College Budget Office, Banner/CAFR

\*Adjusted for 4<sup>th</sup> quarter payment

## Operating Requirements

This section presents the major operating requirement categories for Lane's primary operating funds I and IX, and the methodologies used to analyze and forecast each category.

**Figure 3: Operating Requirement Categories, Funds I & IX**



### Contracted Salaries & Wages

This expenditure category includes salaries and wages for contracted faculty, contracted classified staff with assignments of .5 to 1.0 full time equivalency (FTE), and contracted management employees.

Each contracted employee position is tracked in the college's position list database system. Using the position database, position-by-position salary forecasts are calculated. The calculations consider level, step, vacancy status, FTE assignment, and salary schedule/cost of living adjustments. A "swirl" factor is applied to contracted personnel forecasts, and captures the savings realized through contracted personnel attrition, and hiring that occurs after the base projection position list is developed. The swirl factor is analyzed annually, and the eleven year average is 2.5%.

### Part-Time Salaries & Wages

All non-contracted salaries and wages are classified as part-time. These include part-time and non-credit faculty (adjunct faculty), faculty overload, hourly classified staff, classified overtime, hourly management assignments, and student workers. Part-time expenditures are forecast using historical trend analysis, department-by-department enrollment trends and contracted employee levels, and application of step and salary schedule/cost of living adjustments.



**Other Payroll Expenses (OPE)**

This category includes all personnel-related expenditures outside of salaries and wages. A breakdown of OPE expenditures is shown in table 4 below.

**Table 4: Fiscal Year 2019 Actual OPE Expenditures - All College Funds**

Category	Amount	% Total
Medical insurance	\$14,843,087	45.9%
Oregon Public Employees Retirement System (PERS)	6,834,467	21.1%
Pension obligation bond payments	5,104,650	15.8%
FICA (social security & Medicare)	4,304,623	13.3%
Employee assistance program	34,068	0.1%
Employee tuition waiver program	459,703	1.4%
Classified benefit stipend	172,125	0.5%
Other miscellaneous expenses	408,098	1.3%
Unemployment insurance	81,862	0.3%
Workers compensation	102,610	0.3%
<b>Total All</b>	<b>\$32,345,293</b>	<b>100.0%</b>

The college allocates OPE by applying a blended rate to 1) contracted salaries and wages, 2) part-time faculty, classified staff, and managers, and 3) a flat 10% rate to student workers. Contracted and part-time rates are calculated by estimating total salary and wage bases, updating and applying payroll tax and PERS rates, then updating and allocating other costs. A history of OPE rates is presented in table 5.

**Table 5: 15-Year OPE Rate History**

Fiscal Year	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20
Contracted Rate (%)	53.8	51.5	55.8	50.4	55.5	55.5	59	63	65	64	64	64	65	65	64
Part-Time Rate (%)	40.2	31.1	34.5	30.3	31.2	31.2	35	36	37	38	38	38	39	39	38
Student Rate (%)	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10

The college has been able to stem OPE rate escalation in recent years due to containment of medical insurance costs through plan design and choice, and mitigation of PERS rate increases through pension bond investment and PERS reserve funds. The college also transitioned all contracted employees to Oregon Educators Benefit Board (OEBB) health plans in FY20. The FY21 OPE rates for contracted salaries increased 1% and part-time wages decreased 1% from FY20 rates.

**Direct OPE Rate**

When developing pro forma analyses for contract negotiations related to step and salary schedule increases, staff use a “Direct Rate” of 25%, which represents the variable additional costs (payroll taxes and PERS) applied to increased salary bases.

**Materials & Services**

This broad expenditure category includes instructional and office supplies, contract and professional services, travel, fees and dues, and facilities and equipment maintenance. A subset of materials & services are categorized as mandatory expenditures, which are general fund expenses that are legally, contractually, or operationally required and serve the entire college. Staff forecast materials and services expenditures using historical trend analysis, analysis of changes in mandatory expenditures, and program-specific trend analysis and activity projections.

**Capital Outlay**

Capital outlay encompasses land, buildings, improvements, machinery and equipment with a depreciable value of \$10,000 or more. It also includes library books with depreciable useful life exceeding two years. An annual allocation is provided from the general fund to prioritized departmental capital needs through the department planning process.

**Goods for Resale**

Goods for resale are items purchased for resale and include parking and bus passes, food, and books. Staff forecast goods for resale using trend analysis, enrollment projections, and program-specific activity and sales projections.

**Operating Transfers Out**

This category includes interfund operating transfers for items such as program support, salary reimbursement, institutional financial aid match obligations, and capital maintenance and investments. These transfers are forecast based on a standard budgetary transfer schedule and analysis of program or activity changes.

**Table 6: Summary of Requirement Categories, Data Sources and Key Forecasting Variables/Assumptions**

Requirement Category	Data Sources	Key Forecasting Variables/Assumptions
<b>Personnel</b>		
Contracted Salaries & Wages	<ul style="list-style-type: none"> <li>• Position list</li> <li>• Salary schedules by employee group</li> <li>• Step and salary schedule adjustments or contract negotiation parameters</li> <li>• Swirl factor</li> </ul>	<ul style="list-style-type: none"> <li>• Staffing levels</li> <li>• Contract negotiations</li> </ul>
Part-Time Salaries & Wages	<ul style="list-style-type: none"> <li>• Enrollment and activity levels</li> <li>• Contracted staffing levels</li> <li>• Step and salary schedule adjustments or contract negotiation parameters</li> </ul>	<ul style="list-style-type: none"> <li>• Enrollment levels</li> <li>• Contracted staffing levels</li> <li>• Contract negotiations</li> </ul>
Other Payroll Expenses (OPE)	<ul style="list-style-type: none"> <li>• Actual collections and expenses</li> <li>• Base salary levels</li> <li>• PERS rates</li> <li>• Contract negotiation parameters, including medical insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Staffing levels; total salaries and wages</li> <li>• Health insurance premiums</li> <li>• PERS rates</li> </ul>
<b>Other Expenditures</b>		
Materials & Services	<ul style="list-style-type: none"> <li>• Enrollment and activity levels</li> <li>• Actual expenditures</li> <li>• Mandatory requirements</li> <li>• Department plans and forecasts</li> </ul>	<ul style="list-style-type: none"> <li>• Enrollment and activity levels</li> <li>• Mandatory changes</li> </ul>
Capital Outlay	<ul style="list-style-type: none"> <li>• Capital outlay allocation</li> <li>• Department plans and forecasts</li> </ul>	<ul style="list-style-type: none"> <li>• Allocation funding</li> </ul>
Goods for Resale	<ul style="list-style-type: none"> <li>• Sales revenue</li> <li>• Actual expenditures</li> <li>• Department plans and forecasts</li> </ul>	<ul style="list-style-type: none"> <li>• Enrollment and activity levels</li> <li>• Sales forecasts</li> </ul>
<b>Transfers Out</b>		
Operating Transfers Out	<ul style="list-style-type: none"> <li>• Budgeted transfers</li> <li>• Actual transfers</li> <li>• Scheduled updates</li> </ul>	<ul style="list-style-type: none"> <li>• Standard schedule</li> </ul>

Table 7: History of Requirements, Funds I &amp; IX

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
<b>Personnel</b>										
Contracted	32,139,500	33,962,200	35,414,900	36,142,700	37,152,900	36,913,200	35,014,900	35,846,900	35,530,200	35,945,800
Salaries & Wages										
Part-Time Salaries & Wages	14,320,500	16,400,000	17,790,500	17,775,400	16,082,100	12,623,100	12,873,800	12,246,400	12,028,100	12,108,000
Other Payroll Expenses (OPE)	19,144,000	21,739,000	26,712,300	28,637,300	27,609,900	26,823,700	26,862,600	26,018,200	27,037,900	26,491,614
	<b>65,604,000</b>	<b>72,101,200</b>	<b>79,917,700</b>	<b>82,555,400</b>	<b>80,844,900</b>	<b>76,360,000</b>	<b>74,751,300</b>	<b>75,177,800</b>	<b>74,596,200</b>	<b>74,545,400</b>
as % Total	74.1%	78.3%	76.3%	80.2%	81.1%	82.5%	80.4%	81.6%	81.8%	80.4%
<b>Other Expenditures</b>										
Materials & Services	13,952,400	13,982,300	13,465,900	15,007,200	13,902,000	12,007,200	12,305,700	12,168,00	11,826,200	12,771,600
Capital Outlay	610,100	767,500	639,900	398,000	320,200	304,300	557,100	819,100	798,700	364,700
Goods for Resale	1,193,600	1,081,700	1,049,400	1,006,200	994,200	773,100	715,900	720,000	643,100	536,800
	<b>15,756,100</b>	<b>15,831,500</b>	<b>15,155,200</b>	<b>16,411,400</b>	<b>15,216,400</b>	<b>13,084,600</b>	<b>13,578,700</b>	<b>13,707,100</b>	<b>13,268,000</b>	<b>13,673,124</b>
as % Total	17.8%	17.2%	14.5%	15.9%	15.3%	14.1%	14.6%	14.9%	14.5%	14.7%
<b>Transfers Out</b>										
Operating Transfers Out	<b>7,195,200</b>	<b>4,106,700</b>	<b>9,619,400</b>	<b>3,959,200</b>	<b>3,679,100</b>	<b>3,060,900</b>	<b>4,598,800</b>	<b>3,266,100</b>	<b>3,361,000</b>	<b>4,485,300</b>
as % Total	8.1%	4.5%	9.2%	3.8%	3.7%	3.3%	4.9%	3.5%	3.7%	4.8%
<b>Total All</b>	<b>88,555,300</b>	<b>92,039,400</b>	<b>104,692,300</b>	<b>102,926,000</b>	<b>99,740,400</b>	<b>92,505,500</b>	<b>92,928,800</b>	<b>92,151,000</b>	<b>91,225,200</b>	<b>92,703,900</b>

Source: Lane Community College Budget Office, Banner/CAFR

## Economic Environment

**State Community College Budget.** The Community College Support Fund (CCSF) is a biennial allocation in the State budget adopted by the Legislative Assembly in odd-numbered years (the “Legislatively Adopted Budget”). The Legislatively Adopted Budget covers two fiscal years (a biennium) beginning July 1 of an odd-numbered year and ending June 30 of the next odd-numbered year. The Legislatively Adopted Budget allocates funding for Community College and Workforce Development (CCWD) State agencies. The Assembly has the authority to subsequently approve revisions to the Legislatively Adopted Budget, which is termed the “Legislatively Approved Budget.”

The Oregon Constitution requires the Legislative Assembly to balance the State’s General Fund budget. The Department of Administrative Services’ Office of Economic Analysis (OEA) produces a quarterly revenue forecast for the biennium. In odd years, the OEA also produces a “Close of Session Forecast” after the end of the legislative session, which adjusts the economic forecast to include any legislative changes. If OEA’s assumptions are not realized, then the State’s financial projections may not be achieved. Copies of the Revenue Forecasts are available on OEA’s website, [www.oregon.gov/das/OEA](http://www.oregon.gov/das/OEA).

If, over the course of a biennium, forecasted revenues decline significantly from the Close of Session Forecast, additional action may be taken. The Legislative Assembly may call a special session to rebalance the budget, the Governor may direct reduced spending, or the Legislative Assembly may adjust the budget during regular session at the end of the biennium.

**2019-2021 Biennium Revenue Forecast.** In May 2020, the OEA released the June 2020 Revenue Forecast. The June 2020 Revenue Forecast for gross General Fund revenues for the 2019-2021 biennium was \$19,525 million, a decrease of \$1.9 billion from the previous forecast.

Personal income tax gains face constraints during the 2019-2021 biennium due to the large kicker credit distributed in 2020 and the worsening economic outlook impacting withholdings of personal income taxes.

**Table 8: State General Fund Forecast Summary (\$ in Millions)**

	2019-21 Biennium Revenue Forecast			June 2020 Forecast – Change From	
	Close of Session	March 2020	June 2020	March 2020	Close of Session
<b>Structural Revenues</b>					
Personal Income Tax	\$18,283.5	\$18,472.6	\$16,879.3	-\$1,593.3	-\$1,404.2
Corporate Income Tax	\$1,190.8	\$1,312.7	\$1,081.8	-\$230.9	-\$109.0
All Other Revenues	\$1,546.1	\$1,672.7	\$1,564.2	-\$108.5	\$18.1
<b>Gross General Fund Revenues</b>	<b>\$21,020.4</b>	<b>\$21,457.9</b>	<b>\$19,525.3</b>	<b>-\$1,932.7</b>	<b>-\$1,495.1</b>
Offsets and Transfers	-\$203.5	-\$254.3	-\$251.9	\$2.4	-\$48.4
Administrative Actions	-\$21.5	-\$21.5	-\$21.5	\$0.0	\$0.0
Legislative Actions	-\$199.5	-\$199.5	-\$198.3	\$1.1	\$1.1
<b>Net Available Resources</b>	<b>\$22,914.4</b>	<b>\$23,562.1</b>	<b>\$21,763.0</b>	<b>-\$1,799.1</b>	<b>-\$1,151.4</b>

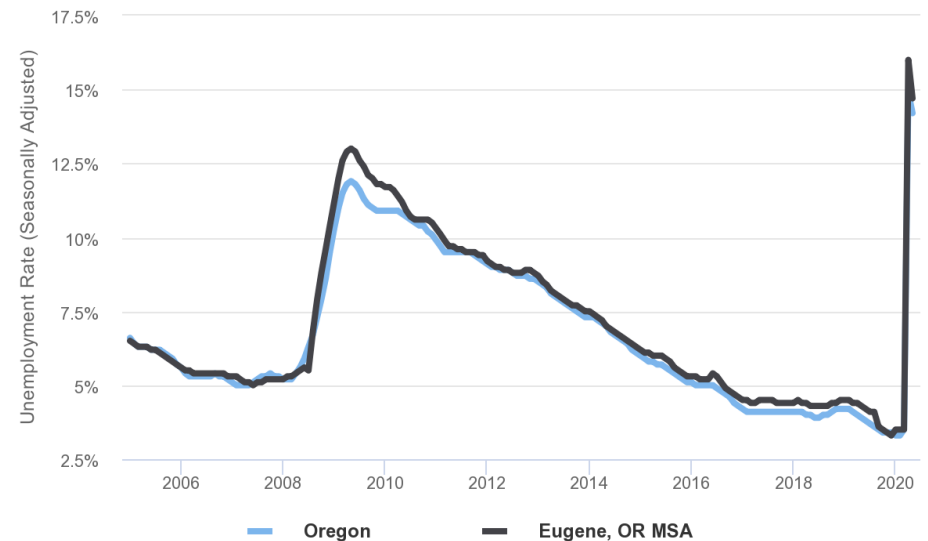
**Lane County Worker Profile.** As of 2018, the median age in Lane County was 39.5 years old with 48% of the county’s population participating in the labor force. The Lane County Industry Employment Forecast (2017-2027), estimates an 11% increase in total employment by 2027. The industries leading the forecasted growth are construction (25%), health care (20%), professional and business services (15%), leisure and hospitality (14%), and manufacturing (12%).<sup>1</sup> Lane Community College offers programs that meet today’s workforce demands and develop skilled employees to fill tomorrow’s workforce needs.

**Employment in Lane County. Eugene Metropolitan Service Area: May 2020 .** Lane County’s seasonally adjusted unemployment rate was 14.7 percent in May 2020, a 10.4 percent increase from May 2019. Oregon’s seasonally adjusted unemployment rate was 14.2 percent, which was 0.9 percent higher than the national rate.

Two-year public college enrollment is positively correlated to unemployment, while four year higher education enrollment is inversely related<sup>2</sup>. As shown in Chart 5 (page 34), unemployment rates have a significant impact on Lane Community College’s enrollment.

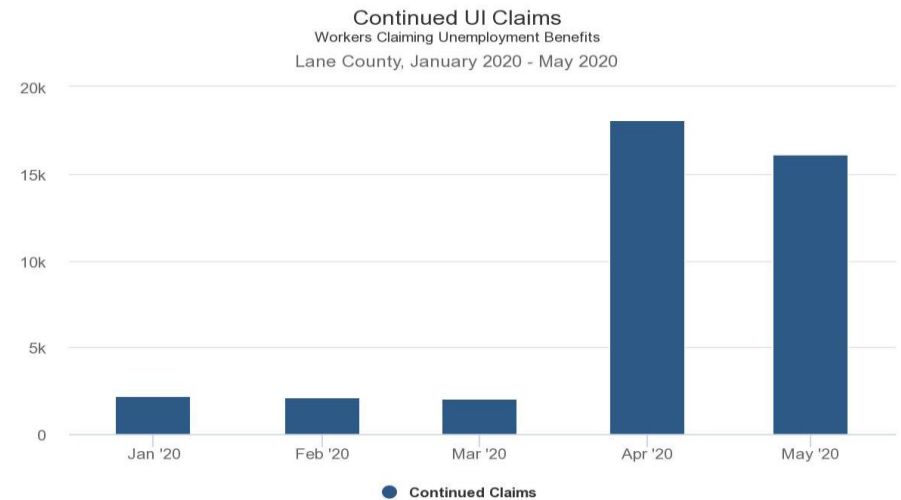
**COVID-19.** In March 2020, the World Health Organization characterized COVID-19 as a pandemic. In an effort to save lives and stop the spread of COVID-19, Oregon Governor Kate Brown issues a series of Executive Orders to address the impact of the disease on Oregonians. The economic and public health disruptions caused by COVID-19 will impact Lane Community College as it transitions into FY21.

**Chart 3: Lane County Unemployment Rate**  
Unemployment Rate



Source: Oregon Employment Department QualityInfo.org

**Chart 4: Lane County Continued Unemployment Insurance Claims**



Source: U.S. Bureau of Labor Statistics, Oregon Employment Department

<sup>1</sup> Fields, Henry. (February 2020). Oregon Employment Department Lane County Fact Sheet.

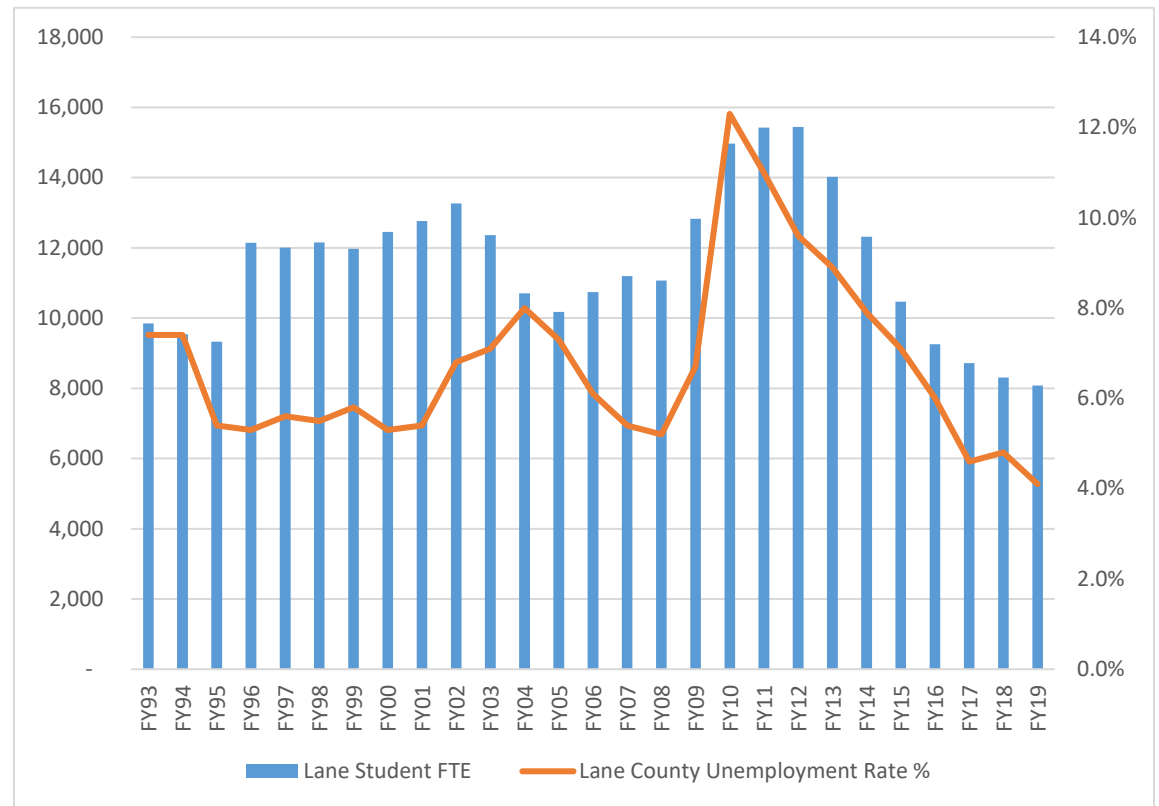
<sup>2</sup> DeLeeuw, J. (2012). Unemployment rate and tuition enrollment predictors. Monroe Community College.

**Higher Education Price Index.**<sup>3</sup> The Commonfund Higher Education Price Index (HEPI) is an inflation index designed specifically to track the major cost drivers in higher education. It is an essential planning tool for educational managers, helping schools to understand the future budget and funding increases required to maintain real purchasing power. HEPI is issued annually by Commonfund Institute and is distributed free of charge to educational institutions.

HEPI is a more accurate indicator of changes in costs for colleges and universities than the more familiar Consumer Price Index (CPI). It measures the average relative level of prices in a fixed basket of goods and services purchased by colleges and universities each year through current fund educational and general expenditures, excluding research.

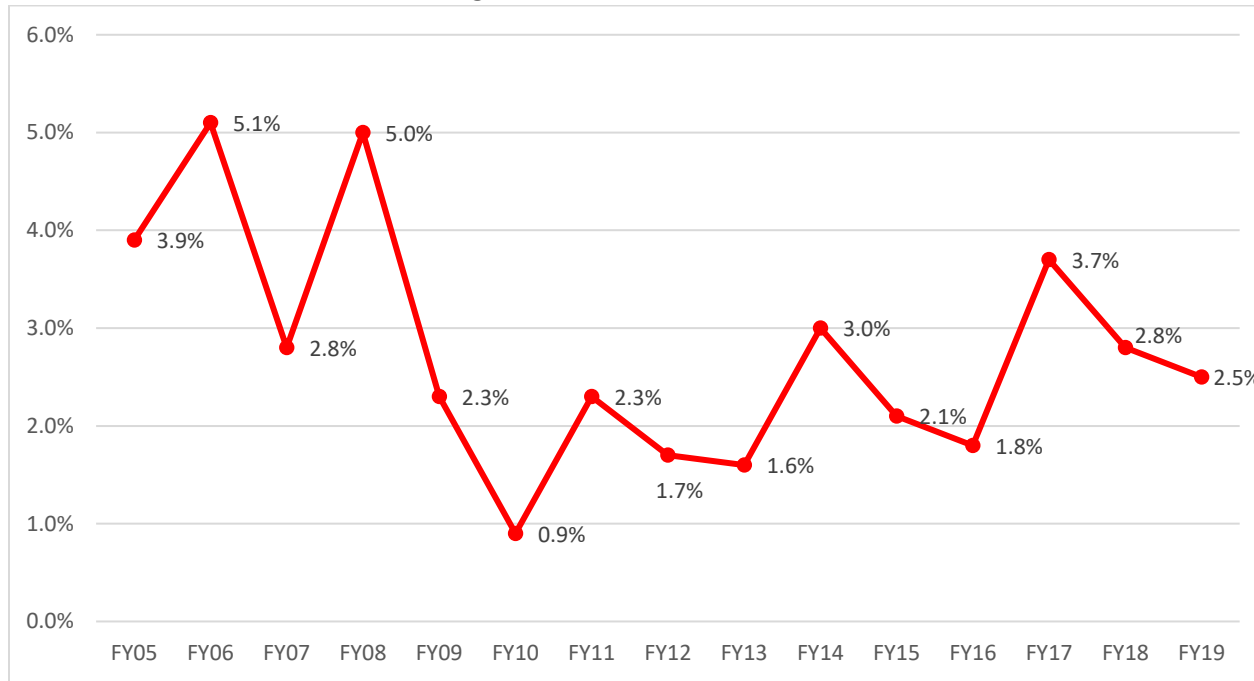
HEPI is compiled from data reported and published by government and economic agencies. The eight categories cover current operational costs of colleges and universities. These include salaries for faculty, administrative employees, clerical employees, and service employees, fringe benefits, utilities, supplies and materials, and miscellaneous services. As reflected in Chart 6 on the following page, the 2019 HEPI is 2.5%, which is a decrease of 0.3% from the previous year.

**Chart 5: Unemployment Comparison to Student Full Time Equivalent (FTE)**



<sup>3</sup> [www.commonfund.org/commonfund-institute/higher-education-price-index-hepi/](http://www.commonfund.org/commonfund-institute/higher-education-price-index-hepi/)

Chart 6: Higher Education Price Index, FY05-FY19



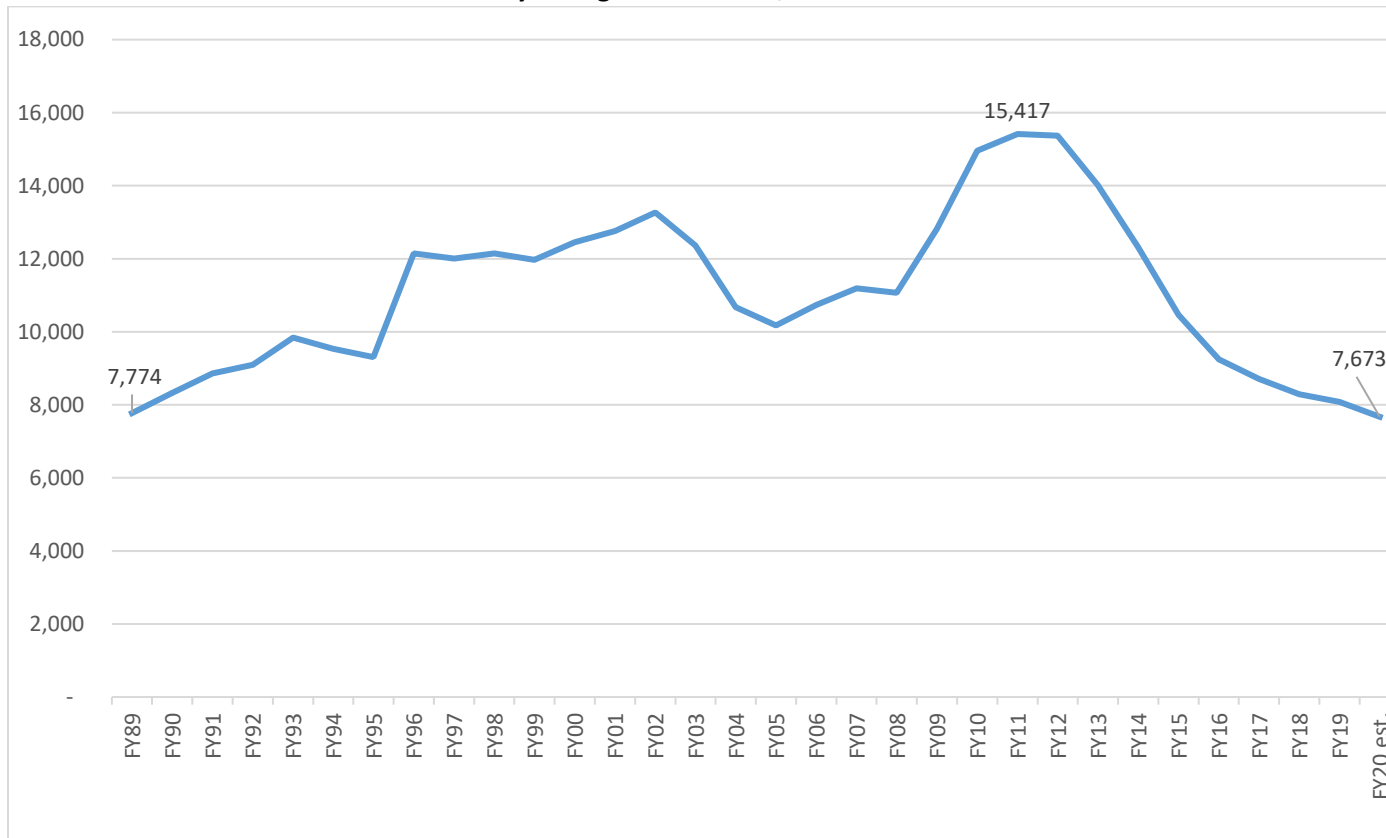
**Public Employees Retirement System (PERS).** Public employers in Oregon are bracing for significant increases to pension costs over the next several biennia due to changes in the system’s economic assumptions that have resulted in an unfunded liability of more than \$27 billion in 2018. Lane Community College will face estimated increases up to \$5.8 million in the next biennium. The college prudently funded a PERS reserve account in 2004, and increased it in 2005 and again in 2010, in anticipation of rate increases. The college utilized \$860,000 of this fund in fiscal years 2018, 2019, and 2020 to stabilize OPE rates, and plans on utilizing another \$860,000 in the 2021 fiscal year. The estimated beginning PERS reserve fund balance for the 2021 fiscal year is \$2.1 million.



**Issues and Opportunities**

**Enrollment.** As shown in Chart 7 below, Lane’s enrollment is projected to fall to a 31 year low 7,673, full-time equivalent (FTE) in 2020, representing a 50% decline from its peak in 2011, and 1.3% lower than the closest comparator year of 1989.

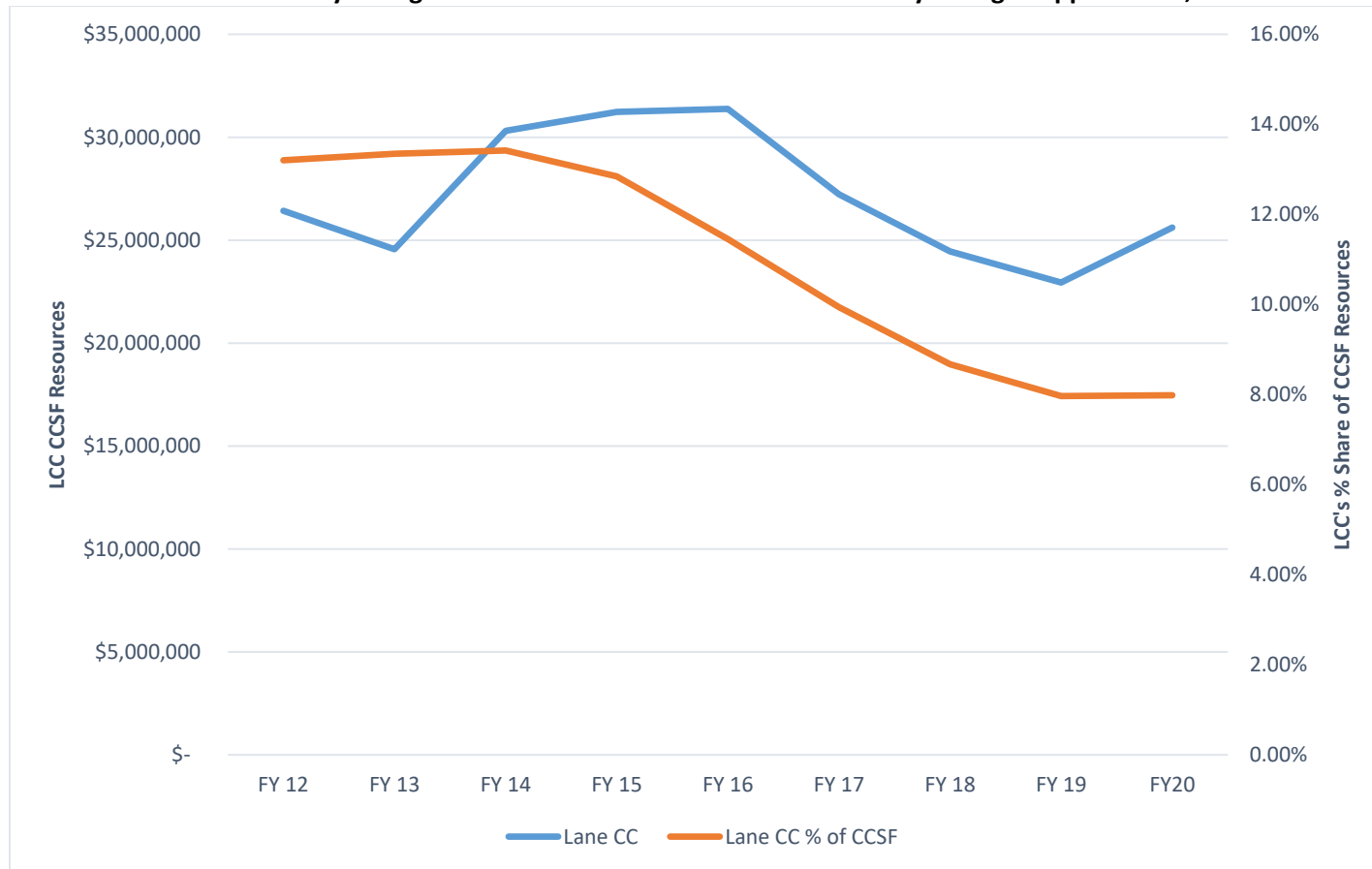
**Chart 7: Lane Community College Student FTE, FY89-FY20 Estimate**



In addition to unemployment drivers, changes in federal financial aid policies, shifting county demographics, impacts of the K-12 educational system and environment, and increased competition from online and for-profit educational institutions impact enrollment at Lane. The college experienced negative enrollment impact on Spring Term 2020 due to the COVID-19 pandemic. The College is working on several efforts to increase student enrollment and success through the Guided Pathways initiative, expanded credit offerings at the Mary Spilde Center, late start initiatives, enhanced Summer Term offerings, increased investment in first year experience programs and student advising, continued investments in academic technology (online courses and open educational resources), a streamlined application process, and college-wide program review.

Enrollment is critical to the educational mission of the college and is essential to its financial health. The primary revenue streams of state funding and tuition and fees are directly dependent upon enrollment. Tuition and fee income is dependent upon three primary factors: number of students, credits enrolled, and instruction time. State funding from the Community College Support Fund (as well as property tax revenue) is generally distributed in proportion to each college’s percentage of the total student FTE throughout community colleges in the State (or in proportion to each college’s share of the FTE distribution). State funding for the current biennium is \$641M for community colleges. The Lane Community College Budget Office projects that LCC will receive 7.99% of the Community College Support Fund (CCSF) in FY21. Due to the impact of COVID-19 on the Oregon economy, the College anticipates an adjustment to the CCSF in FY21. As shown in Chart 8 below, LCC’s share of state funding has significantly declined from its recent peak in 2016.

**Chart 8: Lane Community College’s Annual Resources from the Community College Support Fund, FY12-FY20**



**Tuition**

The most recent (2019) Higher Education Price Index was 2.5%, which when applied to Lane’s resident tuition rates, equals a \$3 per credit tuition increase. In March 2020, the LCC Board of Education approved a \$3 per credit tuition increase for FY21. Significant tuition increases that are not pegged to inflation and likely to adversely affect student enrollment in the next academic year. The College, therefore, adopted board policy BP725, which states:

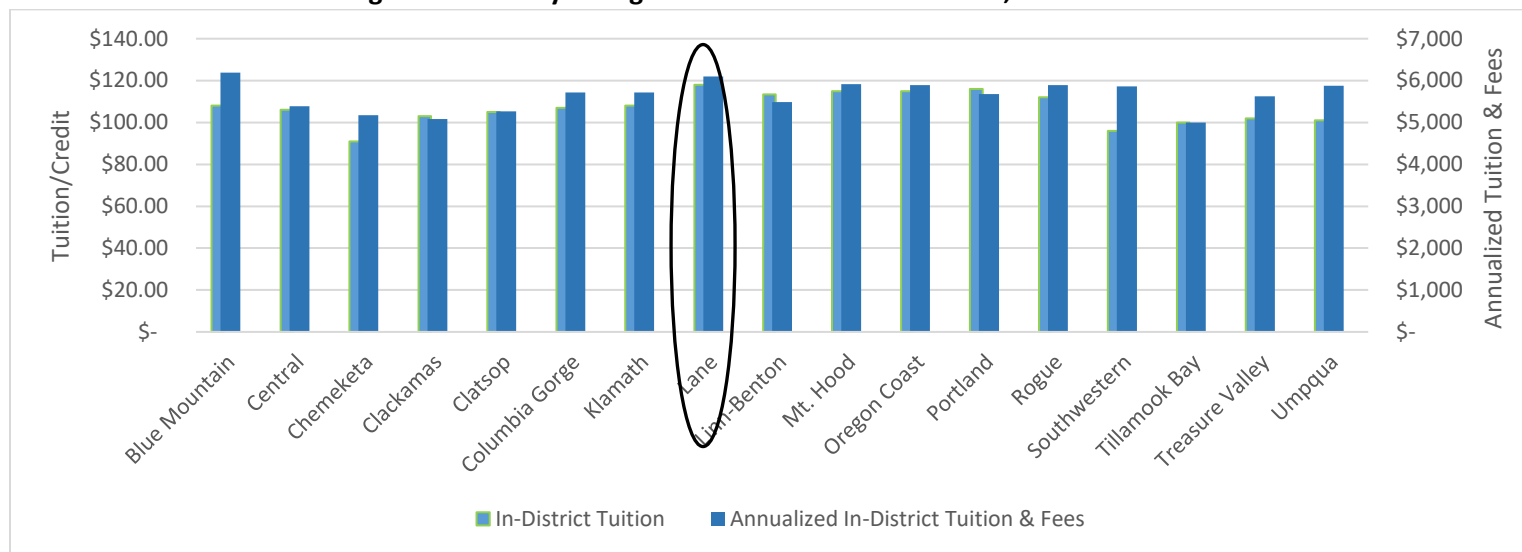
*In order to maintain a constant tuition rate relative to inflation, each year, the board may consider an appropriate index for two-year public colleges on which to discuss a tuition increase. Each year, the board may adjust the per credit tuition rate to reflect the needs of the college. The rate will be rounded to the nearest half-dollar and become effective the following academic year (Summer Term).*

*Each year, the board will review Lane’s tuition rates to ensure: a) that tuition revenues are appropriate for the needs of the district, b) that Lane’s tuition is comparable with other Oregon community colleges that are similar to Lane in terms of student FTE and instructional programs, c) access and affordability, and d) the revenue requirements of the college.*

*Should the board conclude that increases above the selected index are required, the board will assure that there are college-wide opportunities, particularly with students, to engage in discussions about the impact of tuition increases on access, affordability and course offerings. Should the board conclude that tuition should be reduced, the board will similarly assure that there are opportunities to engage in college-wide discussions about the impact on course offerings, access and affordability.*

Lane’s tuition and fees are among the highest in the state, as shown in Chart 9 below. With continued education disinvestment by the state, exacerbated by enrollment-driven declines in Lane’s share of community college support funds, the college increasingly relies on tuition and fee revenue to support its expenditure base.

**Chart 9: Oregon Community Colleges In-District Tuition and Fees, FY19-FY20 Academic Year**



Source: Oregon Department of Community Colleges and Workforce Development

**Personnel Costs**

Even as enrollment at the College dips to historical lows, FY19 personnel costs in operating funds I & IX were \$12.7 million, or 21% higher than FY2009, prior to the enrollment surge of 2009 to 2013. Staffing-to-student FTE ratios have increased 32% over that same time period as reflected in Table 9 below.

**Table 9: Student and Personnel Trends**

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY2019
Student FTE	12,817	14,958	15,417	15,375	14,015	12,312	10,466	9,250	8,716	8,305	8,077
Personnel FTE	848	936	1004	1046	1040	992	863	830	816	792	786
Student to Personnel FTE	15.1	16.0	15.4	14.7	13.5	12.4	12.1	11.1	10.7	10.5	10.3
Salary, Wages & OPE	\$61,860,562	\$65,594,434	\$72,101,223	\$79,917,689	\$81,415,508	\$79,559,400	\$76,330,849	\$74,687,267	\$74,100,298	\$74,596,075	\$74,545,407

Funds I & IX. Source: Lane Community College Budget Office

## Fiscal Performance Indicators

The following performance indicators are consistent with Government Finance Officers Association (GFOA) recommended best practices in governmental account and Lane Community College board policies, and have been developed in collaboration with other Oregon Community College Budget Officers.

Indicator	Rationale	Current Value*	Objective	Scorecard Threshold(s)
1. Unrestricted General Fund Balance as % Expenditures	Board Policy; ensure sufficient funds for unexpected expenses, investment, and cash flow	3.3%	10% of total expenditures and transfers	Orange: <10%
2. General Fund Balance in Excess of Minimum		(\$5.7M)	Consistent with projections; stable trends. <i>If excess funds, plan for one-time uses, stabilization funds and/or reserves. If negative, plan for restoration within two years.</i>	Orange: Negative Amount Yellow: Declining trend over three year period
3. Change in General Fund Balance		(\$877K)		Orange: Rapidly declining trend Yellow: Declining trend over three year period
4. Unrestricted Balance in Other Funds		\$6.1M		Orange: Negative Amount Yellow: Declining trend over three year period
5. Change in Unrestricted Fund Balance		(\$785K)		Orange: Rapidly declining trend Yellow: Declining trend over three year period
6. General Fund Operating Surplus (Deficit) as % Resources	Identifies net operating surplus or deficit relative to budget scope	-1.1%		Consistent with projections

Indicator	Rationale	Current Value*	Objective	Scorecard Threshold(s)
1. Change in General Fund Major Revenue Sources -State appropriation -Property Taxes -Tuition & Fees	Declines in major revenue sources reflect the need for additional sources of revenue to maintain stability	13.9% 3.5% 2.0%	Positive trends	Orange: Declining trend over three-year period  Yellow: Decrease in revenue
2. Change in General Fund Expenditures per Student FTE	Demonstrates the relationship between and responsiveness of operating costs relative to enrollment	15.4%	Stable trends	Orange: Rapidly increasing; in excess of inflation Yellow: Negative trend in excess of inflation
3. Current Ratio (Current Assets/Current Liabilities)	Board Policy; indicates liquidity and ability to pay short- and long-term obligations	(FY2019) 1.24	Between 1 and 3	Orange: <1 or >3
4. Accumulated Depreciation as % of Asset Cost -Buildings and Building Improvements -Equipment	Indication of imminent asset replacement needs	(FY2019) 34% 68%	Less than 70%	Orange: >70% Yellow: >50%
5. Debt Service Paid from Operations as % of General Fund Revenue	Indicates availability of resources for operations and asset replacement	6.9%	15% or lower	Orange: >15% Yellow: >12%
6. Projection Variance -Revenue -Expenditure	Indicates accuracy of budgetary projections used in budget development	(FY2019) -0.5% 0.7%	2% or lower	Orange: >5% Yellow: 2-5%

\*Estimate for March 14, 2020 Budget Office planning projection unless noted otherwise.

Table 10: Fiscal Performance Scorecard

	Type	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 Estimate	FY2021 Budget
1. Unrestricted General Fund Balance as % Expenditures	reserves	11.7%	16.3%	16.0%	12.2%	9.9%	4.7%	3.3%	4.5%
2. General Fund Balance in Excess of Minimum	reserves	1,454,664	5,033,321	4,882,180	1,771,292	(109,854)	(3,393,253)	(5,694,583)	(4,648,000)
3. Change in General Fund Balance	reserves	(1,307,667)	2,964,228	(79,904)	(3,161,856)	(2,042,909)	(4,130,552)	(877,385)	-
4. Unrestricted Balance in Other Funds	reserves	16,841,033	15,321,005	15,164,493	13,444,754	11,015,549	6,838,919	6,053,280	6,053,280
5. Change in Unrestricted Fund Balance	reserves	(842,846)	(1,520,028)	(156,512)	(3,161,855)	(2,429,205)	(4,176,630)	(785,639)	-
6. General Fund Operating Surplus (Deficit) as % Resources	operations	5.6%	-0.8%	-0.1%	-4.1%	-1.9%	-2.3%	-1.1%	0.0%
7. Change in General Fund Major Revenue Sources	operations								
State Appropriations		23.6%	2.8%	0.7%	-13.3%	-9.4%	-9.4%	13.9%	0.0%
Property Taxes		1.4%	6.1%	2.7%	4.1%	5.0%	7.3%	3.5%	3.5%
Tuition & Fees		-10.7%	-11.1%	-14.2%	-0.4%	-0.4%	-1.3%	2.0%	4.0%
8. Change in General Fund Expenditures per Student FTE	operations	9.2%	9.3%	14.1%	11.5%	4.1%	2.4%	15.4%	0.0%
9. Current Ratio	liquidity	2.48	1.63	1.65	1.2	1.31	1.24		
10. Accumulated Depreciation as % of Asset Cost	assets								
Buildings & Buildings Improvements		25%	25%	26%	27%	31%	34%		
Equipment		66%	71%	71%	71%	66%	68%		
11. Debt Service Paid from Operations as % of General Fund Revenue	debt	4.6%	5.4%	5.8%	5.9%	6.8%	6.9%	6.7%	7.0%
12. Projection Variance	operations								
Revenue		-1.2%	0.2%	1.3%	-1.85%	1.49%	-0.5%		
Expenditures		-0.9%	0.1%	-1.0%	-1.98%	0.19%	0.7%		

Legend: Orange shading indicates negative indicator; yellow shading indicates declining trend or warning indicator.



# **ANNUAL PLANNING**



## FY21 Budget Allocations (Investments)

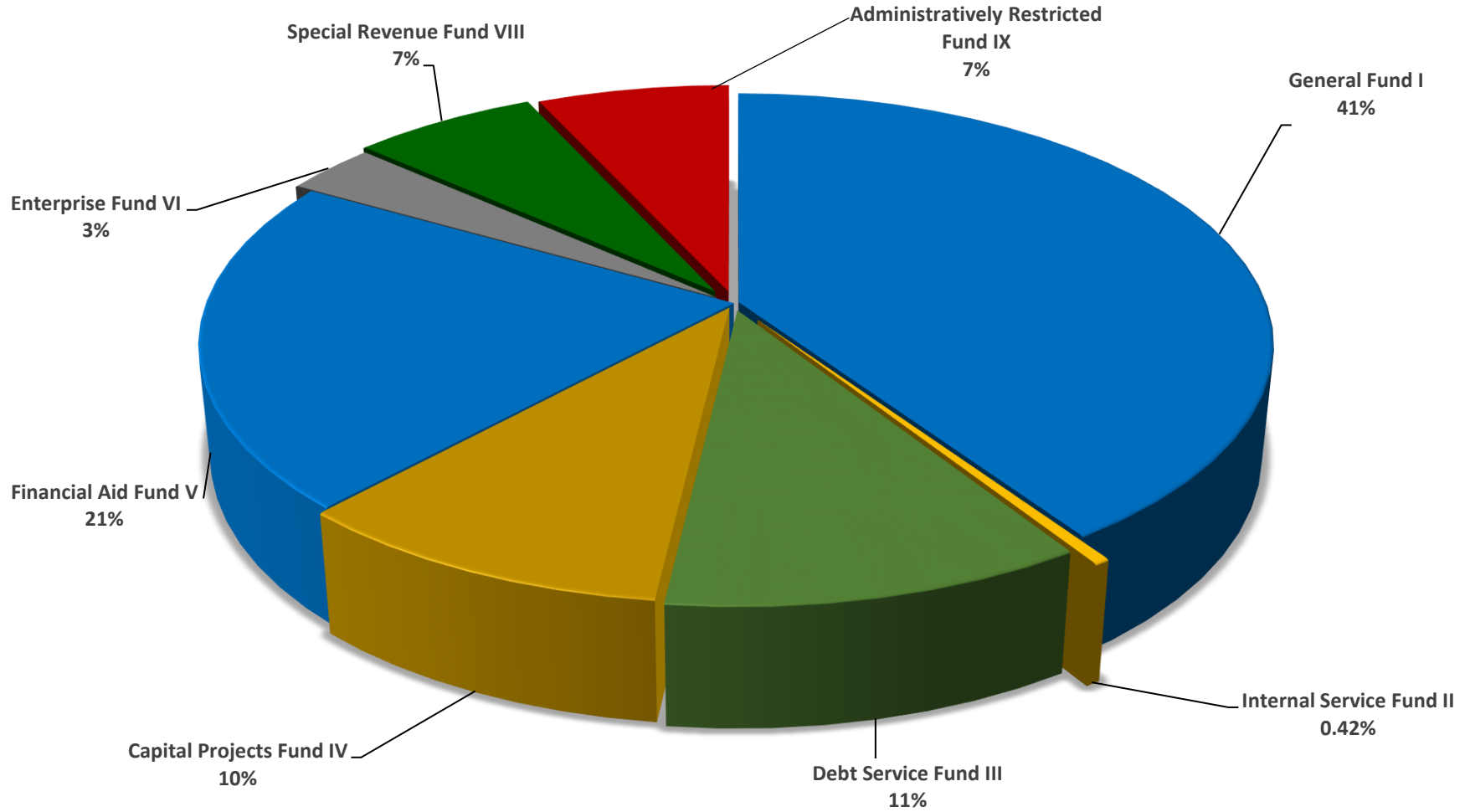
Institutional planning efforts represent college-wide strategic directions and priority actions needed to support and improve achievement of Lane's core theme objectives. Institutional plans both inform and are informed by Program and Department Plans. Program review and annual department planning support strategic directions and core theme objectives by operationalizing priorities and improvements at the program and service level. The table below identifies FY21 budget allocations (investments) from strategic planning, program review and department planning.

**Table 11: FY21 Budget Allocations (Investment) from Strategic Planning, Program Review and Department Planning**

Category	Amount	Strategic Priority		
		Student Success	Access & Equity	Economic Driver
New Contracted Faculty Positions	\$ 980,000	X	X	
Assessment of Student Learning (course, program, core learning outcomes)	62,000	X	X	
Curriculum Development	35,000	X		X
Classroom Technology & Equipment	56,000	X	X	
Increased Funding for Information Technology Upgrades, Security	555,000	X		
Increased Funding for Marketing and Website Redesign	125,000	X	X	X
<b>Total Investment</b>	<b>\$ 1,813,000</b>			

# Summary – All Funds

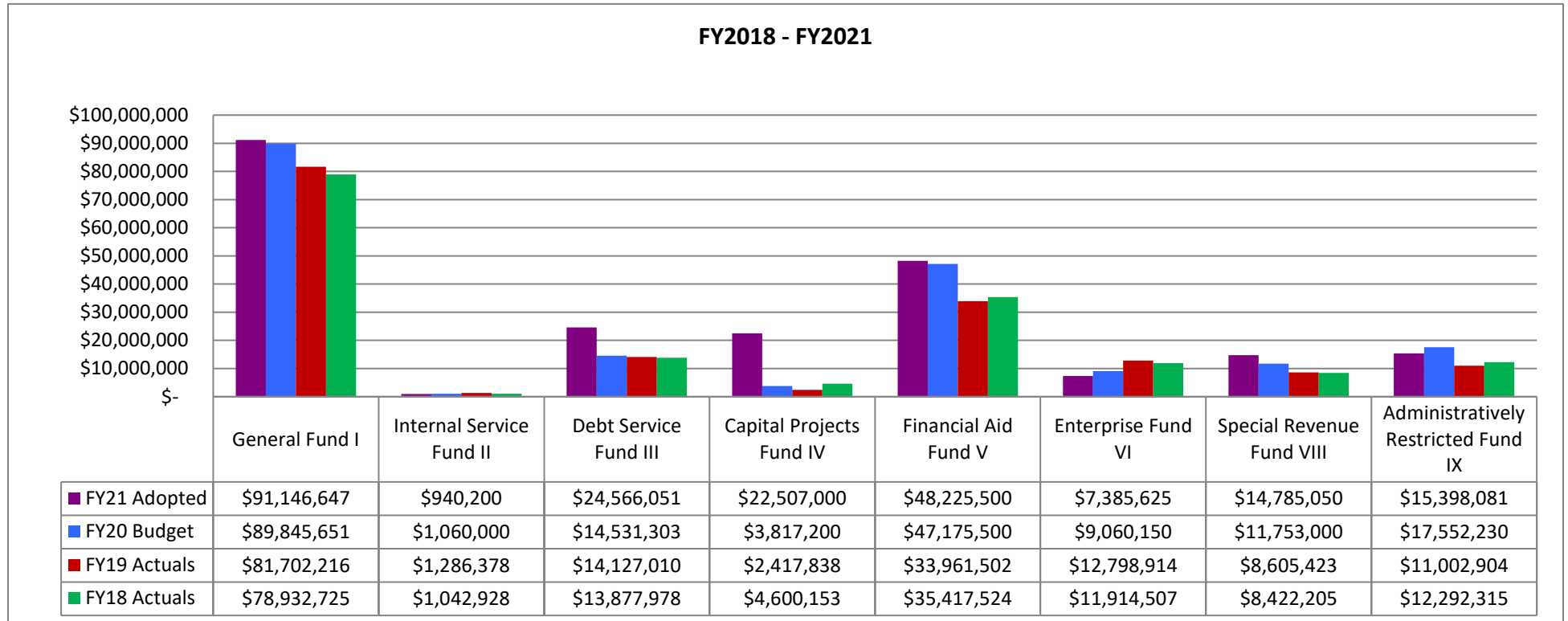
Chart 10: FY21 Adopted Budget – Summary All Funds



**Summary - All Funds**

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Fund	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	Comments
78,932,725	81,702,216	89,845,651	General Fund I	91,146,647	91,146,647	<b>91,146,647</b>	
1,042,928	1,286,378	1,060,000	Internal Service Fund II	940,200	940,200	<b>940,200</b>	
13,877,978	14,127,010	14,531,303	Debt Service Fund III	24,566,051	24,566,051	<b>24,566,051</b>	
4,600,153	2,417,838	3,817,200	Capital Projects Fund IV	22,507,000	22,507,000	<b>22,507,000</b>	
35,417,524	33,961,502	47,175,500	Financial Aid Fund V	48,225,500	48,225,500	<b>48,225,500</b>	
11,914,507	12,798,914	9,060,150	Enterprise Fund VI	7,385,625	7,385,625	<b>7,385,625</b>	
8,422,205	8,605,423	11,753,000	Special Revenue Fund VIII	14,785,050	14,785,050	<b>14,785,050</b>	
12,292,315	11,002,904	17,552,230	Administratively Restricted Fund IX	15,398,081	15,398,081	<b>15,398,081</b>	
166,500,334	165,902,186	194,795,034	Total All Funds	224,954,154	224,954,154	<b>224,954,154</b>	

**Chart 11: Summary All Funds FY2018 – FY2021**



**Consolidated Resources and Requirements – All Funds**

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED
<b>REVENUES</b>						
33,833,031	31,144,616	32,850,000	State Support	35,300,000	35,300,000	<b>35,300,000</b>
31,080,861	29,370,421	41,900,000	Federal Support	45,898,000	45,898,000	<b>45,898,000</b>
134,577	(16,437)	300,000	Local Support	300,000	300,000	<b>300,000</b>
27,039,133	28,849,654	29,704,350	Property Taxes	35,075,618	35,075,618	<b>35,075,618</b>
Tuition & Fees:						
25,725,398	25,186,391	29,071,600	Tuition	29,440,000	29,440,000	29,440,000
10,052,248	10,013,885	11,534,290	Student Fees	11,573,080	11,685,830	<b>11,685,830</b>
Other Sources:						
7,517,026	7,046,431	4,759,000	Sale of Goods and Services	4,454,050	4,454,050	<b>4,454,050</b>
18,300,366	21,242,750	23,341,291	Other Revenues	46,177,523	46,174,693	<b>46,174,693</b>
<b>153,682,640</b>	<b>152,837,712</b>	<b>173,460,531</b>	<b>TOTAL REVENUES</b>	<b>208,218,271</b>	<b>208,328,191</b>	<b>208,328,191</b>
<b>REQUIREMENTS</b>						
49,262,037	49,596,548	51,647,184	Instruction	52,471,785	52,723,626	<b>52,858,071</b>
6,438,822	6,431,382	6,914,707	Instructional Support	7,921,827	8,107,115	<b>8,005,033</b>
22,669,458	24,741,730	19,991,739	Student Services	20,901,204	20,785,228	<b>20,779,613</b>
7,365,440	6,943,469	7,872,880	Community Services	7,849,995	7,849,995	<b>7,849,995</b>
16,316,819	16,388,145	20,976,341	College Support Services	22,193,932	22,058,067	<b>22,031,319</b>
6,032,632	6,082,970	6,156,177	Plant Operations & Maintenance	6,085,677	6,085,677	<b>6,085,677</b>
4,039,732	2,417,838	3,517,200	Plant Additions	22,507,000	22,507,000	<b>22,507,000</b>
35,367,524	33,911,502	45,915,500	Financial Aid	46,965,500	46,965,500	<b>46,965,500</b>
13,877,978	14,127,010	14,531,303	Debt Services	24,566,051	24,566,051	<b>24,566,051</b>
-	-	10,710,000	Contingency	7,510,000	7,324,712	<b>7,324,712</b>
-	-	2,545,000	Unappropriated Ending Fund Balance (UEFB)	2,560,000	2,560,000	<b>2,560,000</b>
<b>161,370,442</b>	<b>160,640,594</b>	<b>190,778,031</b>	<b>TOTAL REQUIREMENTS</b>	<b>221,532,971</b>	<b>221,532,971</b>	<b>221,532,971</b>
<b>SUMMARY</b>						
153,682,640	152,837,712	173,460,531	Total Revenues	208,218,271	208,328,191	<b>208,328,191</b>
(161,370,442)	(160,640,594)	(190,778,031)	Less: Total Requirements	(221,532,971)	(221,532,971)	<b>(221,532,971)</b>
<b>(7,687,802)</b>	<b>(7,802,882)</b>	<b>(17,317,500)</b>	<b>REVENUES OVER-(UNDER) REQUIREMENTS</b>	<b>(13,314,700)</b>	<b>(13,204,780)</b>	<b>(13,204,780)</b>
<b>OTHER FINANCING SOURCES</b>						
5,129,892	5,261,592	4,017,003	Transfers In	3,421,183	3,421,183	<b>3,421,183</b>
(5,129,892)	(5,261,592)	(4,017,003)	Transfers Out	(3,421,183)	(3,421,183)	<b>(3,421,183)</b>
-	-	-	<b>TOTAL OTHER FINANCING SOURCES</b>	-	-	-
<b>CHANGES IN FUND BALANCE</b>						
29,901,371	22,213,568	17,317,500	Beginning Fund Balance	13,314,700	13,204,780	13,204,780
<b>22,213,569</b>	<b>14,410,686</b>	<b>-</b>	<b>ENDING FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>

Chart 12: Consolidated Resources FY21 – All Funds

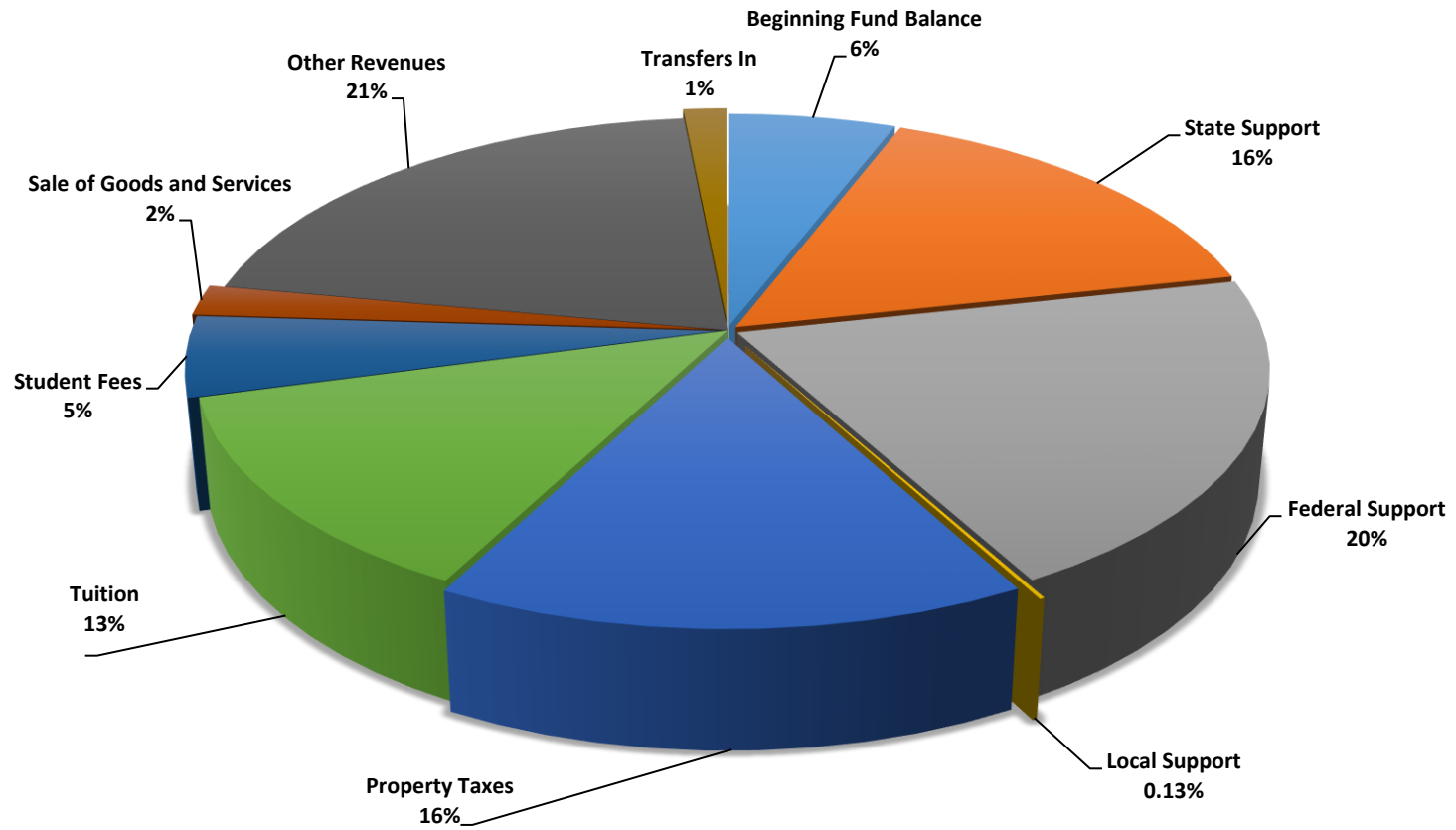
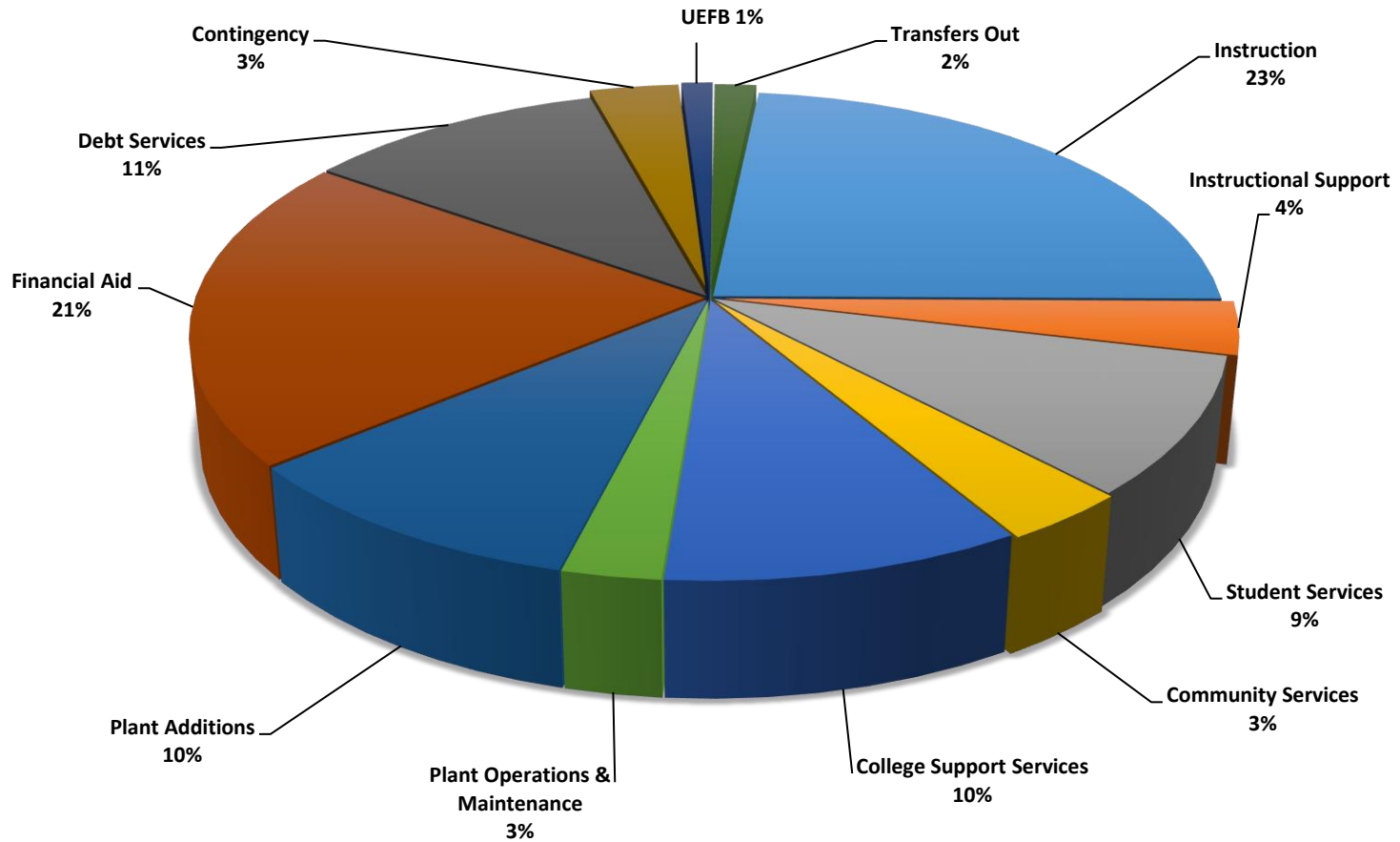
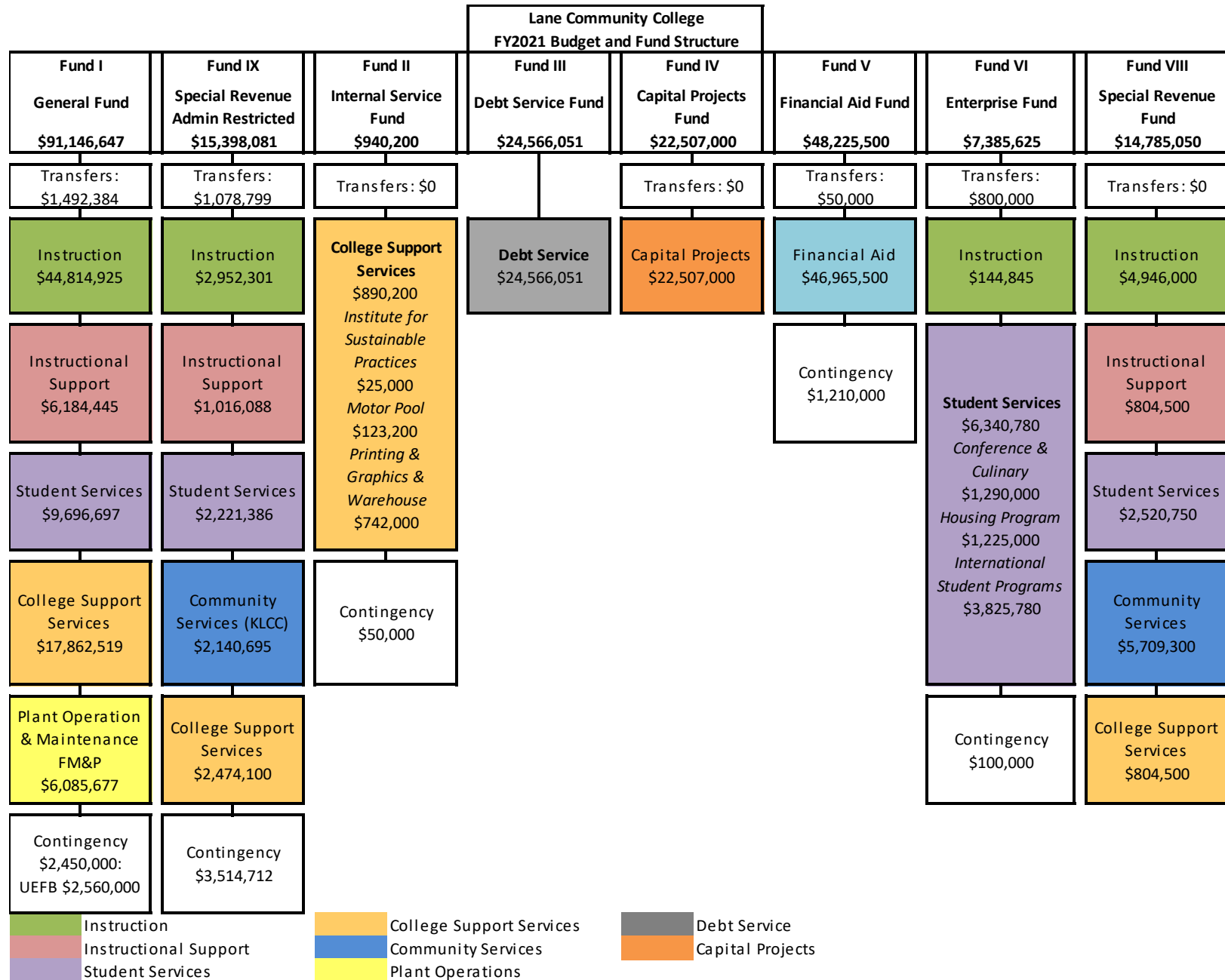


Chart 13: Consolidated Requirements FY21 – All Funds





## Schedule of Interfund Transfers

Interfund transfers are authorized by ORS 294.361 and ORS 294.463 and represent transfers of resources between funds for repayment of costs incurred by one fund on behalf of another or represent transfers of equity between funds.

	Revenues	Expenditures	Comments
<b>GENERAL FUND I</b>			
To Debt Service Fund III		\$ 682,384	Qualified Energy Conservation Loan \$137,884; Titan Court \$464,500 & TAN \$80,000
To Capital Projects Fund IV		810,000	Major Maintenance
From Financial Aid Fund V	\$ 50,000		Financial Aid transfer
From Special Revenue-Administratively Restricted Fund IX	860,000		PERS Reserve
TOTAL	\$ 910,000	\$ 1,492,384	
<b>DEBT SERVICE FUND III</b>			
From General Fund I	\$ 902,884		Qualified Energy Conservation Loan \$137,884; Titan Court \$464,500 & TAN \$80,000
From Enterprise Fund VI	579,500		Recovery Zone Bonds
From Special Revenue-Administratively Restricted Fund IX	13,799		Flight Technology airplane loan
TOTAL	\$ 1,496,183	\$ -	
<b>CAPITAL PROJECTS FUND IV</b>			
From General Fund I	810,000	-	Major Maintenance
From Special Revenue-Administratively Restricted Fund IX	205,000		Transportation and Parking \$150,000; Longhouse \$55,000
TOTAL	\$ 1,015,000	\$ -	
<b>FINANCIAL AID FUND V</b>			
To General Fund	\$ -	\$ 50,000	Financial Aid transfer
TOTAL	\$ -	\$ 50,000	
<b>ENTERPRISE FUND VI</b>			
To Debt Service Fund III	-	800,000	Recovery Zone Bonds
TOTAL	\$ -	\$ 800,000	
<b>SPECIAL REVENUE-ADMINISTRATIVELY RESTRICTED FUND IX</b>			
To General Fund I	-	860,000	PERS Reserve
To Debt Service Fund III	-	13,799	Flight Technology airplane loan
To Capital Projects Fund IV	-	205,000	Transportation and Parking \$150,000; Longhouse \$55,000
TOTAL	\$ -	\$ 1,078,799	
<b>TOTAL TRANSFERS - ALL FUNDS</b>	<b>\$ 3,421,183</b>	<b>\$ 3,421,183</b>	



# Change in Fund Balance

**Table 12: Budgetary Statement of Resources, Uses and Changes in Fund Balance FY20-FY21**

Category	General Fund	Admin Restricted	Capital Projects	Enterprise	Internal Service	Special Revenue	Financial Aid	Debt Service	Total
<b>Revenues:</b>									
Intergovernmental - State	25,650,000	-	-	-	-	2,750,000	6,900,000	-	35,300,000
Intergovernmental - Federal	-	35,000	-	-	-	9,505,000	36,358,000	-	45,898,000
Intergovernmental - Local	-	-	-	-	-	300,000	-	-	300,000
Intergovernmental - Property Taxes	22,875,000	-	-	-	-	-	-	12,200,618	35,075,618
Tuition & Fees	31,294,630	7,092,950	-	2,550,500	-	75,000	-	-	41,013,080
Other Sources:									
Sale of Goods and Services	822,000	1,610,000	-	1,290,000	712,000	20,050	-	-	4,454,050
Other Revenues	5,783,017	2,090,131	20,135,000	2,095,125	85,000	1,880,000	3,440,000	10,669,250	46,177,523
<b>Total Revenues</b>	<b>86,424,647</b>	<b>10,828,081</b>	<b>20,135,000</b>	<b>5,935,625</b>	<b>797,000</b>	<b>14,530,050</b>	<b>46,698,000</b>	<b>22,869,868</b>	<b>208,218,271</b>
<b>Expenditures:</b>									
Instruction	44,428,639	2,952,301	-	144,845	-	4,946,000	-	-	52,471,785
Instructional Support	6,286,527	830,800	-	-	-	804,500	-	-	7,921,827
Student Services	9,818,288	2,221,386	-	6,340,780	-	2,520,750	-	-	20,901,204
Community Services	-	2,140,695	-	-	-	5,709,300	-	-	7,849,995
College Support Services	18,025,132	2,474,100	-	-	890,200	804,500	-	-	22,193,932
Plant Operations & Maintenance	6,085,677	-	-	-	-	-	-	-	6,085,677
Plant Additions	-	-	22,507,000	-	-	-	-	-	22,507,000
Financial Aid	-	-	-	-	-	-	46,965,500	-	46,965,500
Debt Services	-	-	-	-	-	-	-	24,566,051	24,566,051
<b>Total Expenditures</b>	<b>84,644,263</b>	<b>10,619,282</b>	<b>22,507,000</b>	<b>6,485,625</b>	<b>890,200</b>	<b>14,785,050</b>	<b>46,965,500</b>	<b>24,566,051</b>	<b>211,462,971</b>
<b>Revenues Over-(Under) Expenditures</b>	<b>1,780,384</b>	<b>208,799</b>	<b>(2,372,000)</b>	<b>(550,000)</b>	<b>(93,200)</b>	<b>(255,000)</b>	<b>(267,500)</b>	<b>(1,696,183)</b>	<b>(3,244,700)</b>

Continued

	General Fund	Admin Restricted	Capital Projects	Enterprise	Internal Service	Special Revenue	Financial Aid	Debt Service	Total
<b>Contingency</b>									
BP270: Board Contingency*	460,000	-	-	-	-	-	-	-	460,000
BP270: Administrative Contingency*	910,000	-	-	-	-	-	-	-	910,000
Reserve for restricted carry over/adjustment	650,000	-	-	-	-	-	-	-	650,000
Operating contingency	430,000	3,700,000	-	100,000	50,000	-	1,210,000	-	5,490,000
<b>Total Contingency</b>	<b>2,450,000</b>	<b>3,700,000</b>	<b>-</b>	<b>100,000</b>	<b>50,000</b>	<b>-</b>	<b>1,210,000</b>	<b>-</b>	<b>7,510,000</b>
<b>Other Financing Sources-(Uses)</b>									
Transfers in/(out)	(582,384)	(1,078,799)	1,015,000	(800,000)	-	-	(50,000)	1,496,183	-
<b>Changes in fund balance</b>	<b>(1,252,000)</b>	<b>(4,570,000)</b>	<b>(1,357,000)</b>	<b>(1,450,000)</b>	<b>(143,200)</b>	<b>(255,000)</b>	<b>(1,527,500)</b>	<b>(200,000)</b>	<b>(10,754,700)</b>
Beginning Fund Balance	3,812,000	4,570,000	1,357,000	1,450,000	143,200	255,000	1,527,500	200,000	13,314,700
<b>Total resources/(uses)</b>	<b>2,560,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,560,000</b>
<b>Transfers to/(From) Fund Balance</b>									
BP295: Unappropriated Ending Fund Balance*	(2,560,000)								(2,560,000)
<b>Ending Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* BP (Board policies) can be found in Appendix B: Financial Policies.

## What is Fund Balance?

Fund balance is generally defined as the difference between a fund's assets and liabilities. An adequate fund balance is necessary for numerous reasons, including expenses due to emergencies or unexpected events, maintaining or enhancing the college's financial position and related bond ratings, providing cash for operations prior to receipt of fall term tuitions and fees and receipt of property tax revenues.

**Table 13: FY20-FY21 Estimated Beginning and Ending Fund Balance**

Fund Description	July 1, 2020 Fund Balance	June 30, 2021 Fund Balance	Dollar Change	Percent Change	Explanation of changes in fund balances > 10%
General Fund I	3,812,000	5,312,000	1,500,000	28%	Year 1 effort to restore the general fund ending fund balance
Administratively Restricted Fund IX	4,570,000	3,710,000	(860,000)	-19%	Pension (PERS) reserve is being drawn down \$860,000
Capital Projects Fund IV	1,357,000	311,000	(1,046,000)	-77%	The college is winding down the 2008 bond.
Enterprise Fund VI	1,450,000	739,000	(711,000)	-49%	International Programs use of fund balance & enrollment-related revenue decline
Internal Service Fund II	143,200	50,000	(93,200)	-65%	Use of fund balance for sustainability projects and investment in motor pool fleet
Special revenue Fund VIII	255,000	255,000	-	0%	
Financial Aid Fund V	1,527,500	1,210,000	(317,500)	-21%	Enrollment decline
Debt Service Fund III	200,000	200,000	-	0%	
	13,314,700	11,787,000	(1,527,700)	-11.5%	



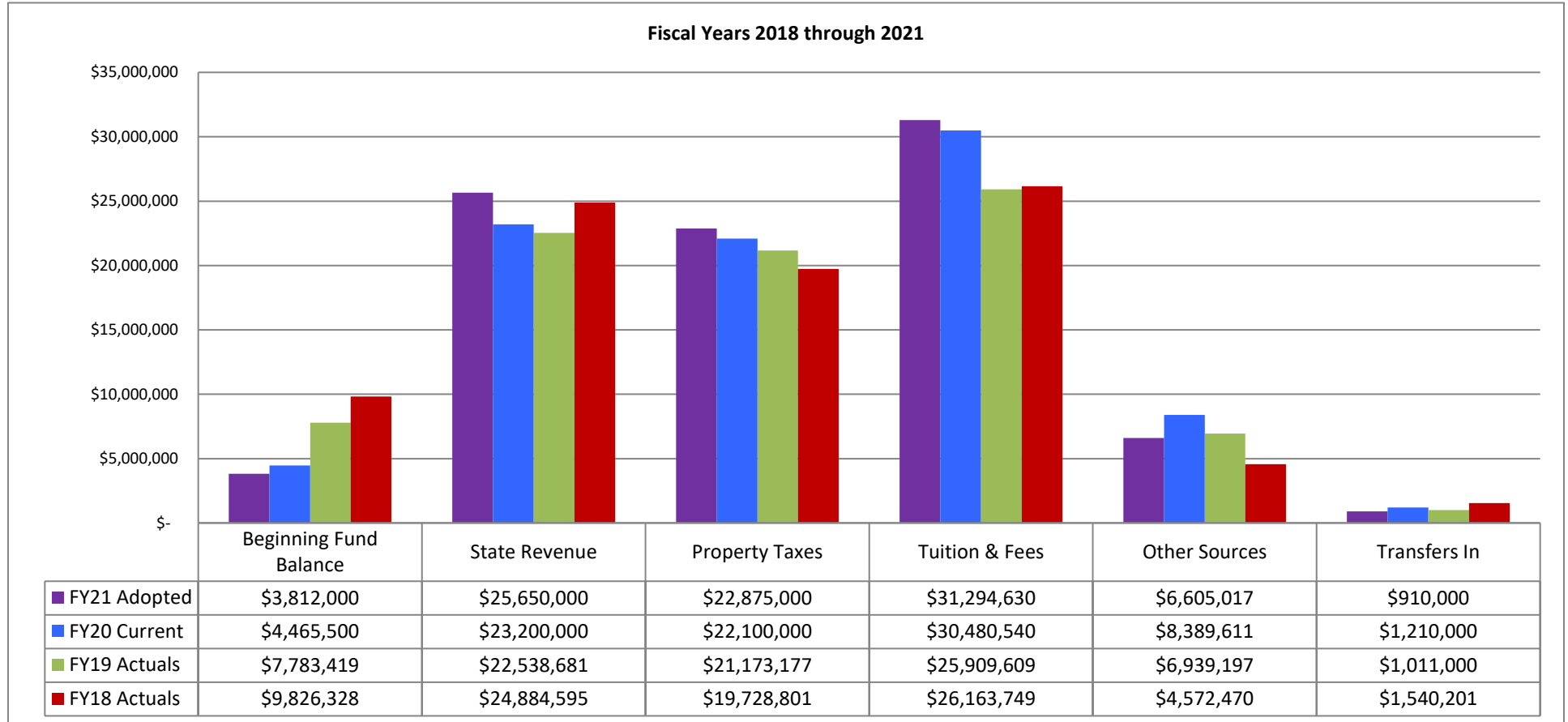
**GENERAL FUND I**

**ADMINISTRATIVELY RESTRICTED FUND IX**

## General Fund I Resources

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
9,826,328	7,783,419	4,465,500	Beginning Fund Balance	3,812,000	3,812,000	<b>3,812,000</b>	-	Budgeted at current projection
24,884,595	22,538,681	23,200,000	State Support	25,650,000	25,650,000	<b>25,650,000</b>	+	Increased CCSF for 2019-2021 biennium
19,728,801	21,173,177	22,100,000	Property Taxes	22,875,000	22,875,000	<b>22,875,000</b>		
Tuition & Fees:								
22,961,785	22,639,330	26,265,000	Tuition	27,045,000	27,045,000	<b>27,045,000</b>		
3,201,964	3,270,279	4,215,540	Student Fees	4,249,630	4,249,630	<b>4,249,630</b>		
Other Sources:								
746,801	867,913	824,000	Sale of Goods and Services	822,000	822,000	<b>822,000</b>		
1,898,029	4,096,790	2,365,000	Administrative Recovery	2,375,000	2,375,000	<b>2,375,000</b>		
1,087,889	1,223,291	926,945	Other Fees & Charges	1,030,835	1,030,835	<b>1,030,835</b>	+	Adj. to reflect current activity
839,751	751,203	4,273,666	Other Revenue	2,377,182	2,377,182	<b>2,377,182</b>	-	Adj. to reflect current activity
<u>75,349,615</u>	<u>76,560,665</u>	<u>84,170,151</u>	<b>Total Revenues</b>	<u>86,424,647</u>	<u>86,424,647</u>	<b>86,424,647</b>		
Transfers In:								
10,000	86,000	-	- Transfer In Internal Services Fund II	-	-	-		
462,194	-	300,000	Transfer In Capital Projects Fund IV	-	-	-	-	- One time fund transfer
50,000	50,000	50,000	Transfer In Financial Aid Fund V	50,000	50,000	<b>50,000</b>		
-	15,000	-	- Transfer In Enterprise Fund VI	-	-	-		
<u>1,018,007</u>	<u>860,000</u>	<u>860,000</u>	Transfer In Administratively Restricted IX	<u>860,000</u>	<u>860,000</u>	<b>860,000</b>		
1,540,201	1,011,000	1,210,000	<b>Total Transfers In</b>	910,000	910,000	<b>910,000</b>		
86,716,144	85,355,084	89,845,651	<b>TOTAL RESOURCES</b>	91,146,647	91,146,647	<b>91,146,647</b>		

Chart 14: General Fund Resources



General Fund I Requirements

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ - Explanation of changes in budget of > 10%
<b>REQUIREMENTS</b>							
<b>Instruction</b>							
1,084,010	984,222	708,116	Academic Learning Skills	789,734	789,734	<b>789,734</b>	+ Additional faculty & staff positions
1,730,816	1,666,169	1,482,230	Adult Basic & Secondary Education	1,341,069	1,318,768	<b>1,318,768</b>	- Vacancies
3,138,633	2,857,233	2,787,886	Advanced Technologies	2,916,952	2,916,952	<b>2,977,846</b>	
2,272,462	2,227,035	2,645,884	Art & Applied Design	2,432,816	2,432,816	<b>2,371,166</b>	- Vacancies
2,331,027	2,610,972	2,586,881	Business & Computer Information Technology	2,798,715	2,777,804	<b>2,838,698</b>	
-	-	324,943	Career Pathways	382,351	382,351	<b>382,351</b>	+ Additional faculty position
1,253,297	959,700	920,665	Cooperative Education	883,715	879,255	<b>879,255</b>	
762,254	790,130	696,152	Culinary Arts & HRT MGMT	803,520	785,679	<b>785,679</b>	+ Accounting change
1,409,113	1,308,060	1,352,996	English as a Second Language	1,347,133	1,347,133	<b>1,347,133</b>	
855,717	857,792	868,887	Extended Learning	917,765	917,765	<b>917,765</b>	
1,550,232	1,476,381	1,447,232	Health & Physical Education	1,350,675	1,321,706	<b>1,321,706</b>	
7,354,752	8,272,999	7,822,864	Health Professions	8,333,474	8,311,172	<b>8,372,280</b>	
107,152	123,596	109,695	Lane Community College at Cottage Grove	87,557	87,557	<b>87,557</b>	- Consolidation of PT Classified budget
595,973	577,526	561,083	Lane Community College at Florence	478,165	478,165	<b>478,165</b>	- Consolidation of PT Classified budget
-	-	-	Information Technology	44,692	44,692	<b>44,692</b>	+ Accounting change
5,103,157	4,790,898	4,483,619	Language, Literature & Communication	4,787,811	4,787,811	<b>4,848,705</b>	
3,722,453	3,672,610	3,568,546	Mathematics	3,284,789	3,284,789	<b>3,284,789</b>	
1,540,923	1,596,460	1,151,107	Performing Arts	1,208,370	1,208,370	<b>1,208,370</b>	
30,559	33,854	1,242,000	Non-Departmental	959,000	1,349,926	<b>1,286,222</b>	
4,253,278	4,301,214	4,174,992	Science	4,443,120	4,443,120	<b>4,398,236</b>	
3,110,523	3,556,637	3,727,014	Social Science	3,905,108	3,882,807	<b>3,943,700</b>	
119,504	108,595	165,600	Special Instructional Projects	137,000	137,000	<b>137,000</b>	- Budget correction
330,571	363,453	343,139	Student Success	279,721	279,721	<b>279,721</b>	- Consolidation of PT Classified budget
181,972	181,557	126,906	Tutoring	515,387	515,387	<b>515,387</b>	+ Department reorganization
(318)	-	-	Workforce Development	-	-	<b>-</b>	
<b>42,838,061</b>	<b>43,317,093</b>	<b>43,298,437</b>	<b>Total Instruction</b>	<b>44,428,639</b>	<b>44,680,480</b>	<b>44,814,925</b>	

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>Instructional Support</b>								
1,386,097	1,498,076	1,390,121	Academic & Student Affairs Office	1,439,938	1,439,938	<b>1,439,938</b>		
997,037	814,245	942,355	Academic Technology	975,613	975,613	<b>975,613</b>		
-	-	-	Curriculum & Scheduling	240,063	240,063	<b>225,113</b>		+ Accounting change
377,856	412,958	369,360	Faculty Professional Development	406,876	406,876	<b>406,876</b>		+ Increases due to bargaining
156,165	-	-	Grant Coordination	-	-	-		
463,836	569,873	644,405	High School Connections	725,641	725,641	<b>638,509</b>		
568,368	467,365	548,702	Information Technology	510,700	510,700	<b>510,700</b>		
1,199,340	1,449,707	1,472,109	Library	1,185,032	1,185,032	<b>1,185,032</b>		- Vacancies
-	(943)	-	Non-Departmental	-	-	-		
-	111,982	137,862	Planning & Institutional Effectiveness	215,903	215,903	<b>215,903</b>		+ Department reorganization
403,981	251,946	607,480	Special Instructional Projects	586,761	586,761	<b>586,761</b>		
<u>5,552,680</u>	<u>5,575,209</u>	<u>6,112,394</u>	<b>Total Instructional Support</b>	<u>6,286,527</u>	<u>6,286,527</u>	<b>6,184,445</b>		
<b>Student Services</b>								
821,074	841,633	815,344	Athletics	984,624	868,648	<b>868,648</b>		
1,035,790	1,164,198	1,059,524	Center for Accessible Resources	1,306,249	1,306,249	<b>1,306,249</b>		+ Additional staff positions
	11,670	46,074	Child and Family Center	19,478	19,478	<b>19,478</b>		- Accounting change
213,081	183,167	181,105	Conference & Culinary Services	105,965	105,965	<b>105,965</b>		- Accounting change
	47,366	-	English as a Second Language*	1,000	1,000	<b>1,000</b>		+ Accounting change
-	420,347	461,808	Gender Equity Center*	244,499	244,499	<b>244,499</b>		- Vacancies
174,214	-	-	High School Connections	-	-	-		
226,957	642,396	577,605	Multicultural Center	646,362	646,362	<b>646,362</b>		+ Increased labor costs
1,319,681	3,394,352	3,454,606	New Student Transitions*	3,481,475	3,481,475	<b>3,475,860</b>		
66,905	26,417	-	Non-Departmental	-	-	-		
356,717	-	-	Special Instructional Projects	-	-	-		
671,842	1,215,226	227,435	Student Engagement*	417,195	417,195	<b>417,195</b>		+ Department reorganization
211,581	217,101	214,994	Student Standards *	200,328	200,328	<b>200,328</b>		
3,758,753	1,445,298	2,410,290	Student Success*	2,411,113	2,411,113	<b>2,411,113</b>		
102,927	-	-	Workforce Development	-	-	-		
<u>8,959,522</u>	<u>9,609,171</u>	<u>9,448,785</u>	<b>Total Student Services</b>	<u>9,818,288</u>	<u>9,702,312</u>	<b>9,696,697</b>		

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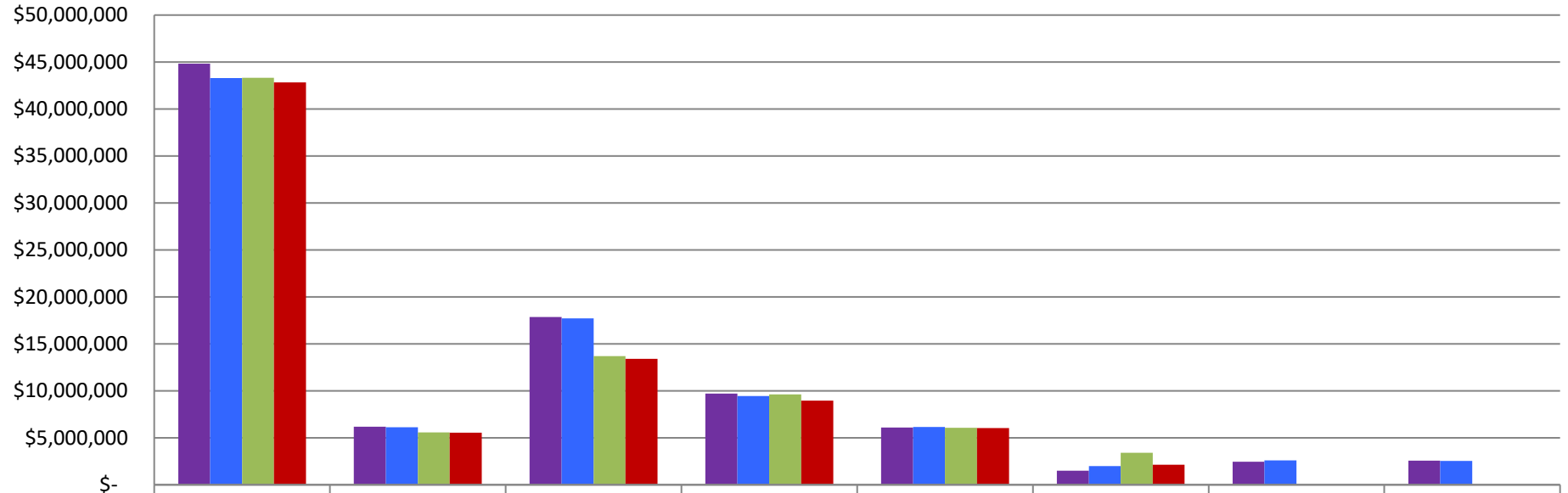
FY 2017-18 ACTUAL	FY2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>College Support Services</b>								
-	-	320,871	Access, Equity and Inclusion	324,283	324,283	<b>324,283</b>		
28,676	36,843	39,295	Archives & Records Management	39,250	39,250	<b>39,250</b>		
36,252	44,816	26,500	Board of Education	32,000	32,000	<b>32,000</b>		+ Budget correction
6,496,120	1,502,892	1,416,180	College Finance	1,594,855	1,594,855	<b>1,594,855</b>		+ Budget correction
879,211	701,994	946,587	College Services	854,886	854,886	<b>854,886</b>		
259,336	164,708	163,305	Curriculum & Scheduling	600	600	<b>600</b>		- Accounting change
-	821	-	Employee Wellness	-	-	-		
314,185	608,621	315,000	Governance & Administration	271,500	271,500	<b>271,500</b>		- M&S budget reduction
1,388,064	1,446,056	1,496,656	Human Resources	1,382,914	1,382,914	<b>1,382,914</b>		
3,572,958	3,996,055	4,500,956	Infrastructure Technology	4,833,404	4,697,539	<b>4,697,539</b>		
407,981	351,201	310,288	Institute for Sustainable Practices	294,309	294,309	<b>294,309</b>		
593,187	648,672	650,000	Insurance - Property & Liability	800,000	800,000	<b>800,000</b>		+ Increased insurance costs
772,683	732,129	747,381	Lane Community College Foundation	812,445	812,445	<b>812,445</b>		
188,809	129,030	123,428	Mail Services	126,343	126,343	<b>126,343</b>		
460,963	1,217,067	1,515,711	Marketing & Public Relations	1,405,383	1,405,383	<b>1,405,383</b>		
133,030	5,106,641	1,528,321	Non-Departmental	1,504,000	1,504,000	<b>1,504,000</b>		
(5,551,233)	(6,556,997)	-	Other Personnel Expenditures	-	-	-		
592,061	920,638	801,530	Planning & Institutional Effectiveness	851,101	851,101	<b>851,101</b>		
1,114,094	924,425	888,615	President's Office	1,125,851	1,125,851	<b>1,125,851</b>		+ Department reorganization; additional position
191,295	217,649	246,552	Professional & Organizational Development	155,593	155,593	<b>155,593</b>		- Budget correction
1,385,919	1,347,105	1,269,926	Public Safety	1,288,659	1,288,659	<b>1,288,659</b>		
160,035	166,970	398,152	Telephone Services	327,756	327,756	<b>301,008</b>		- Vacancies
<u>13,423,627</u>	<u>13,707,336</u>	<u>17,705,254</u>	<b>Total College Support Services</b>	<u>18,025,132</u>	<u>17,889,267</u>	<u><b>17,862,519</b></u>		
<b>Plant Operations &amp; Maintenance</b>								
<u>6,032,632</u>	<u>6,081,413</u>	<u>6,156,177</u>	Facilities Management & Planning	<u>6,085,677</u>	<u>6,085,677</u>	<u><b>6,085,677</b></u>		
<u>6,032,632</u>	<u>6,081,413</u>	<u>6,156,177</u>	<b>Total Plant Operations &amp; Maintenance</b>	<u>6,085,677</u>	<u>6,085,677</u>	<u><b>6,085,677</b></u>		
<b>Contingency</b>								
-	-	2,600,000	Projects/Provisions	2,450,000	2,450,000	<b>2,450,000</b>		
-	-	2,600,000	<b>Total Contingency</b>	2,450,000	2,450,000	<b>2,450,000</b>		

Continued

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>Transfers Out:</b>								
89,478	-	-	To Internal Service Fund II	-	-	-		
69,897	746,893	802,504	To Debt Service III	682,384	682,384	<b>682,384</b>		- Accounting change
1,000,000	2,500,000	1,100,000	To Capital Projects Fund IV	810,000	810,000	<b>810,000</b>		- Decreased investment in Major Maintenance
966,827	165,100	77,100	To Administratively Restricted Fund IX	-	-	-		- Updated transfer schedule
<u>2,126,202</u>	<u>3,411,993</u>	<u>1,979,604</u>	<b>Total Transfers Out</b>	<u>1,492,384</u>	<u>1,492,384</u>	<u><b>1,492,384</b></u>		
<b>UEFB</b>								
-	-	2,545,000	Unappropriated Ending Fund Balance	<u>2,560,000</u>	<u>2,560,000</u>	<u><b>2,560,000</b></u>		
-	-	2,545,000	<b>Total UEFB</b>	<u>2,560,000</u>	<u>2,560,000</u>	<u><b>2,560,000</b></u>		
<b>TOTAL REQUIREMENTS</b>								
<u>78,932,725</u>	<u>81,702,215</u>	<u>89,845,651</u>		<u>91,146,647</u>	<u>91,146,647</u>	<u><b>91,146,647</b></u>		
<b>SUMMARY</b>								
86,716,144	85,355,084	89,845,651	Total Resources	91,146,647	91,146,647	<b>91,146,647</b>		
<u>(78,932,725)</u>	<u>(81,702,215)</u>	<u>(89,845,651)</u>	Less: Total Requirements	<u>(91,146,647)</u>	<u>(91,146,647)</u>	<u><b>(91,146,647)</b></u>		
7,783,419	3,652,869	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		
<u>7,783,419</u>	<u>3,652,869</u>	-	<b>ENDING FUND BALANCE</b>	-	-	-		

**Chart 15: General Fund Requirements**

Fiscal Years 2018 through 2021



	Instruction	Instructional Support	College Support Services	Student Services	Plant Operations	Transfers Out	Contingency	UEFB
■ FY21 Adopted	\$44,814,925	\$6,184,445	\$17,862,519	\$9,696,697	\$6,085,677	\$1,492,384	\$2,450,000	\$2,560,000
■ FY20 Current	\$43,298,437	\$6,112,394	\$17,705,254	\$9,448,785	\$6,156,177	\$1,979,604	\$2,600,000	\$2,545,000
■ FY19 Actuals	\$43,317,093	\$5,575,209	\$13,707,336	\$9,609,171	\$6,081,413	\$3,411,993	-	-
■ FY18 Actuals	\$42,838,061	\$5,552,680	\$13,423,627	\$8,959,522	\$6,032,632	\$2,126,202	-	-

**General Fund I Requirements by Expense Category**

	<b>FY 2020-21 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>Instruction</b>							
Academic Learning Skills	<b>789,734</b>	781,434	8,300	-	-	-	-
Adult Basic & Secondary Education	<b>1,318,768</b>	1,245,768	73,000	-	-	-	-
Advanced Technologies	<b>2,977,846</b>	2,653,696	324,150	-	-	-	-
Art & Applied Design	<b>2,371,166</b>	2,184,881	186,285	-	-	-	-
Business & Computer Information Technology	<b>2,838,698</b>	2,722,648	116,050	-	-	-	-
Career Pathways	<b>382,351</b>	379,851	2,500	-	-	-	-
Cooperative Education	<b>879,255</b>	862,755	16,500	-	-	-	-
Culinary Arts, Hotel/Restaurant/Tourism	<b>785,679</b>	681,179	104,500	-	-	-	-
English as a Second Language	<b>1,347,133</b>	1,319,883	27,250	-	-	-	-
Extended Learning	<b>917,765</b>	879,565	38,200	-	-	-	-
Health & Physical Education	<b>1,321,706</b>	1,221,206	100,500	-	-	-	-
Health Professions	<b>8,372,280</b>	7,031,893	1,340,387	-	-	-	-
Information Technology	<b>44,692</b>	44,692	-	-	-	-	-
Lane Community College at Cottage Grove	<b>87,557</b>	73,057	14,500	-	-	-	-
Lane Community College at Florence	<b>478,165</b>	460,165	18,000	-	-	-	-
Language, Literature & Communication	<b>4,848,705</b>	4,792,855	55,850	-	-	-	-
Mathematics	<b>3,284,789</b>	3,240,389	44,400	-	-	-	-
Non-Departmental	<b>1,286,222</b>	1,286,222	-	-	-	-	-
Performing Arts	<b>1,208,370</b>	1,093,970	114,400	-	-	-	-
Science	<b>4,398,236</b>	4,277,686	120,550	-	-	-	-
Social Science	<b>3,943,700</b>	3,891,200	52,500	-	-	-	-
Special Instructional Projects	<b>137,000</b>	137,000	-	-	-	-	-
Student Success	<b>279,721</b>	279,721	-	-	-	-	-
Tutoring	<b>515,387</b>	510,887	4,500	-	-	-	-
<b>Total Instruction</b>	<b>44,814,924</b>	42,052,603	2,762,322	-	-	-	-

Continued

**General Fund I Requirements by Expense Category**

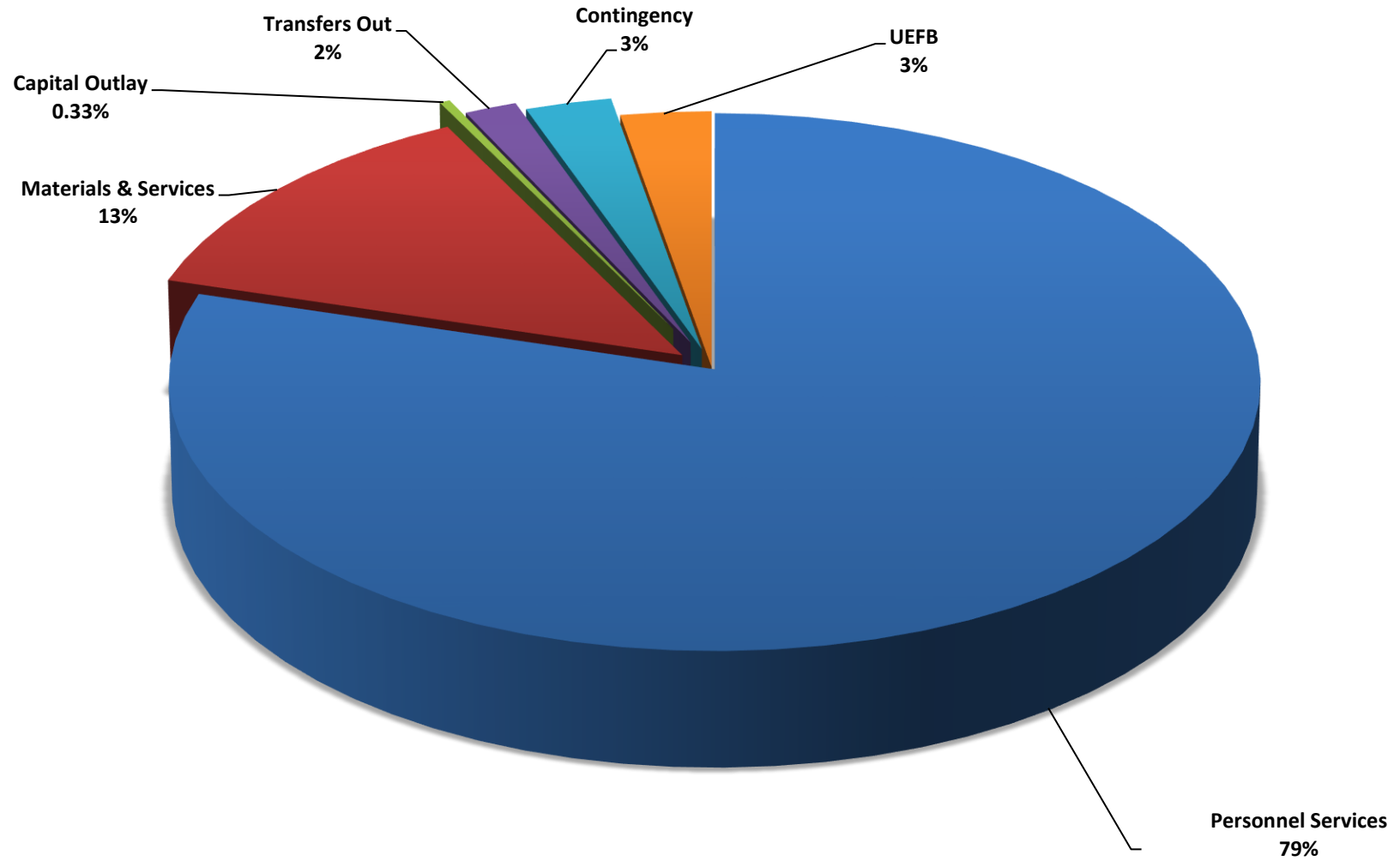
	<b>FY 2020-21 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>Instructional Support</b>							
Academic & Student Affairs Office	<b>1,439,938</b>	1,345,938	94,000	-	-	-	-
Academic Technology	<b>975,613</b>	924,613	51,000	-	-	-	-
Curriculum & Scheduling	<b>225,113</b>	225,113					
Faculty Professional Development	<b>406,876</b>	-	406,876	-	-	-	-
High School Connections	<b>638,509</b>	617,109	21,400	-	-	-	-
Information Technology	<b>510,700</b>	510,700	-	-	-	-	-
Library	<b>1,185,032</b>	990,482	110,550	84,000			
Planning & Institutional Effectiveness	<b>215,903</b>	165,403	50,500	-	-	-	-
Special Instructional Projects	<b>586,761</b>	303,761	283,000	-	-	-	-
<b>Total Instructional Support</b>	<b>6,184,445</b>	5,083,119	1,017,326	84,000	-	-	-
<b>Student Services</b>							
Athletics	<b>868,648</b>	608,648	260,000	-	-	-	-
Center for Accessible Resources	<b>1,306,249</b>	1,146,249	160,000	-	-	-	-
Child & Family Education	<b>19,478</b>	19,478	-	-	-	-	-
Conference & Culinary Services	<b>105,965</b>	105,965	-	-	-	-	-
English as a Second Language	<b>1,000</b>	-	1,000				
Gender Equity Center	<b>244,499</b>	228,999	15,500				
Multicultural Center	<b>646,362</b>	593,362	53,000				
New Student Transitions	<b>3,475,860</b>	3,313,760	162,100				
Student Engagement	<b>417,195</b>	362,795	54,400	-	-	-	-
Student Standards	<b>200,328</b>	198,678	1,650	-	-	-	-
Student Success	<b>2,411,113</b>	2,347,533	63,580	-	-	-	-
<b>Total Student Services</b>	<b>9,696,697</b>	8,925,467	771,230	-	-	-	-
<b>Community Services</b>							
KLCC FM	-	-	-	-	-	-	-
<b>Total Community Services</b>	-	-	-	-	-	-	-

Continued

**General Fund I Requirements by Expense Category**

	<b>FY 2020-21 ADOPTED</b>	Personnel Services	Materials & Services	Capital Outlay	Transfers Out	Debt Service	Contingency
<b>College Support Services</b>							
Access, Equity and Inclusion	324,283	256,783	67,500				
Archives & Records Management	39,250	34,250	5,000	-	-	-	-
Board of Education	32,000	-	32,000	-	-	-	-
College Finance	1,732,739	1,239,855	355,000	-	137,884	-	-
College Services	854,886	760,002	94,884	-	-	-	-
Curriculum & Scheduling	600	-	600	-	-	-	-
Governance & Administration	271,500	-	271,500	-	-	-	-
Human Resources	1,382,914	1,260,414	122,500	-	-	-	-
Infrastructure Technology	4,697,539	3,251,639	1,315,900	130,000	-	-	-
Institute for Sustainable Practices	294,309	209,491	84,818	-	-	-	-
Insurance - Property & Liability	800,000	-	800,000	-	-	-	-
Lane Community College Foundation	812,445	812,445	-	-	-	-	-
Mail Services	126,343	119,843	6,500	-	-	-	-
Marketing & Public Relations	1,405,383	774,383	631,000	-	-	-	-
Non-Departmental	1,504,000	1,137,100	316,900	50,000	-	-	-
Planning & Institutional Effectiveness	851,101	828,201	22,900	-	-	-	-
President's Office	1,125,851	995,851	130,000	-	-	-	-
Professional & Organizational Development	155,593	75,593	80,000	-	-	-	-
Public Safety	1,288,659	1,163,859	124,800	-	-	-	-
Telephone Services	301,008	91,008	210,000	-	-	-	-
<b>Total College Support Services</b>	<b>18,000,403</b>	<b>13,010,717</b>	<b>4,671,802</b>	<b>180,000</b>	<b>137,884</b>	<b>-</b>	<b>-</b>
<b>Plant Operations &amp; Maintenance</b>							
Facilities Management & Planning	6,895,677	3,480,677	2,565,000	40,000	810,000	-	-
<b>Total Plant Operations &amp; Maintenance</b>	<b>6,895,677</b>	<b>3,480,677</b>	<b>2,565,000</b>	<b>40,000</b>	<b>810,000</b>	<b>-</b>	<b>-</b>
<b>Debt Service</b>							
College Finance	544,500	-	-	-	544,500	-	-
<b>Total Debt Service</b>	<b>544,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>544,500</b>	<b>-</b>	<b>-</b>
<b>Contingency</b>							
Non-Departmental	2,450,000	-	-	-	-	-	2,450,000
Unappropriated Ending Fund Balance (UEFB)	2,560,000	-	-	-	-	-	2,560,000
<b>Total Contingency</b>	<b>5,010,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,010,000</b>
<b>Total General Fund Requirements</b>	<b>91,146,647</b>	<b>72,552,583</b>	<b>11,787,680</b>	<b>304,000</b>	<b>1,492,384</b>	<b>-</b>	<b>5,010,000</b>

Chart 16: General Fund I Requirements by Expense Category



**Administratively Restricted Fund IX**

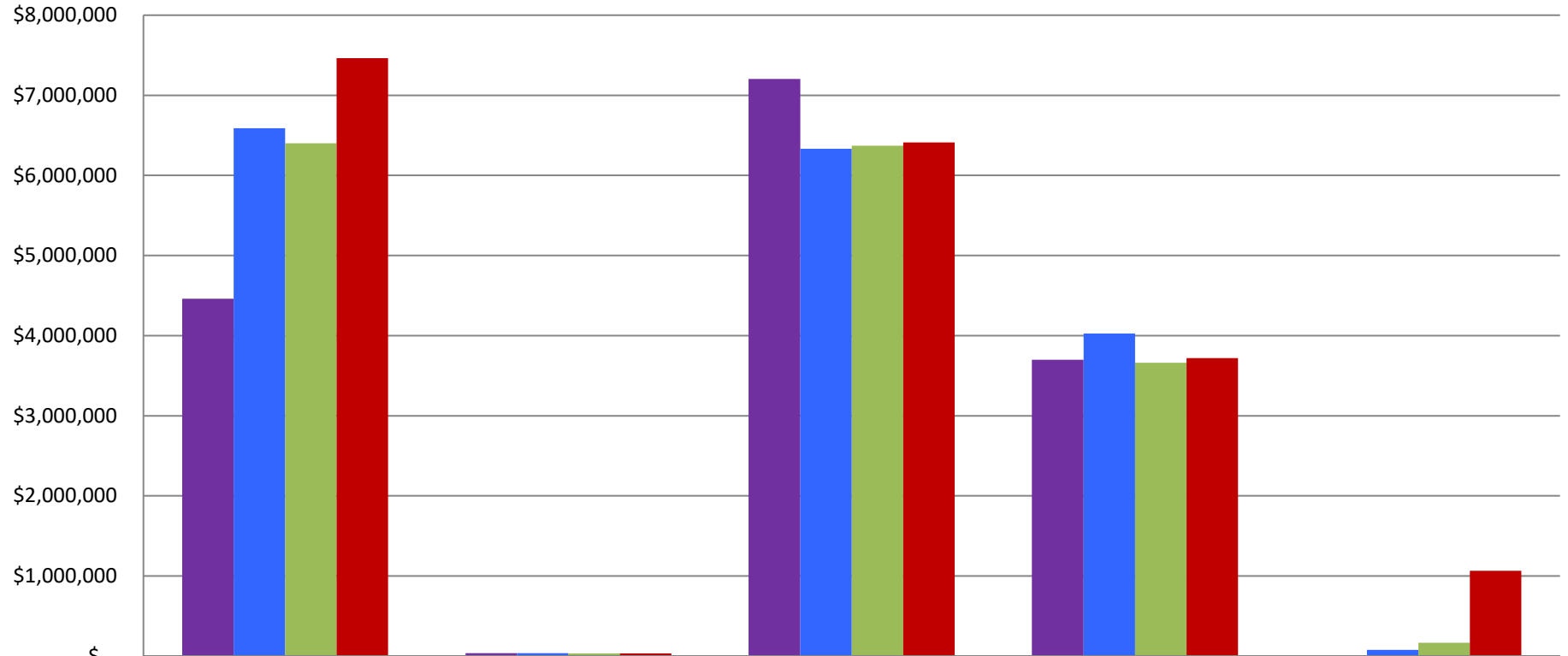
FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
7,462,773	6,401,546	6,588,500	Beginning Fund Balance	4,570,000	4,460,080	<b>4,460,080</b>	-	Budgeted at current projection
34,163	32,751	35,000	Federal Support	35,000	35,000	<b>35,000</b>		
			Tuition & Fees:					
247,160	234,909	200,000	Tuition	195,000	195,000	<b>195,000</b>		
6,163,886	6,133,918	6,626,000	Student Fees	6,897,950	7,010,700	<b>7,010,700</b>		
1,473,387	1,539,656	1,704,760	Other Fees & Charges	1,571,021	1,568,191	<b>1,568,191</b>		
1,909,616	1,721,001	1,685,000	Sale of Goods and Services	1,610,000	1,610,000	<b>1,610,000</b>		
337,821	401,350	635,870	Other Revenue	519,110	519,110	<b>519,110</b>	-	Adj. to reflect current activity
<b>10,166,033</b>	<b>10,063,585</b>	<b>10,886,630</b>	<b>Total Revenues</b>	<b>10,828,081</b>	<b>10,938,001</b>	<b>10,938,001</b>		
			<b>Transfers In:</b>					
966,827	165,100	77,100	Transfer In General Fund I	-	-	-	-	Updated transfer schedule
98,227	-	-	Transfer In Fm Capital Proj Fund	-	-	-	-	
1,065,054	165,100	77,100	<b>Total Transfers In</b>	-	-	-	-	
<b>18,693,860</b>	<b>16,630,231</b>	<b>17,552,230</b>	<b>TOTAL RESOURCES</b>	<b>15,398,081</b>	<b>15,398,081</b>	<b>15,398,081</b>		

Continued



**Chart 17: Administratively Restricted Fund IX Resources**

Fiscal Years 2018 through 2021



	Beginning Fund Balance	Federal Revenue	Tuition & Fees	Other Sources	Transfers In
<b>FY21 Adopted</b>	\$4,460,080	\$35,000	\$7,205,700	\$3,697,301	\$-
<b>FY20 Current</b>	\$6,588,500	\$35,000	\$6,333,918	\$4,025,630	\$77,100
<b>FY19 Actuals</b>	\$6,401,546	\$32,751	\$6,368,827	\$3,662,007	\$165,100
<b>FY18 Actuals</b>	\$7,462,773	\$32,751	\$6,411,046	\$3,720,824	\$1,065,054

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>REQUIREMENTS</b>								
<b>Instruction</b>								
1,169,379	1,445,591	1,245,300	Extended Learning	1,011,600	1,011,600	<b>1,011,600</b>	-	Adj. to reflect current activity
1,187,172	858,594	1,025,201	Flight Technology	1,040,701	1,040,701	<b>1,040,701</b>		
430,191	-	-	- Institute for Sustainable Practices	-	-	-		
1,201,353	1,030,171	993,000	Specialized Support Services	885,000	885,000	<b>885,000</b>	-	Adj. to reflect current activity
25,751	25,754	15,000	Student Restaurant	15,000	15,000	<b>15,000</b>		
324,340	375,777	-	- Technology Fee	-	-	-		
222	206	-	- Non-Departmental	-	-	-		
<b>4,338,408</b>	<b>3,736,092</b>	<b>3,278,501</b>	<b>Total Instruction</b>	<b>2,952,301</b>	<b>2,952,301</b>	<b>2,952,301</b>		
<b>Instructional Support</b>								
295,875	411,365	465,000	Academic Technology	520,200	705,488	<b>705,488</b>	+	Adj. to reflect online fee change
590,265	442,872	283,113	Technology Fee	310,600	310,600	<b>310,600</b>		
<b>886,141</b>	<b>854,237</b>	<b>748,113</b>	<b>Total Instructional Support</b>	<b>830,800</b>	<b>1,016,088</b>	<b>1,016,088</b>		
<b>Student Services</b>								
604,517	665,074	778,000	Child Development Center	803,970	803,970	<b>803,970</b>		
1,004,751	1,012,488	1,038,000	Health Clinic	905,800	905,800	<b>905,800</b>	-	Vacancy
367,630	308,050	520,090	Student Engagement	444,976	444,976	<b>444,976</b>	-	Adj. to reflect current activity
25,099	16,324	13,140	Student Productions Association	13,140	13,140	<b>13,140</b>		
33,982	64,099	-	- Technology Fee	-	-	-		
-	45	-	- Non-Departmental	-	-	-		
64,292	62,405	58,500	The Torch	53,500	53,500	<b>53,500</b>		
<b>2,100,271</b>	<b>2,128,485</b>	<b>2,407,730</b>	<b>Total Student Services</b>	<b>2,221,386</b>	<b>2,221,386</b>	<b>2,221,386</b>		

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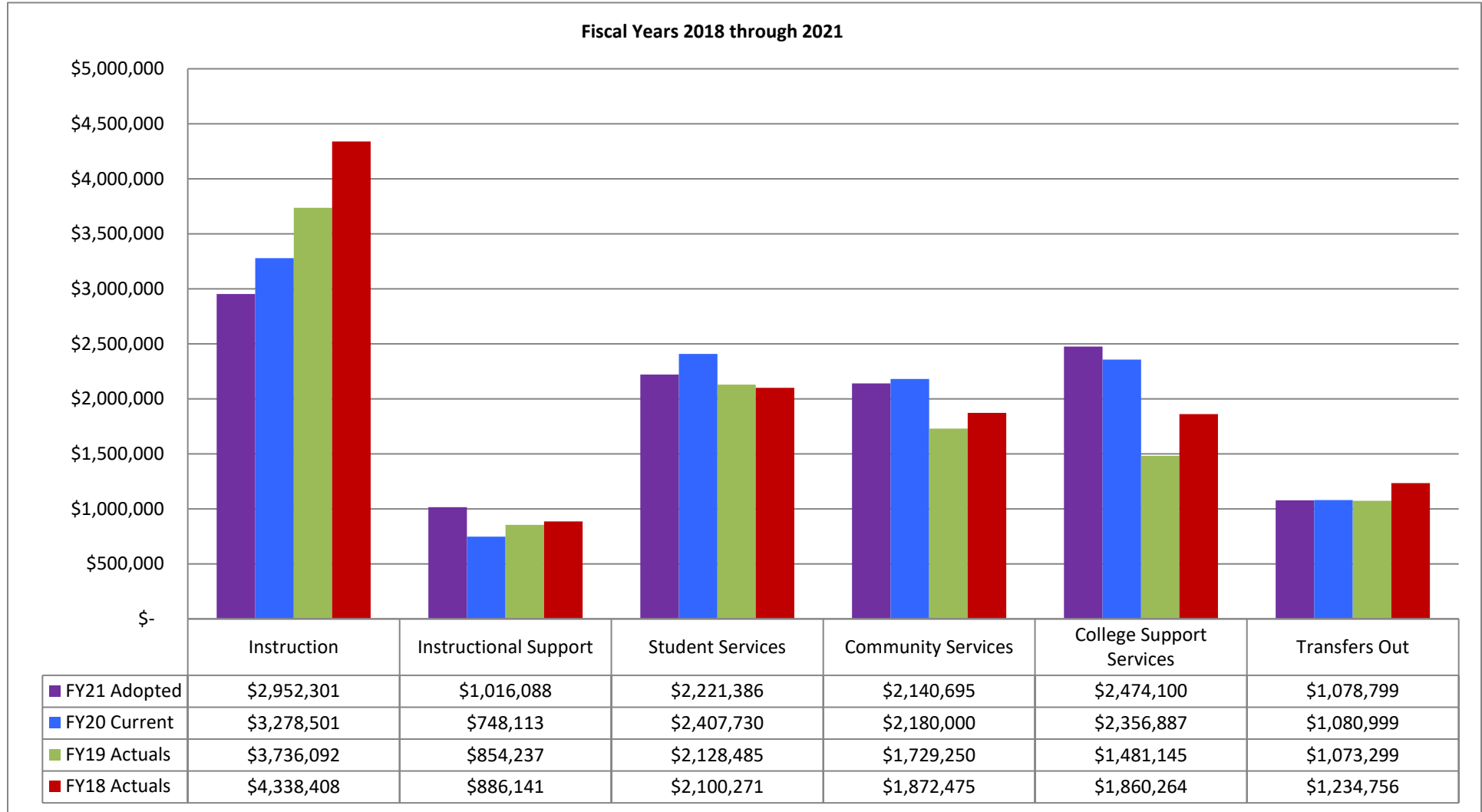
FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>REQUIREMENTS</b>								
<b>Instruction</b>								
1,169,379	1,445,591	1,245,300	Extended Learning	1,011,600	1,011,600	<b>1,011,600</b>	-	Adj. to reflect current activity
1,187,172	858,594	1,025,201	Flight Technology	1,040,701	1,040,701	<b>1,040,701</b>		
430,191	-	-	Institute for Sustainable Practices	-	-	-		
1,201,353	1,030,171	993,000	Specialized Support Services	885,000	885,000	<b>885,000</b>	-	Adj. to reflect current activity
25,751	25,754	15,000	Student Restaurant	15,000	15,000	<b>15,000</b>		
324,340	375,777	-	Technology Fee	-	-	-		
222	206	-	Non-Departmental	-	-	-		
<u>4,338,408</u>	<u>3,736,092</u>	<u>3,278,501</u>	<b>Total Instruction</b>	<u>2,952,301</u>	<u>2,952,301</u>	<u><b>2,952,301</b></u>		
<b>Instructional Support</b>								
295,875	411,365	465,000	Academic Technology	520,200	705,488	<b>705,488</b>	+	Adj. to reflect online fee change
590,265	442,872	283,113	Technology Fee	310,600	310,600	<b>310,600</b>		
<u>886,141</u>	<u>854,237</u>	<u>748,113</u>	<b>Total Instructional Support</b>	<u>830,800</u>	<u>1,016,088</u>	<u><b>1,016,088</b></u>		
<b>Student Services</b>								
604,517	665,074	778,000	Child Development Center	803,970	803,970	<b>803,970</b>		
1,004,751	1,012,488	1,038,000	Health Clinic	905,800	905,800	<b>905,800</b>	-	Vacancy
367,630	308,050	520,090	Student Engagement	444,976	444,976	<b>444,976</b>	-	Adj. to reflect current activity
25,099	16,324	13,140	Student Productions Association	13,140	13,140	<b>13,140</b>		
33,982	64,099	-	Technology Fee	-	-	-		
-	45	-	Non-Departmental	-	-	-		
64,292	62,405	58,500	The Torch	53,500	53,500	<b>53,500</b>		
<u>2,100,271</u>	<u>2,128,485</u>	<u>2,407,730</u>	<b>Total Student Services</b>	<u>2,221,386</u>	<u>2,221,386</u>	<u><b>2,221,386</b></u>		

Continued

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>Community Services</b>								
1,872,475	1,725,175	2,180,000	KLCC FM Operations	2,140,695	2,140,695	2,140,695		
-	4,074	-	Non-Departmental	-	-	-		
1,872,475	1,729,250	2,180,000	<b>Total Community Services</b>	2,140,695	2,140,695	2,140,695		
<b>College Support Services</b>								
-	-	-	Non-Departmental	15,000	15,000	15,000		+ John & Elizabeth Alltucker Fund
1,170,757	1,071,145	1,836,887	Technology Fee	1,968,900	1,968,900	1,968,900		
689,507	410,000	520,000	Transportation	490,200	490,200	490,200		
1,860,264	1,481,145	2,356,887	<b>Total College Support Services</b>	2,474,100	2,474,100	2,474,100		
<b>Plant Operation &amp; Maintenance</b>								
-	396	-	Non-Departmental	-	-	-		
-	396	-	<b>Total Operation &amp; Maintenance</b>	-	-	-		
<b>Transfers Out:</b>								
1,018,007	860,000	860,000	To General Fund I	860,000	860,000	860,000		
15,934	13,799	13,799	To Debt Service III	13,799	13,799	13,799		
200,815	199,500	207,200	To Capital Projects Fund IV	205,000	205,000	205,000		
1,234,756	1,073,299	1,080,999	<b>Total Transfers Out</b>	1,078,799	1,078,799	1,078,799		
<b>Contingency</b>								
-	-	5,500,000	Projects/Provisions	3,700,000	3,514,712	3,514,712		- Based upon fund balance estimate
-	-	5,500,000	<b>Total Contingency</b>	3,700,000	3,514,712	3,514,712		
12,292,315	11,002,904	17,552,230	<b>TOTAL REQUIREMENTS</b>	15,398,081	15,398,081	15,398,081		
6,401,545	5,627,326	-	<b>ENDING FUND BALANCE</b>	-	-	-		
<b>SUMMARY</b>								
18,693,860	16,630,231	17,552,230	Total Resources	15,398,081	15,398,081	15,398,081		
(12,292,315)	(11,002,904)	(17,552,230)	Less: Total Requirements	(15,398,081)	(15,398,081)	(15,398,081)		
6,401,545	5,627,326	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

**Chart 18: Administratively Restricted Fund IX Requirements**

Fiscal Years 2018 through 2021





**DEBT FUND III**

**AND**

**CAPITAL FUND IV**

## Long Term Debt Obligations

The debt service fund is used to account for the accumulation of resources and, for the payment of general long term debt principal, interest and related costs.

### Debt Service Fund III

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
528,081	160,043	100,000	Beginning Fund Balance	200,000	200,000	<b>200,000</b>	+	Budgeted at current projection
7,310,332	7,676,476	7,604,350	Property Taxes	12,200,618	12,200,618	<b>12,200,618</b>	+	Revenue budget for 2020 Bond
4,965,264	5,187,543	5,404,250	Other Revenue	10,669,250	10,669,250	<b>10,669,250</b>	+	TANpool, resources for short-term borrowing
<u>12,275,596</u>	<u>12,864,019</u>	<u>13,008,600</u>	<b>Total Revenues</b>	<u>22,869,868</u>	<u>22,869,868</u>	<b>22,869,868</b>		
<b>Transfers In</b>								
69,897	746,893	802,504	Transfer In General Fund I	902,884	902,884	<b>902,884</b>	+	Accounting change
1,148,513	625,300	606,400	Transfer In Enterprise Fund VI	579,500	579,500	<b>579,500</b>		
<u>15,934</u>	<u>13,799</u>	<u>13,799</u>	Transfer In Administratively Restricted IX	<u>13,799</u>	<u>13,799</u>	<b>13,799</b>		
<u>1,234,344</u>	<u>1,385,992</u>	<u>1,422,703</u>	<b>Total Transfers In</b>	<u>1,496,183</u>	<u>1,496,183</u>	<b>1,496,183</b>		
<u>14,038,021</u>	<u>14,410,054</u>	<u>14,531,303</u>	<b>TOTAL RESOURCES</b>	<u>24,566,051</u>	<u>24,566,051</u>	<b>24,566,051</b>		
<b>REQUIREMENTS</b>								
<u>13,877,978</u>	<u>14,127,010</u>	<u>14,531,303</u>	Debt Service	<u>24,566,051</u>	<u>24,566,051</u>	<b>24,566,051</b>	+	Budget authority for 2020 Bond debt service
<u>13,877,978</u>	<u>14,127,010</u>	<u>14,531,303</u>	<b>TOTAL REQUIREMENTS</b>	<u>24,566,051</u>	<u>24,566,051</u>	<b>24,566,051</b>		
<u>160,043</u>	<u>283,044</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
14,038,021	14,410,054	14,531,303	Total Resources	24,566,051	24,566,051	<b>24,566,051</b>		
<u>(13,877,978)</u>	<u>(14,127,010)</u>	<u>(14,531,303)</u>	Less: Total Requirements	<u>(24,566,051)</u>	<u>(24,566,051)</u>	<b>(24,566,051)</b>		
160,043	283,044	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

### Obligation to Pay

Debt incurred by a community college district becomes the obligation of the district to pay. In the event that a community college district no longer has students and no longer provides educational services, it is still required to levy and collect property taxes, up to its operating tax rate limit. Article XI, Section 11b (often called "Measure 5") limits Educational Taxes to \$5 per \$1,000 of the Taxable Real Market Value of a property.

**Debt Limitation**

**General Obligation Bonds.** Oregon Revised Statute (ORS) 341.675 establishes a parameter of general obligation bonded indebtedness for community college districts. Community colleges may issue an aggregate principal amount up to 1.5 percent of Real Market Value (RMV) of all taxable properties within the district if the District's voters approve the general obligation bonds. General obligation bonds are secured by the power to levy an additional tax outside the limitations of Article XI, Sections 11 and 11b.

<b>Lane Community College General Obligation Debt Capacity</b>		
<b>Measure 5 Real Market Value (Fiscal Year 2019)</b>	\$61,943,645,766	(1)
<b>Dept Capacity</b>		
General Obligation Dept Capacity (1.5% of RMV)	929,154,686	
Less: Outstanding Dept Subject to Limit	36,730,000	(2)
<b>Remaining General Obligation Dept Capacity</b>	892,424,686	
<b>Percent of Capacity Issued</b>	3.95%	

(1) The District's fiscal Year commences July 1 and ends June 30 of the following year (the "Fiscal Year"). *Source: Lane, Linn, Benton and Douglas Counties Department of Assessment and Taxation.*

(2) Represents voter-approved, unlimited-tax general obligations of the District. *Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June, 30, 2019.*

**Full Faith and Credit Obligations/Limited Tax Obligations.** Community colleges may pledge their full faith and credit for "limited tax bonded indebtedness" or "full faith and credit obligations" in addition to pledging the full faith and credit for voter approved general obligation bonds. The Oregon Constitution and statutes do not limit the amount of limited tax bonded indebtedness that a community college may issue. Full faith and credit obligations can take the form of certificates of participation, notes or capital leases. Collection of property taxes to pay principal and interest on such limited-tax debt is subject to limitations of Article XI, Sections 11 and 11b.

**Pension Bonds.** ORS 238.694 authorizes community colleges to issue full faith and credit obligations to pay pension liabilities without limitations as to principal amount. Pension bonds are not general obligation as defined under State law and the District is not authorized to levy additional taxes to make pension bond payments.



**Revenue Bonds.** The district may issue revenue bonds for any public purpose, which are secured by revenues pursuant to ORS 287A.150. Subject to any applicable limitations imposed by the Oregon Constitution or laws of the state or resolution of an individual community college, ORS 287A.180 provides that the District may borrow money in anticipation of tax revenues or other monies and provide interim financing.

### Short-Term Debt

#### Oregon Education Districts Short Term Borrowing Program (TANPool).

The Oregon Education Districts Short Term Borrowing Program (TANPool) allows school districts, ESDs, and community college to address funding gaps that can occur due to the cyclical nature of education funding, or unplanned emergency spending, through the issuance of Tax Anticipation Notes (TAN). In April 2020, the Lane Community College Board of Education authorized the College to borrow \$4.35 million through the (TANPool) program to address short-term cash flow needs anticipated to occur September 2020. The estimated cost for the loan is \$75,000 and the maturity date is 12/30/2020.

#### Flight Technology

In September 2013, the College executed promissory notes for the purchase of two aircraft totaling \$230,000 for the Flight Technology Program. The benefits of these airplanes are lower fuel costs, high reliability, low down-time and industry standard equipment that better prepare students for the equipment they will be using after graduation. After one of the aircraft was damaged beyond repair, the College fully repaid the related note with proceeds from an insurance settlement. The notes are payable in monthly installments with interest at 3.685% per annum, debt service for this loan is to be paid by an interfund transfer from Fund IX so there is no impact on the General Fund. The loan will be fully paid September 15, 2023.

Flight Technology Long-Term Debt	Principal	Interest	Total
2020-2021	12,435	1,364	13,799
2021-2024	29,734	1,314	31,048
Total Flight Technology	42,169	2,678	44,847

#### Qualified Energy Conservation Bonds

In October 2012, the College issued \$1,500,000 of Qualified Energy Conservation Bonds to finance capital costs for energy conservation measures. The bonds are due annually and interest is payable semi-annually, on June 15 and December 15, with interest at 4.62% per annum. The bonds qualify for interest subsidy payments from the U.S. Treasury for up to 70% of the interest payments. This note will be fully paid in 2027.

Qualified Energy Conservation Bonds	Principal	Interest	Total
2020-2021	100,000	37,884	137,884
2021-2027	720,000	121,506	841,506
Total Qualified Energy Conservation Bonds	820,000	159,390	979,390

#### General Obligation Bonds

On November 4, 2008, voters approved authority for the College to issue \$83 million in general obligation bonds to be used to renovate outdated infrastructure and instructional technology. In June 2009, the College issued Series 2009 General Obligation Bonds in the original amount of \$45 million and in August 2012, the College issued \$38 million in Series 2012 General Obligation Bonds. These general obligation bonds were issued to finance the costs of capital construction and improvements to college facilities, and to pay the costs of issuance of the Bonds. The bonds will be retired from property taxes levied by the College. The Bonds are due annually and interest is payable semi-annually, on June 15 and December 15, with interest rates ranging from 4.0% to 5.0% on the Series 2009 Bonds and 3.0% to 5.0% on the Series 2012 Bonds.

In June 2016, the College issued Series 2016 General Obligation Refunding Bonds in the amount of \$14,135,000. These bonds were used to extinguish \$14,630,000 of outstanding Series 2009 General Obligation Bonds through an in-substance defeasance. The in-substance defeasance was accomplished by placing a portion of the proceeds of the Series 2016 General Obligation Refunding Bonds in an irrevocable trust from which principal and interest payments will be made on the defeased debt. The excess of the reacquisition price of the defeased debt over its carrying value was deferred and is being amortized over the term of the Series 2009 bonds. On June 30, 2017, \$14,630,000 in Series 2009 bonds were outstanding and considered defeased.

General Obligation Bonds	Series 2012 Bonds		Series 2016 Bonds		Total
	Principal	Interest	Principal	Interest	
2020-2021	4,585,000	774,850	2,160,000	520,800	8,040,650
2021-2024	12,940,000	1,261,775	10,860,000	889,800	25,951,575
Total General Obligation Bonds	17,525,000	2,036,625	13,020,000	1,410,600	33,992,225

### Full Faith & Credit Obligations

In October 2016, the College issued \$17,580,000 of Full Faith and Credit Obligations, Series 2016 to extinguish the remaining \$19,355,000 of Full Faith and Credit Obligations, Series 2010 (previously termed "Recovery Zone Bonds"). The Series 2010 Obligations were used to finance the costs of capital improvements for the College's student housing project, to pay capitalized interest and to pay the costs of issuance of the Obligations. The Series 2010 Obligations were called on October 25, 2016.

The College advance refunded the Series 2010 Obligations to take advantage of lower interest rates and to reduce total debt service payments over the life of the Series 2016 Obligations by \$3,171,550. The refunding resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$2,554,977. The Series 2016 Obligations bear interest rates from 1.6% to 5% and the final maturity is on December 1, 2035. Debt service payments are scheduled semiannually.

Full Faith & Credit Obligations	Principal	Interest	Total
2020-2021	685,000	579,500	1,264,500
2021-2036	14,050,000	4,646,000	18,696,000
Total Full Faith & Credit Obligatio	14,735,000	5,225,500	19,960,500

### Pension Obligation Bonds

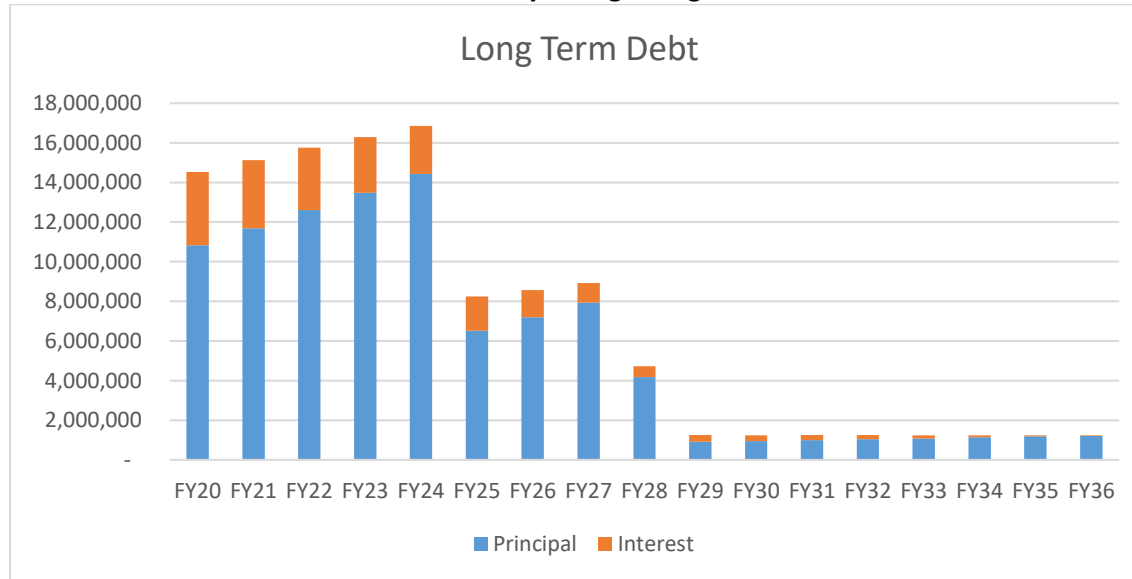
In April 2003, the College issued \$51,803,948 of Limited Tax Pension Obligation Bonds and transferred the net proceeds to the State of Oregon Public Employees Retirement System to cover a portion of the College's share of the cost sharing plan's unfunded actuarial liability. The resulting pension asset is being used to pay a portion of the college's annual required contribution. Principal payments are due annually through June 30, 2028 and interest is payable in December and June of each year with rates ranging from 5.91% to 6.25%. Table below shows the College's total debt service.

<b>Pension Obligation Bonds</b>	Principal	Interest	Total
2020-2021	4,140,000	1,529,250	5,669,250
2021-2028	<u>36,220,000</u>	<u>7,518,154</u>	<u>43,738,154</u>
Total Pension Obligation Bonds	40,360,000	9,047,404	49,407,404
Less Deferred Interest	<u>(2,468,771)</u>		
Carrying Amount	37,891,229		

<b>Total Debt Service</b>	Principal	Interest	Total
2020-2021	11,682,435	3,443,648	15,126,083
2021-2036	<u>74,819,691</u>	<u>14,438,549</u>	<u>89,258,240</u>
Total Debt Service	86,502,126	17,882,197	104,384,323
Less Deferred Interest	<u>(2,468,771)</u>		
	84,033,355		

**Chart 19: Lane Community College Long Term Debt<sup>4</sup>**



<sup>4</sup> Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June 30, 2019

Capital Projects Fund IV

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
4,064,939	1,674,654	2,284,000	Beginning Fund Balance	1,357,000	1,357,000	<b>1,357,000</b>	-	Budgeted at current projection
701,878	264,000	-	State Support	-	-	-	-	
251,331	253,682	226,000	Other Fees & Charges	135,000	135,000	<b>135,000</b>	-	Pledge A/R from Foundation; facility rentals
55,844	16,488	-	Other Revenue	20,000,000	20,000,000	<b>20,000,000</b>	+	Budget authority for 2020 Bond
<u>1,009,053</u>	<u>534,170</u>	<u>226,000</u>	<b>Total Revenues</b>	<u>20,135,000</u>	<u>20,135,000</u>	<u><b>20,135,000</b></u>		
<b>Transfers In</b>								
1,000,000	2,500,000	1,100,000	Transfer In General Fund I	810,000	810,000	<b>810,000</b>	-	Reduced Major Maintenance funding
200,815	199,500	207,200	Transfer In Administratively Restricted IX	205,000	205,000	<b>205,000</b>		
<u>1,200,815</u>	<u>2,699,500</u>	<u>1,307,200</u>	<b>Total Transfers In</b>	<u>1,015,000</u>	<u>1,015,000</u>	<u><b>1,015,000</b></u>		
<u>6,274,807</u>	<u>4,908,324</u>	<u>3,817,200</u>	<b>TOTAL RESOURCES</b>	<u>22,507,000</u>	<u>22,507,000</u>	<u><b>22,507,000</b></u>		
<b>REQUIREMENTS</b>								
<b>Capital Projects</b>								
<u>4,039,732</u>	<u>2,417,838</u>	<u>3,517,200</u>	Capital Projects	<u>22,507,000</u>	<u>22,507,000</u>	<u><b>22,507,000</b></u>	+	Budget authority for 2020 Bond
<u>4,039,732</u>	<u>2,417,838</u>	<u>3,517,200</u>	<b>Total Capital Projects</b>	<u>22,507,000</u>	<u>22,507,000</u>	<u><b>22,507,000</b></u>		
<b>Contingency</b>								
-	-	-	Projects/Provisions	-	-	-		
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Contingency</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>Transfers Out</b>								
462,194	-	300,000	To General Fund I	-	-	-	-	One-time FY19 funding
98,227	-	-	To Administratively Restricted Fund IX	-	-	-		
<u>560,421</u>	<u>-</u>	<u>300,000</u>	<b>Total Transfers Out</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>4,600,153</u>	<u>2,417,838</u>	<u>3,817,200</u>	<b>TOTAL REQUIREMENTS</b>	<u>22,507,000</u>	<u>22,507,000</u>	<u><b>22,507,000</b></u>		
<u>1,674,654</u>	<u>2,490,486</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
6,274,807	4,908,324	3,817,200	Total Resources	22,507,000	22,507,000	<b>22,507,000</b>		
<u>(4,600,153)</u>	<u>(2,417,838)</u>	<u>(3,817,200)</u>	Less: Total Requirements	<u>(22,507,000)</u>	<u>(22,507,000)</u>	<u><b>(22,507,000)</b></u>		
1,674,654	2,490,486	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

## Capital Budget

### What is a Capital Project?

A Capital Project is defined as an activity that creates, improves, replaces, repairs, or maintains a capital asset and results in a permanent addition to the College's asset inventory. Capital Projects are accomplished through one or more of the following actions:

- Rehabilitation, reconstruction or renovation of an existing facility to a condition which extends its useful life or increases its usefulness or capacity;
- Acquisition of property; or
- Construction of new facilities.

Capital Projects are generally large-scale endeavors in terms of cost, size and benefit to the community. They involve non-recurring expenditures or capital outlays from a variety of specifically identified funding sources, which do not duplicate normal maintenance activities funded by the operating budget.

### What is a Capital Purchase?

A Capital Purchase is equipment, books and publications, or software with a useful life exceeding two years and an individual cost equal to or above the following thresholds:

1. At the threshold set forth in applicable regulations or grantor requirements, when the assets are acquired with grant or contract funds, but not at a higher threshold than 2, below.
2. At \$10,000 when the owner of the asset(s) is Lane Community College at the time of purchase or construction. *(COPPS, Purchases: Capital Equipment.)*

### Rehabilitation and Preservation of Existing Capital Assets

As an asset ages, it requires preservation to protect or extend its useful life. In addition, reconstruction costs are frequently four to five times the cost of preservation and maintenance. For that reason, major maintenance funding transfer from the General Fund to the Capital Projects Fund reflects board policy:

- Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance. *(Board Policy 205).*

### Impact of Capital Projects on Marginal Operating Costs

Generally, projects that create new capital facilities or increase capacity will have associated long-term operating, preservation, and maintenance costs. The Leadership in Educational Facilities (APPA) professional association recommends the following formula to budget operating costs for new buildings:

- Annual maintenance costs are 2% of the construction cost.
- Custodial Services at a cost of \$1.95/square foot. LCC expended 1.13/ft.<sup>2</sup> for Custodial Services in FY19.
- Plan for utility costs for the new building(s). LCC expended \$.98/ft.<sup>2</sup> for utilities in FY19.
- If applicable, plan for grounds cost per acre.

### What is Deferred Maintenance?

Deferred maintenance is previously unfunded major maintenance or capital projects. By deferring maintenance or capital renewal, the risk of facility or capital failure increases.

**What are Lane Community College's Deferred Maintenance Needs?**

Based on a professional assessment contracted as part of Facilities Master Plan update, the 2017 Facilities Conditions Assessment determined that the College had \$90,000,000 in maintenance needs from 2017 to 2027. These needs include roofs, HVAC systems, electrical systems, elevator modernizations, ADA upgrades, and plumbing improvements. Also in 2017, LCC started a facilities master plan to address the physical assets of the college for the next 10 to 15 years. After a robust and inclusive process, the Lane Community College Facilities Master Plan was approved by the LCC Board of Education in March 2020. The 2019 Facilities Master Plan addresses the primary needs, but not all, of deferred maintenance of buildings, space use efficiency, exterior accessibility and way-finding, safety and climate action planning/sustainability. At a cost of \$219 million, the plan identifies several funding sources over the next decade to include, but not limited to: local bonds, state sources, annual major maintenance funding from the college, and private sources. Using 2023 dollars, the college has \$107.2 million in deferred maintenance needs across the main campus, Cottage Grove Center, Florence Center, the Mary Spilde Center in downtown Eugene, and the Eugene airport. The Master Plan outlines an approach to address 59%, or \$63.7 million, of building deferred maintenance needs in a 10 to 15 year period.<sup>5</sup> The plan also outlines seismic rehabilitation for eight of the twelve LCC buildings that require seismic upgrades, parking lot improvements over 10 to 15 years, athletic field deferred maintenance, replacement of failing exterior assets, and infrastructure analysis and repairs.

**2020 Bond**

The Lane Community College Board proposes Ballot Measure No. 20-306 to increase safety, repair and construct labs for training, extend life of aging facilities, update technology and finance capital costs to support student learning. Bond dollars would be used to address the following priorities within the Facilities Master Plan: Safety, Security, and Accessibility; Workforce Retraining and Career Technical Education; and Student Success.

In addition, the issued bonds will not exceed \$121.5 million and the measure is expected to include the following projects:

- District-wide earthquake and safety upgrades;
- Update Science labs and modernize Math, Arts, and Engineering spaces;
- Create a Workforce Development Center;
- Construct building for expanded Health Professions programs and Dental Clinic;
- Expand Manufacturing and Technology Programs;
- Create a mobile manufacturing/welding lab;
- Build Cybersecurity Program lab; and,
- Related site improvements, equipment, furnishings, and cost of issuance.

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<sup>5</sup> Lane Community College 2020 Facilities Master Plan: Rowell Brokaw, CRC Facilities Planning Architecture, and Lane Community College.

**Table 14: LCC Adopted Capital Budget – All Funds & All Sources**

<b>Fund</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020 Budget</b>	<b>FY21 Proposed</b>
<b>General Fund</b>	886,500	171,000	949,782	883,782	173,800	245,500	300,500	304,000
<b>Admin. Restricted</b>	184,109	65,649	158,175	323,476	349,063	160,404	100,000	110,000
<b>Internal Service</b>	135,000	185,000	185,000	100,000	25,000	-	-	63,200
<b>Capital Fund<sup>6</sup></b>	33,625,360	34,590,587	35,245,627	9,661,608	7,491,369	4,066,500	3,817,200	22,507,000
<b>Enterprise</b>	1,164,555	550,000	310,000	30,000	20,000	-	-	-
<b>Special Revenue</b>	265,000	265,000	265,000	250,000	250,000	250,000	250,000	250,000
<b>Total</b>	36,260,524	35,827,236	37,113,584	11,248,866	8,309,232	4,722,404	4,467,700	23,234,200

**Capital Renewal Plan, Differing Funding Levels**

For the FY21 Proposed Budget, Lane Community College proposes a \$23.2M (table 14) budget for capital projects and purchases. Of the total proposed budget, \$22.5M is in the Capital Fund and \$810K is allocated for major maintenance. The scenarios outlined in Table 15 outline capital renewal projects under varying funding scenarios.

At a \$810K funding level, the Facilities Management & Planning (FMP) team will initiate the Aviation Academy roof repairs and major maintenance, flooring safety upgrades across campus, as well as install OSHA mandated roof tie offs for building 4. This funding level also reserves funding for wayfinding updates, architectural and engineering planning fees, and unplanned expenditures. For example, typical unplanned expenditures include water damage from roof leaks, pipe failures, HVAC and electrical equipment. At this funding level, the deferred maintenance list will increase, as funding is not available for other necessary projects. At a \$2.6M funding level, the FMP team will initiate all the projects outlined in Table 15 below and reserve some funds for unplanned expenditures. Similar to the \$810K funding level, the deferred maintenance list will increase.

<sup>6</sup> The Capital Fund budget is declining as LCC is finishing projects tied to the \$83M bond, which Lane County voters passed in 2008.

**Table 15: FY21 Capital Renewable Plan at Differing Funding Levels**

Project	Funding Scenarios			Notes
	\$2.6M	\$1.8M	\$810K	
Aviation Academy roof repairs	✓	✓	✓	Replace flat portion of building 43 roof & all of 44
Aviation Academy: bldg. 43 major maint.	✓	✓	✓	Dry rot repair, exterior paint, replace ceiling tiles
Building 4 roof tie offs	✓	✓	✓	OSHA mandated and departmental goal
Building 1 lighting controls	✓	✓		These controls are failed
Building 5 gym lighting controls	✓	✓		Controls currently operated by 5" floppy disk
Building 25 flooring	✓	✓		Building is 25 years old and the flooring is damaged
Parking lot LEDs	✓	✓		Originally installed in 2010 and will begin failing in 2020
Exterior wall pack lighting	✓	✓		Installed in 2010 and is failing
Flooring safety upgrades	✓	✓	✓	
Parking lot maintenance	✓	✓		
Replace elec. feeder wire in bldgs. 3,4,5, and 6	✓	✓		Lifespan of 30 years and is 50+ years old with a medium to high probability of failure by 2022
Concrete repairs	✓	✓	✓	Replace worn and chipped concrete
Wayfinding	✓	✓	✓	
Architectural and Engineering planning fees	✓	✓	✓	
Building 5 HVAC repairs	✓			
Building 19 roof	✓			
Building 7 roof	✓			
Building 7 roof restraint anchors & tie offs	✓			
Remove broken stairway west of bldg. 18	✓			Currently blocked off due to safety hazards
Building 18 exterior handrail	✓			



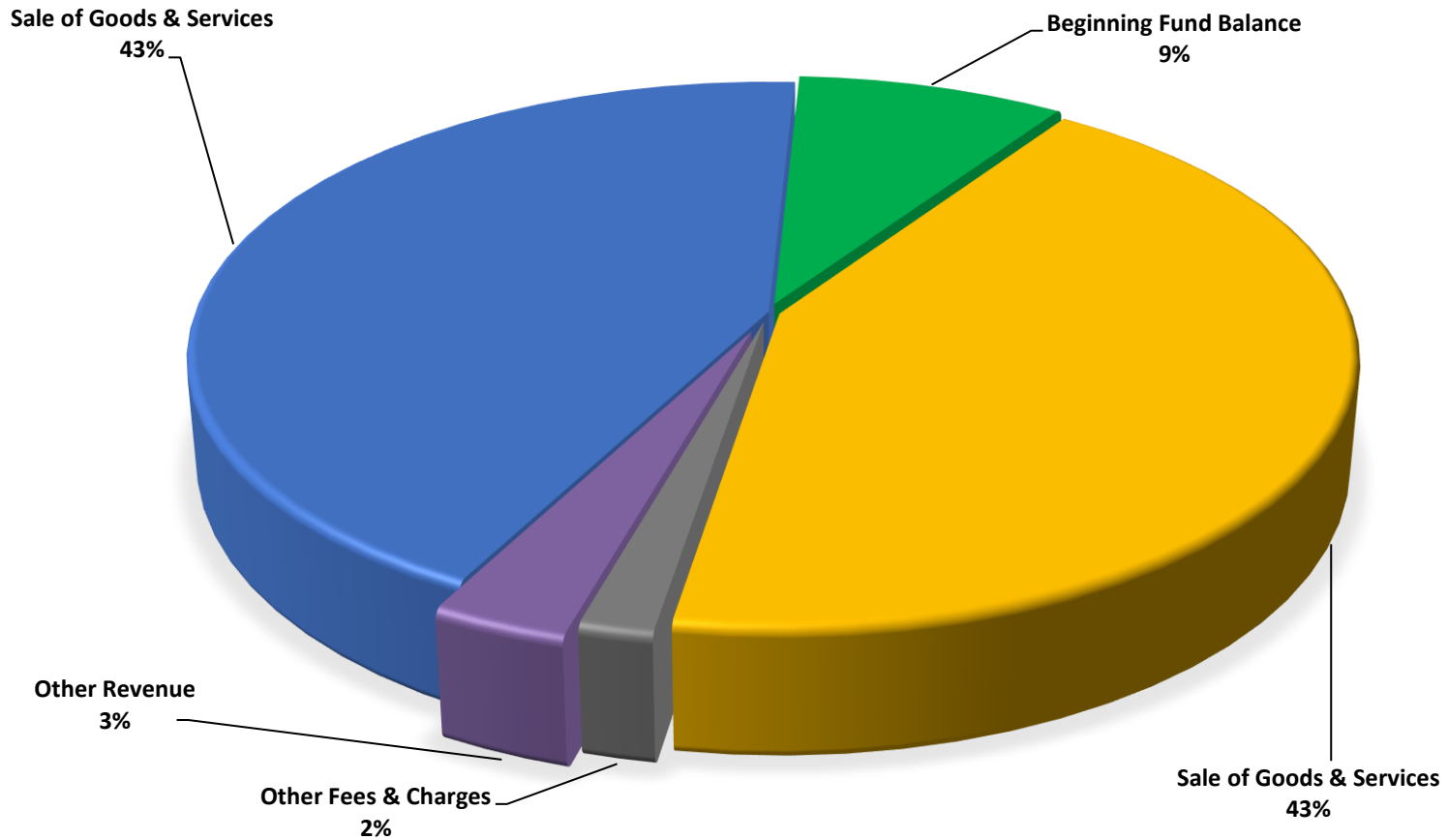


**INTERNAL SERVICE FUND II**  
**FINANCIAL AID FUND V**  
**ENTERPRISE FUND VI**  
**SPECIAL REVENUE FUND VIII**

**Internal Service Fund II**

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
610,686	622,471	270,000	Beginning Fund Balance	143,200	143,200	<b>143,200</b>	-	Budgeted at current projection
927,024	824,378	730,000	Sale of Goods and Services	712,000	712,000	<b>712,000</b>		
1,535	-	-	Student Fees	-	-	-		
34,016	27,844	30,000	Other Fees & Charges	30,000	30,000	<b>30,000</b>		
2,660	41,006	30,000	Other Revenue	55,000	55,000	<b>55,000</b>	+	Adj. to reflect current activity
<u>965,235</u>	<u>893,228</u>	<u>790,000</u>	<b>Total Revenues</b>	<u>797,000</u>	<u>797,000</u>	<u><b>797,000</b></u>		
<b>Transfers In</b>								
89,478	-	-	Transfer In General Fund I	-	-	-		
<u>89,478</u>	<u>-</u>	<u>-</u>	<b>Total Transfers In</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>1,665,399</u>	<u>1,515,699</u>	<u>1,060,000</u>	<b>TOTAL RESOURCES</b>	<u>940,200</u>	<u>940,200</u>	<u><b>940,200</b></u>		
<b>REQUIREMENTS</b>								
<b>College Support Services</b>								
77,731	-	-	Employee Wellness	-	-	-		
2,004	4,898	10,000	Institute for Sustainable Practices	25,000	25,000	<b>25,000</b>	+	Increased for investments in sustainability
28,699	93,327	100,000	Motor Pool	123,200	123,200	<b>123,200</b>	+	Increased for capital investment
546,949	833,511	750,000	Printing & Graphics and Warehouse	742,000	742,000	<b>742,000</b>		
-	11,959	-	Non-Departmental	-	-	-		
377,545	255,521	-	Telephone Services	-	-	-		
<u>1,032,928</u>	<u>1,199,217</u>	<u>860,000</u>	<b>Total College Support Services</b>	<u>890,200</u>	<u>890,200</u>	<u><b>890,200</b></u>		
<b>Plant Operation &amp; Maintenance</b>								
-	1,161	-	Motor Pool	-	-	-		
<u>-</u>	<u>1,161</u>	<u>-</u>	<b>Total Plant Operation &amp; Maintenance</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>Contingency</b>								
-	-	200,000	Projects/Provisions	50,000	50,000	<b>50,000</b>	-	Budgeted at current projection
<u>-</u>	<u>-</u>	<u>200,000</u>	<b>Total Contingency</b>	<u>50,000</u>	<u>50,000</u>	<u><b>50,000</b></u>		
<b>Transfers Out:</b>								
10,000	86,000	-	To General Fund I	-	-	-		
<u>10,000</u>	<u>86,000</u>	<u>-</u>	<b>Total Transfers Out</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>1,042,928</u>	<u>1,286,378</u>	<u>1,060,000</u>	<b>TOTAL REQUIREMENTS</b>	<u>940,200</u>	<u>940,200</u>	<u><b>940,200</b></u>		
<u>622,471</u>	<u>229,321</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
1,665,399	1,515,699	1,060,000	Total Resources	940,200	940,200	<b>940,200</b>		
(1,042,928)	(1,286,378)	(1,060,000)	Less: Total Requirements	(940,200)	(940,200)	<b>(940,200)</b>		
<u>622,471</u>	<u>229,321</u>	<u>-</u>	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>		

Chart 20: Internal Services Fund II Resources



Financial Aid Fund V

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
1,661,035	1,210,206	1,527,500	Beginning Fund Balance	1,527,500	1,527,500	<b>1,527,500</b>		
5,108,956	5,323,517	6,900,000	State Support	6,900,000	6,900,000	<b>6,900,000</b>		
26,652,556	24,694,219	35,358,000	Federal Support	36,358,000	36,358,000	<b>36,358,000</b>		
Other Sources:								
20,070	-	-	Administrative Recovery	-	-	-		
915,337	869,929	750,000	Other Fees & Charges	750,000	750,000	<b>750,000</b>		
2,269,777	2,740,937	2,640,000	Other Revenue	2,690,000	2,690,000	<b>2,690,000</b>		
<u>34,966,695</u>	<u>33,628,602</u>	<u>45,648,000</u>	<b>Total Revenues</b>	<u>46,698,000</u>	<u>46,698,000</u>	<b>46,698,000</b>		
Transfers In:								
-	-	-	- Transfer In General Fund I	-	-	-		
-	-	-	- Transfer In Administratively Restricted IX	-	-	-		
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Transfers In</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>36,627,730</u>	<u>34,838,808</u>	<u>47,175,500</u>	<b>TOTAL RESOURCES</b>	<u>48,225,500</u>	<u>48,225,500</u>	<b>48,225,500</b>		
<b>REQUIREMENTS</b>								
<b>Financial Aid</b>								
35,367,524	33,911,502	45,915,500	Financial Aid	46,965,500	46,965,500	<b>46,965,500</b>		
<u>35,367,524</u>	<u>33,911,502</u>	<u>45,915,500</u>	<b>Total Expenditures</b>	<u>46,965,500</u>	<u>46,965,500</u>	<b>46,965,500</b>		
Transfers Out:								
50,000	50,000	50,000	To General Fund I	50,000	50,000	<b>50,000</b>		
<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<b>Total Transfers Out</b>	<u>50,000</u>	<u>50,000</u>	<b>50,000</b>		
Contingency								
-	-	1,210,000	Projects/Provisions	1,210,000	1,210,000	<b>1,210,000</b>		
<u>-</u>	<u>-</u>	<u>1,210,000</u>	<b>Total Contingency</b>	<u>1,210,000</u>	<u>1,210,000</u>	<b>1,210,000</b>		
<u>35,417,524</u>	<u>33,961,502</u>	<u>47,175,500</u>	<b>TOTAL REQUIREMENTS</b>	<u>48,225,500</u>	<u>48,225,500</u>	<b>48,225,500</b>		
<u>1,210,206</u>	<u>877,306</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
36,627,730	34,838,808	47,175,500	Total Resources	48,225,500	48,225,500	<b>48,225,500</b>		
(35,417,524)	(33,961,502)	(47,175,500)	Less: Total Requirements	(48,225,500)	(48,225,500)	<b>(48,225,500)</b>		
1,210,206	877,306	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

Enterprise Fund VI

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
5,371,295	3,991,532	1,861,000	Beginning Fund Balance	1,450,000	1,450,000	<b>1,450,000</b>	-	Budgeted at current projection
Tuition & Fees:								
2,516,453	2,312,152	2,606,600	Tuition	2,200,000	2,200,000	<b>2,200,000</b>	-	Enrollment decline
618,469	552,921	617,750	Student Fees	350,500	350,500	<b>350,500</b>	-	Enrollment decline
3,913,325	3,598,963	1,500,000	Sale of Goods and Services	1,290,000	1,290,000	<b>1,290,000</b>	-	Enrollment decline
2,074,101	1,336,742	376,800	Downtown Housing Rents	320,125	320,125	<b>320,125</b>	-	Budgeted at current activity level
1,412,396	1,988,876	2,098,000	Other Fees & Charges	1,775,000	1,775,000	<b>1,775,000</b>	-	Enrollment decline
<u>10,534,744</u>	<u>9,789,654</u>	<u>7,199,150</u>	<b>Total Revenues</b>	<u>5,935,625</u>	<u>5,935,625</u>	<u><b>5,935,625</b></u>		
<b>Transfers In</b>								
-	-	-	Transfer In General Fund I	-	-	-		
-	-	-	Transfer In Internal Svs Fund II	-	-	-		
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Transfers In</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>15,906,039</u>	<u>13,781,186</u>	<u>9,060,150</u>	<b>TOTAL RESOURCES</b>	<u>7,385,625</u>	<u>7,385,625</u>	<u><b>7,385,625</b></u>		
<b>REQUIREMENTS</b>								
<b>Instruction</b>								
131,244	146,271	136,366	International Student Program	144,845	144,845	<b>144,845</b>		
<u>131,244</u>	<u>146,271</u>	<u>136,366</u>	<b>Total Instruction</b>	<u>144,845</u>	<u>144,845</u>	<u><b>144,845</b></u>		
<b>Student Services</b>								
(7,247)	-	-	Non-Departmental	-	-	-		
3,938,041	3,525,421	100,000	Bookstore	-	-	-	-	Closure of self-operated bookstore
1,204,426	1,153,243	1,491,600	Downtown Housing	1,225,000	1,225,000	<b>1,225,000</b>	-	Budgeted at current activity level
1,228,206	998,700	100,000	Foodservices	-	-	-	-	Closure of self-operated foodservices
1,264,952	1,139,390	1,300,000	Hospitality & Conference Services	1,290,000	1,290,000	<b>1,290,000</b>		
3,006,371	5,195,589	4,125,784	International Student Program	3,825,780	3,825,780	<b>3,825,780</b>		
<u>10,634,750</u>	<u>12,012,343</u>	<u>7,117,384</u>	<b>Total Student Services</b>	<u>6,340,780</u>	<u>6,340,780</u>	<u><b>6,340,780</b></u>		

Continued

FY2017-18 ACTUAL	FY2018-19 ACTUAL	FY2019-20 BUDGET	Description of Resources and Requirements	FY2020-21 PROPOSED	FY2020-21 APPROVED	FY2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
			<b>Contingency</b>					
-	-	1,200,000	Projects/Provisions	100,000	100,000	100,000	-	Budgeted at current projection
-	-	1,200,000	<b>Total Contingency</b>	100,000	100,000	100,000		
			<b>Transfers Out:</b>					
-	15,000	-	To General Fund I	-	-	-		
1,148,513	625,300	606,400	To General Fund I	800,000	800,000	800,000	+	Accounting change
1,148,513	640,300	606,400	<b>Total Transfers Out</b>	800,000	800,000	800,000		
			<b>TOTAL REQUIREMENTS</b>					
11,914,507	12,798,914	9,060,150		7,385,625	7,385,625	7,385,625		
3,991,532	982,272	-	<b>ENDING FUND BALANCE</b>	-	-	-		
			<b>SUMMARY</b>					
15,906,039	13,781,186	9,060,150	Total Resources	7,385,625	7,385,625	7,385,625		
(11,914,507)	(12,798,914)	(9,060,150)	Less: Total Requirements	(7,385,625)	(7,385,625)	(7,385,625)		
3,991,532	982,272	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		

Special Revenue Fund VIII

FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGET	Description of Resources and Requirements	FY 2020-21 PROPOSED	FY 2020-21 APPROVED	FY 2020-21 ADOPTED	+ -	Explanation of changes in budget of > 10%
<b>RESOURCES</b>								
376,234	369,697	221,000	Beginning Fund Balance	255,000	255,000	255,000	+	Budgeted at current projection
3,137,602	3,018,418	2,750,000	State Support	2,750,000	2,750,000	2,750,000		
4,394,142	4,643,451	6,507,000	Federal Support	9,505,000	9,505,000	9,505,000	+	CARES Act Funding
134,577	(16,437)	300,000	Local Support	300,000	300,000	300,000		
Tuition & Fees:								
66,394	56,767	75,000	Student Fees	75,000	75,000	75,000		
27,066	14,745	-	Other Fees	-	-	-		
20,261	34,176	20,000	Sale of Goods and Services	20,050	20,050	20,050		
635,626	752,668	1,880,000	Other Revenue	1,880,000	1,880,000	1,880,000		
<u>8,415,668</u>	<u>8,503,788</u>	<u>11,532,000</u>	<b>Total Revenues</b>	<u>14,530,050</u>	<u>14,530,050</u>	<u>14,530,050</u>		
<u>8,791,902</u>	<u>8,873,485</u>	<u>11,753,000</u>	<b>TOTAL RESOURCES</b>	<u>14,785,050</u>	<u>14,785,050</u>	<u>14,785,050</u>		
<b>REQUIREMENTS</b>								
<b>Funded Projects</b>								
1,954,325	2,397,091	4,933,880	Instruction	4,946,000	4,946,000	4,946,000		
-	1,935	54,200	Instructional Support	804,500	804,500	804,500	+	CARES Act Funding
974,915	991,731	1,017,840	Student Services	2,520,750	2,520,750	2,520,750	+	CARES Act Funding
5,492,964	5,214,219	5,692,880	Community Services	5,709,300	5,709,300	5,709,300		
-	447	54,200	College Support Services	804,500	804,500	804,500	+	CARES Act Funding
<u>8,422,205</u>	<u>8,605,423</u>	<u>11,753,000</u>	<b>Total Funded Projects</b>	<u>14,785,050</u>	<u>14,785,050</u>	<u>14,785,050</u>		
<b>Transfers Out:</b>								
-	-	-	To General Fund I	-	-	-		
<u>-</u>	<u>-</u>	<u>-</u>	<b>Total Transfers Out</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>8,422,205</u>	<u>8,605,423</u>	<u>11,753,000</u>	<b>TOTAL REQUIREMENTS</b>	<u>14,785,050</u>	<u>14,785,050</u>	<u>14,785,050</u>		
<u>369,697</u>	<u>268,062</u>	<u>-</u>	<b>ENDING FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>-</u>		
<b>SUMMARY</b>								
8,791,902	8,873,485	11,753,000	Total Resources	14,785,050	14,785,050	14,785,050		
<u>(8,422,205)</u>	<u>(8,605,423)</u>	<u>(11,753,000)</u>	Less: Total Requirements	<u>(14,785,050)</u>	<u>(14,785,050)</u>	<u>(14,785,050)</u>		
369,697	268,062	-	<b>RESOURCES OVER-(UNDER) EXPENDITURES</b>	-	-	-		



**A: BUDGET STRUCTURE & FUNCTION**

**B: FINANCIAL POLICIES**

**C: AFFIRMATIVE ACTION**

**D: GLOSSARY OF TERMS & ACRONYMS**



## Budget Structure and Functions

### Basis of Budgeting

For the budget document, Oregon Budget Law requires that a modified accrual basis of accounting is used which determines when and how transactions or events are recognized. Therefore, revenues are reported when earned, expenditures are reported when the liability is incurred and taxes are accounted for on a cash basis, i.e. when received. The result is that carryovers of financial obligations from year to year are precluded and projections of anticipated revenue are not inflated.

The college budgets all college funds required to be budgeted - the General Fund and all Auxiliary Funds - in accordance with Oregon Local Budget Law on a Non-GAAP (Generally Accepted Accounting Principles) budgetary basis. Typically, GAAP provides the structure for the basis of accounting used for financial statement reporting. The differences between GAAP and the Non-GAAP budgetary basis of accounting generally concern the timing of recognition of revenues and expenditures. Thus, there are no differences between fund structure in the financial statements and the budget document.

The basic financial statements present the college and its component unit, Lane Community College Foundation, for which the college is considered to be financially accountable. The Foundation, a legally separate tax-exempt entity, is a discretely presented component unit, and is reported in a separate column in the basic financial statements. The budget document presents college information exclusive of Foundation data.

Under GAAP, basic financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the years in which they are levied. Grants and other similar types of revenue are recognized as soon as all eligibility requirements imposed by the grantor have been met.

Material timing differences in expenditures between GAAP and the Non-GAAP budgetary basis of accounting include capital expenditures, which under GAAP are allocated to depreciation expense over a specified period of time. In the budget document, capital expenditures are assigned in full to operations expense. With respect to debt service, payments to principal reduce the liability on the financial statements while interest payments are expensed. Under the budgetary basis of accounting, both principal and interest are expensed to operations within the fiscal year.

**Funds**

Lane Community College's budget is separated into the following funds appropriated by the Board of Education. Each fund is independently budgeted, operated and accounted for. The college's primary budgeting and operation funds are the General Fund (I) and the Special Revenue – Administratively Restricted Fund (IX).

**Fund I: General Fund**

Includes activities directly associated with operations related to the college's basic educational objectives.

**Fund IX: Special Revenue – Administratively Restricted Fund**

Used to account for specific programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically assessed tuition and fees or through other revenue-generating activities.

**Fund II: Internal Service Fund**

Includes functions that exist primarily to provide goods or services to other instructional or administrative units of the college.

**Fund III: Debt Service Fund**

Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Fund IV: Capital Projects Fund**

Used for the acquisition of land, new construction, major remodeling projects and major equipment purchases.

**Fund V: Financial Aid Fund**

Used for the provision of grants, stipends and other aid to enrolled students.

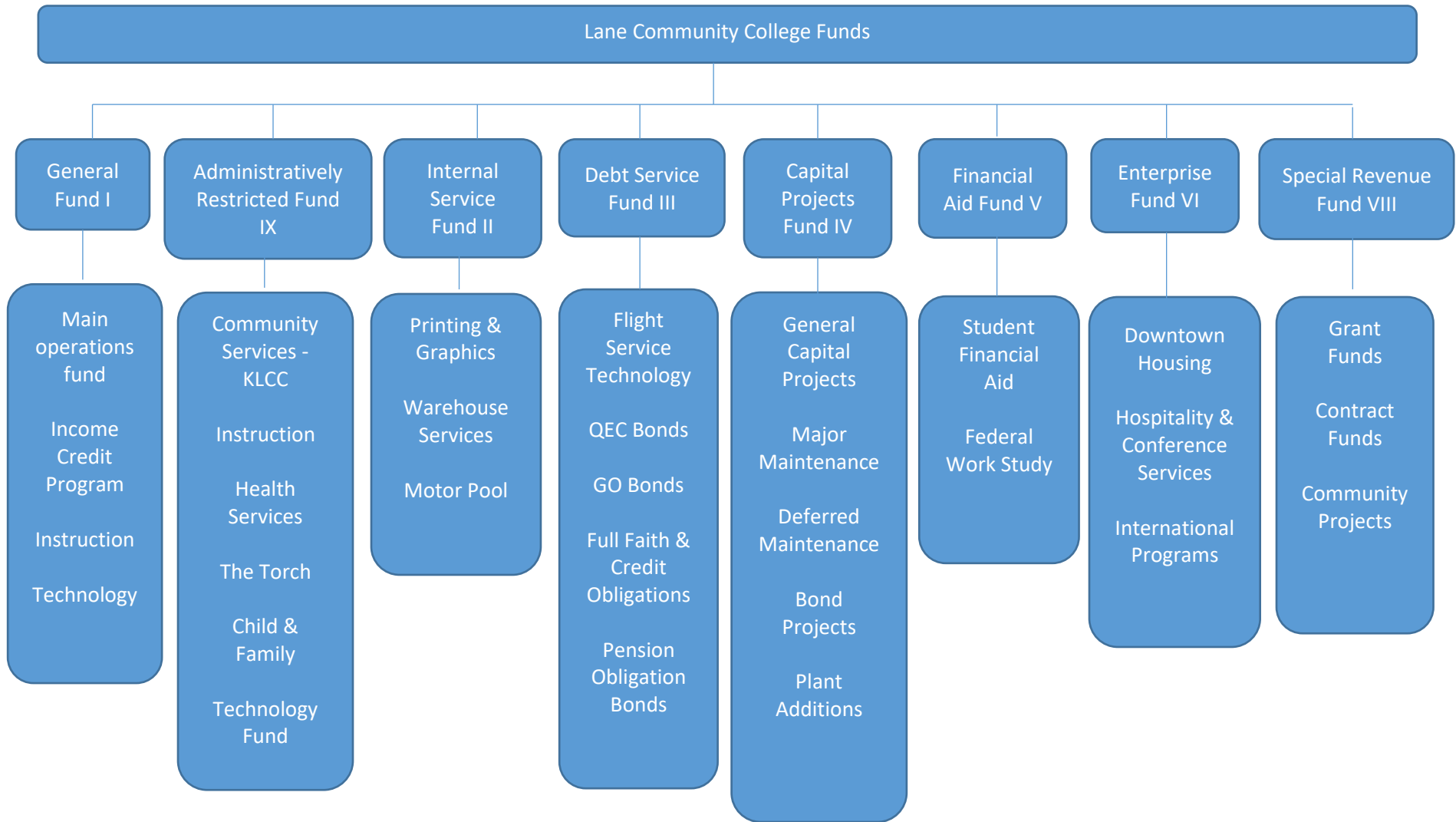
**Fund VI: Enterprise Fund**

Includes activities that furnish goods or services to students, staff or the public for which charges or fees are assessed that are directly related to the cost of the good or service provided.

**Fund VIII: Special Revenue Fund**

Accounts for revenue sources that are legally restricted to expenditures for specific purposes

# Fund Summary



## Revenue Sources

### Intergovernmental

Also known as total public resources, intergovernmental resources include Lane's allocation of community college funding from the State of Oregon, resources from various unrestricted federal, state and local contracts, and local property tax revenue. State community college funding resources are determined by the state legislature's funding distribution formula and are calculated on a biennial basis. Federal, state and local unrestricted resources are budgeted using statistical trend analysis. Property tax revenue is determined by annual property tax levy and is budgeted using estimates provided by the state and through historical trend analysis.

### Tuition

Credit tuition is generated by assessing students per credit-hour rates. Non-credit tuition is generated by charging varying rates per course based on course costs and market forces. Tuition resources are budgeted taking into consideration enrollment projections developed by the College's Institutional Effectiveness department.

### Instructional Fees

Instructional fees are generated by assessing students for course-related expenses such as art supplies. All instructional fees are administratively restricted resources that are tied specifically to instructional expenditures and are not available for general allocation. Departmental instructional fees are established based on estimated materials and services costs and are approved by the Board of Education. Instructional fees are budgeted based on enrollment projections that are developed by the college's Institutional Effectiveness department and historical trend analysis.

### Fees (Non-Instructional)

Non-instructional fees are generated by assessing students for non-instructional expenses such as student body fees, transportation fees and technology fees. Individual fee amounts are approved by the Board of Education and budgeted based on enrollment projections and historical trend analysis.

### Sale of Goods and Services

Sales of Goods and Services are generated primarily through the college's Enterprise and Internal Service activities including such units as the Center for Meeting and Learning (CML), and Printing & Graphics. Sale of Goods and Services revenue is budgeted based on historical trends factoring in known variables.

### Administrative Recovery

Administrative Recovery includes amounts received from college Enterprise funds as well as from various federal, state and local grants and contracts as a contribution to the General Fund for administrative and overhead costs.

### Transfers In

Interfund Transfers In move resources from one fund to another. These transfers are for specific amounts and purposes. An example would be transferring resources from Flight Technology in Fund IX to the Debt Service Fund to pay the annual debt service on an airplane purchase loan.

### Other Resources

These include resources from various activities such as finance charges, insurance proceeds, sale of equipment, enforcement fees, interest income and other nominal, one-time miscellaneous amounts. Budgeting is based on historical trend analysis.

## Expense Functions

### **Instruction**

Expenditures are for all activities that are part of the college's instructional programs including expenditures for departmental administrators and their support.

### **Instructional Support**

Expenditures are for activities carried out primarily to provide support services that are an integral part of the college's instructional programs. This category includes the media and technology employed by these programs for the retention, preservation and display of materials as well as the administrative support operations that function within the various instructional units. It also includes expenditures for chief instructional officers and their support where their primary assignment is administration.

### **Student Services**

Expenditures are for admissions, registration, recordkeeping and other activities when the primary purpose is to contribute to students' well-being and development outside the context of their formal instructional program.

### **Community Services**

Expenditures are for activities established primarily to provide non-instructional services to groups external to the college. One such activity involves making the various resources and unique capabilities that exist within the college available to the public.

### **College Support Services**

Expenditures are for activities whose primary purpose is to provide operational support for the ongoing operation of the college excluding physical plant operations. Expenses include executive management, fiscal operations, administrative and logistical services and community relations.

### **Plant Operations and Maintenance**

Expenditures are for the operation and maintenance of the physical plant. It includes services related to campus grounds and facilities, utilities and property insurance.

### **Plant Additions**

Expenditures are for land, land improvement, buildings and major remodeling or renovation that is not a part of normal plant operation and maintenance.

### **Financial Aid**

Expenditures are for loans, grants and trainee stipends to enrolled students. Student fee remissions are also included in this expense function.

### **Contingency**

A budget account (not for expenditures) to provide for contingencies and unanticipated items or to hold funds for future distribution. This function may also be used to provide expenditure authority for obligations created but not expended in previous years.

## Expenditure Categories

### **Personnel Services**

Personnel Services expenditures include all full-time and part-time payroll plus Other Payroll Expenses (OPE). Payroll is budgeted using actual position lists, and where possible, factors in any anticipated changes in collective bargaining agreements. OPE rates are budgeted using benefits cost projections including amounts for various employment-related taxes, health and life insurance premiums, retirement fund contributions and other direct employee benefits.

### **Materials & Services**

Materials & Services expenditures include items such as office support supplies for instructional and operations departments, non-capitalized equipment, travel and maintenance.

### **Capital Outlay**

Capital Outlay expenditures include all equipment purchases with a single item cost in excess of \$10,000 and with a useful life exceeding two years. Capital Outlay is budgeted and allocated according to the Capital Assets Replacement Plan.

### **Transfers Out**

Interfund transfers-out includes resource funding of specific amounts to another fund for an identified purpose. The majority of transfers-out occur in the General Fund and include items such as transfers to the Financial Aid Fund to cover institutional match obligations and transfers to the Capital Projects Fund for capital repairs and improvements, special projects, capital reserves and deferred maintenance.

### **Debt Service**

Debt Service includes amounts transferred out to the Debt Service Fund to cover current payment of long-term debt obligations entered into by the college.

### **Contingency**

Contingency is a budget account used to provide for unanticipated items or to hold funds for future distribution. This category may also be used to provide expenditure authority for obligations created but not expended in previous years.

## Financial Policies

### Lane Community College Board of Education

#### ***Policy BP205: Asset Protection***

***Adopted 11.09.98; Last Reviewed 4.12.17***

The president shall assure that assets are protected, adequately maintained, and not placed at risk.

Accordingly, the president shall:

1. Insure against theft and casualty losses and against liability losses to board members, staff, and the organization itself in an amount similar to the average for comparable organizations.
2. Prevent uninsured personnel from access to material amounts of funds.
3. Assure that plant and equipment are not subjected to improper wear and tear or insufficient maintenance.
4. Assure that the organization, its board, or staff, are not unnecessarily exposed to claims of liability.
5. Assure that every purchase:
  - a. Includes normally prudent protection against conflict of interest; and
  - b. Of over \$100,000 for goods and services contracts or \$150,000 for public improvements contracts includes a stringent method of assuring the balance of long-term quality and cost.
6. Protect intellectual property, information, and files from loss or significant damage.
7. Receive, process, or disburse funds under sufficient controls to meet the board-appointed auditor's standards.
8. Invest or hold operating capital in excess of daily requirements in accordance with ORS 294.035.
9. Not endanger the organization's public image or credibility, particularly in ways that would hinder the accomplishment of its mission.
10. Not name a building, substantial parts of buildings, or significant landscape features of Lane Community College without prior approval of the board; and, when a building has substantial support from a donor, without prior involvement of the Foundation.

#### ***Policy BP210: Board Duties and Responsibilities: Budget Making***

***Adopted 11.09.98; Last Reviewed 07.14.18***

The board of education has the responsibility to:

1. Adopt the annual budget before July 1 of the budget year.
2. Act as the levying board in the budget process.
3. Assist in presenting the needs of the college to the public and assist in the adoption, through the formulated budget process, of a budget that will address these needs.
4. Appoint the seven members with whom they shall serve jointly as the budget committee.
5. Review student tuition rates annually.

**Policy BP215: Budget Officer****Adopted 11.09.98; Last Reviewed 10.11.18**

The president or designee shall serve as budget officer. The budget officer shall be responsible for preparation and maintenance of the budget document in compliance with Local budget Law [ORS 294].

**Policy BP220: Budget Preparation and Adoption****Adopted 11.09.98; Last Reviewed 4.12.17**

At the direction of the board of education, the president shall study budget needs and prepare recommendations on programs and services for budget committee consideration. The recommendation of advisory committees and interested citizens and organizations within the college district shall be considered by the president in developing the budget document. The college budget shall be prepared and adopted in compliance with Oregon Local Budget Law [ORS 294].

**Policy BP225: Budgeting of Non-Recurring Resources****Adopted 1.14.04; Last Reviewed 11.15.18**

Non-recurring resources are resources that are not part of an annual revenue stream. Non-recurring resources include but are not limited to such categories as:

- Fund balances (i.e., “carryover”)
- Reserves
- One-time grants or awards of money
- Funds withheld from annual budget allocations e.g., funds held back from annual General Fund transfer to Capital Repair & Improvement)
- Special allocations from the state (e.g., allocations from the Emergency Board)
- Other special allocations (e.g., “seed money” for a project)

Non-recurring resources shall not be budgeted for ongoing recurring expenditures.

Non-recurring resources maybe allocated or one-time expenditures including but not limited to the following:

- Capital equipment
- Capital construction
- Investment in a new program or service that will move to recurring funding sources after a specified trial period
- Projects related to strategic directions of the college

However, the college shall not rely on non-recurring resources for funding ongoing needs such as major maintenance and equipment replacement.



**Policy BP230: Capital Reserve Funds****Adopted 1.14.04; Last Reviewed 11.15.18**

The college shall establish and maintain separate reserve funds (as described in ORS 341.321 and ORS 294.525) in Capital Projects Fund IV for the following purposes:

1. To replace capital equipment that is broken or beyond its useful life as determined by the Capital Assets Replacement Forecast;
2. To maintain and repair college facilities according to the Major Maintenance Schedule;
3. To maintain and upgrade the college's information/telecommunications system according to planning schedules maintained by Information Technology;
4. To build new instructional facilities and/or to purchase property that facilitate planned long-term growth of the college.

Appropriate levels of funding for reserves will be determined using existing college decision-making structures. The president will make recommendations to the Board of Education for approval to establish and fund these reserves.

Optimal funding levels will be determined using benchmarks, professional standards and best practices from other colleges and adapting these to Lane's specific situation. It is expected that full funding of these reserves will take place over a number of years and that annual transfers to these reserves will be budgeted from the General Fund and other sources as appropriate.

As required in ORS 294.525, the board shall periodically review the reserve fund "and determine whether the fund will be continued or abolished." While ORS 294 allows review to take place every 10 years, reserve funds established under these policies shall be reviewed (a) annually by the president; and (b) at least every three years or more frequently as determined by the board.

As allowed in ORS 294.525, the board may determine at any time that a reserve fund is no longer necessary or that some or all of the reserves may be transferred to the General Fund.

**Policy BP235: Debt Issuance and Management****Adopted 6.9.04; Last Reviewed 4.12.17**

The president shall ensure that sufficient funds are available to meet current and future debt service requirements on all indebtedness, while adequately providing for recurring operating requirements. The issuance of debt limits the college's flexibility to respond to future learning priorities; consequently, the college shall issue and manage debt in a manner which maintains a sound fiscal position, protects its creditworthiness and complies with ORS 341.675 and ORS 341.715.

To meet the objectives of this policy the president shall ensure that the college incurs and services all debts in a manner that will:

- Maintain a balanced relationship between debt service requirements and current operating needs.
- Maintain and enhance the college's ability to obtain access to credit markets, at favorable interest rates, in amounts needed for capital improvements and to provide essential learning services.
- Prudently incur and manage debt to minimize costs to the taxpayers and ensure that current decisions do not adversely affect future generations.
- Preserve the college's flexibility in capital financing by maintaining an adequate margin of statutory debt capacity.

The board shall approve borrowing as described in Board Policy BP315. Long-term debt (due more than a year in the future) shall not be issued to fund normal operating needs.

***Policy BP240: Definition of a Balanced Budget***

***Adopted 1.14.04; Last Reviewed 11.15.18***

The board directs the president to develop annual budget recommendations that are in accordance with the college's strategic plan and conform to the requirements of Local Budget Law [ORS 294.326]. The budget shall provide for:

- Annual operating expenditures not to exceed projected revenues (Expenditures shall be budgeted according to the college's strategic priorities.)
- Debt service, both current (due in less than 12 months) and long term.
- Reserves for maintenance and repairs to its existing facilities.
- Reserves for acquisition, maintenance and replacement of capital equipment.
- Reserves for strategic capital projects.
- Funding levels to fulfill future terms and conditions of employment, including early retirement benefits.
- Allocations for special projects related to the strategic directions of the college.
- Allocations for contingencies (unforeseen events requiring expenditures of current resources.)
- Ending Fund Balances (according to policies set specifically for that purpose.)

Lane has a further responsibility to:

- Plan how it will spend any "onetime" unanticipated revenue, allocating it strategically and prudently between:
  - The restoration of any shortfall to targeted ending fund balances,
  - Currently unfunded projects in the strategic plan, and/or
  - Holding some of all of it in reserve during financially volatile periods.
- Permanently stabilize its finances in their entirety (operating budget, reserves, contingencies and ending fund balances) when it perceives a long term change (increase or decrease) to its available future recurring resources.

**Policy BP245: Ending Fund Balance****Adopted 1.14.04; Last Reviewed/Revised 12.18.19**

Lane Community College shall maintain an unrestricted General Fund Ending Fund Balance equal to or greater than 10% of total expenditures and transfers.

The Ending Fund Balance target shall include the Unappropriated Ending Fund Balance (UEFB) as set by board policy BP295. When the Ending Fund Balance falls to 9% or less, the college shall adopt a plan to replenish the Ending Fund Balance to 10% within three years. When the Ending Fund Balance exceeds 11%, balances in excess may be set aside for reserves or investment in one time expenditures.

If the total Ending Fund Balance (including restricted) falls to levels that require short-term borrowing, the levels set by this policy shall be automatically reviewed and adjusted as necessary.

**Policy BP250: Financial Integrity****Adopted 5.14.14; Last Reviewed 10.11.18**

Clear financial policies and procedures, regularly reviewed and revised as necessary, are critical to the effective management and operation of the College. The president shall oversee the responsible development and management of all College financial resources, such as financial planning, operating and capital budgets, reserves, investments, fundraising, cash management, debt management, and transfers and borrowings between funds.

**Policy BP255: Financial Condition and Activities****Adopted 11.09.98; Last Reviewed/Revised 2.8.18**

With respect to the actual, on-going financial condition and activities, the president shall avoid fiscal jeopardy and assure that actual expenditures reflect board priorities as established in ends policies.

Accordingly, the president shall:

1. Not expend more funds than have been received in the fiscal year to date, except as approved by the board.
2. Not use any long-term reserves that are not budgeted and appropriated for expenditure.
3. Settle payroll and debts in a timely manner.
4. Assure that tax payments or other government-ordered payments or filings be on time and accurately filed.
5. Make no single purchase or commitment of greater than \$100,000 for goods and services contracts, or \$150,000 for public improvements contracts, without board approval, except in extreme emergencies.
6. Acquire, encumber, or dispose of real property only with board approval, except in extreme emergencies.
7. Pursue receivables aggressively after a reasonable grace period.
8. Comply with budget and financial policies contained in Section E.
9. Not contract with the College's independent auditors for non-audit services without prior approval of the Board.

10. Provide the following annual certifications, by the president and by the vice president for college operations, to the Board upon receipt of the audited financial statements:
- a. He/she has reviewed the annual audit report;
  - b. Based on his/her knowledge, the report does not contain any untrue statement of a material fact or omission of a material fact that makes the financial statements misleading;
  - c. Based on his/her knowledge, the financial statements present in all material respects the financial condition and results of operations.
11. Establish and maintain an adequate internal control structure and procedures for financial operations and reporting.

***Policy BP260: Financial Planning and Budgeting******Adopted 11.09.98; Last Reviewed/Revised 2.8.18***

Financial planning for any fiscal year or the remaining part of any fiscal year shall reflect the board's end priorities, avoid fiscal jeopardy, and shall be derived from a multi-year plan.

Accordingly, the president shall assure budgeting that:

1. Complies with Oregon Local Budget Law.
2. Contains sufficient information to enable credible projections of resources and expenditures as presented in the Budget Document in accordance with Oregon Local Budget Law.
3. Discloses planning assumptions.
4. Limits expenditures in any fiscal year to conservatively projected resources for that period.
5. Maintains current assets at any time to at least twice current liabilities.
6. Complies with budget and financial policies contained in Section E.

***Policy BP265: Financial Reporting******Adopted 3.9.05; Last Reviewed 10.12.17***

Lane's annual audited financial statements shall conform to generally accepted accounting principles. Applicable professional accounting standards and guidance shall be incorporated into Lane's financial statements.

***Policy BP270: General Fund Contingency******Adopted 1.14.04; Last Reviewed 5.10.18***Board Contingency:

The annual budget shall set aside approximately one-half percent (0.5%) of the budgeted revenues each year for Board Contingency. Use of Board Contingency shall be at the discretion of the Board of Education and shall be allocated by formal approval of the board according to its policies.

Administrative Contingency:

Administrative Contingency shall be approximately one percent (1%) of the budgeted revenues each year. Administrative Contingency shall be allocated by approval of the president.

**Policy BP275: Interfund Loans****Adopted 6.9.04; Last Reviewed 10.12.17**

Loans from one fund to another shall conform to the requirements of ORS 294.460 and be authorized by the Board of Education. Interfund loans may not be from: a Debt Service fund, a Financial Aid fund, employee/retiree benefit funds, or funds legally restricted to specific uses. Repayment of the loan must be budgeted according to an approved schedule and at a stated rate of interest.

The full repayment of interfund loans shall occur no later than:

- Five years from the date of the loan, if the funds are to be used to acquire or improve real or personal property, or
- June 30 of the fiscal year following the year in which the loan was authorized, if the funds are to be used for operating purposes.

**Policy BP280: Interfund Transfers****Adopted 1.14.04; Last Reviewed 2.10.18**

All transfers between funds shall be in conformance with ORS 294.361. The Budget Document shall clearly show for each fund the amounts, origin and destination of each transfer. Accompanying documentation shall list the specific purposes for each transfer and will be submitted to the board for approval in initial budget or subsequent resolution.

Transfers from the General Fund to other funds shall be for the following purposes:

- Debt service on an obligation incurred as a part of normal operations of the college;
- Goods and services provided to General Fund units by units in other funds;
- Construction, maintenance and acquisition of facilities and/or real property used by the college in support of its mission;
- Acquisition of capital equipment for use by the college in support of its mission;
- Matching funds for grants and contracts;
- Operation of certain financial aid functions and matching funds required for financial aid grants;
- Contractual and legal obligations to employees and retirees for compensation and benefits;
- Other needs as deemed appropriate and necessary to the board for fulfilling the obligations of the college.

**Policy BP285: Purchasing Procedure****Adopted 11.09.98; Last Reviewed 6.13.19**

All procurement on behalf of the college shall be executed in accordance with the requirements of Oregon Revised Statute Chapters 279A, 279B and 279C, the Oregon Community College Rules of Procurement (“CCRP”), and Oregon Administrative Rules 125 (OAR 125) and Lane Community College Online Policies and Procedures.

Where federal procurement regulations apply and are more restrictive than the state regulations, the federal regulations shall prevail.

Pursuant to ORS 279A.065(5), the Oregon Attorney General's Model Rules (OAR 137) do not apply to Lane Community College except those portions of the Oregon Attorney General's Model Rules that have been expressly identified in Section 300, Appendix A, of the CCRP.

The CCRP shall prevail over the provisions in OAR 125 where topics are not addressed in the CCRP, the rules OAR 125 shall remain in force.

***Policy BP290: Stabilization Reserve Fund***

***Adopted 1.14.04; Last Reviewed 5.10.18***

The board may require the president to establish a separate reserve fund (as described in ORS 341.321 and ORS 294.525) for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

A stabilization reserve fund may be established under one or more of the following circumstances:

- State budget appropriations for community colleges are not approved by the time the college budget is approved and adopted.
- A situation exists where significant changes in enrollment are possible but not reasonably predictable.
- When any major revenue source has a reasonable possibility of decreasing after the college budget is approved and adopted.
- When any operating expenditure that is beyond the control of the college could reasonably be expected to increase after the college budget is approved and adopted.
- Any other situation in which the board determines that there is a reasonable expectation that major shifts in revenue or expenditures could occur during the budget year.

Stabilization reserve levels:

- Minimum reserve levels shall be at the discretion of the board under advice from the president.
- Maximum reserve levels shall be no more than the maximum reasonably estimated shortfall at the time of the adoption of the budget.

Stabilization reserves will be reviewed annually as part of the budget development process. The stabilization reserve fund shall be closed out when the board determines that the precipitating threat to revenues and/or expenditures no longer exists. As long as the conditions exist that caused the fund to be established, the funds shall be kept in reserve for the purpose intended. If and when the fund is closed out, any remaining balance shall be released for use as a resource in the General Fund.

***Policy BP295: Unappropriated Ending Fund Balance***

***Adopted 1.14.04; Last Reviewed 10.11.18***

The president shall assure budgeting that maintains the estimate of unappropriated ending fund balance at no less than three percent of the general fund operational expenditure budget.

**Policy BP315: Borrowing****Adopted 11.09.98; Last Reviewed 12.13.18**

The board may authorize borrowing for the college, in compliance with state laws, by resolution stating the upper limit to be obligated at any one time. The president or designee may initiate emergency borrowing prior to board approval should a quorum of the board not be available to authorize borrowing.

**Policy BP340: Contractual Authority****Adopted 11.09.98; Last Reviewed/Revised 5.16.19**

Only the president, or formally designated representatives, may commit the college to financial obligations or contractual agreements. No obligation may be incurred unless sufficient funds have been appropriated by the board. An obligation extending beyond the current fiscal year may be entered into as long as obligations in future fiscal years are made subject to the appropriation of lawfully available funds by the board of education. Any contract entered into in violation of this policy is void as to the college.

All contracts of \$150,000 or greater must be approved for award by the board of education. The president is authorized by the board to enter into contractual agreements on behalf of the college up to a total dollar value of less than \$150,000. The president may delegate the president's authority to college staff.

Notwithstanding the dollar limits specified in this policy, the president shall act for, and provide annual reports to, the board regarding the execution and administration of all instruments, business affairs, and operations relating to:

- Acquisition of electricity, natural gas, sewer, water, and all other utility services.
- The acquisition of fixtures, equipment and furnishings that are included in capital project budgets that have been authorized by the board.
- The settlement of claims or lawsuits brought against the college that are substantially covered by insurance.
- The protection of the college's interests, property and operations in an emergency.
- The execution of instruments or the conduct of business affairs where approval by the board is impractical due to time or other constraints.

The Lane Community College Board of Education shall be the college's Local Contract Review Board as defined in ORS 279A.060.

**Policy BP540: Monitoring President's Performance****Adopted 11.09.98; Last Reviewed 9.18.19**

Any evaluation of the president's performance, formal or informal, may be derived only from the criteria established within board Ends and Executive Directions.

Accordingly,

1. The purpose of monitoring is to determine the degree to which board policies are being fulfilled. Information which does not do this will not be considered to be monitoring.
2. The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the president discloses compliance information to the board, (b) by external report, in which an external, disinterested third party selected by the board assesses compliance with board policies, and (c) by direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.
3. The standard for compliance shall be any reasonable presidential interpretation of the board policy being monitored.

4. All policies that instruct the president will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

<b><u>Policy</u></b>	<b><u>Method</u></b>	<b><u>Frequency</u></b>
Treatment of Learners, BP720	Internal	Annually
Treatment of Staff, BP555	Internal/External	Annually
Financial Planning and Budgeting, BP260	Internal	Semi-annual
Financial Condition and Activities, BP255	Internal	Quarterly
	External	Annually
Emergency President Succession, BP350	Internal	Annually
Asset Protection, BP205	Internal	Annually
Compensation and Benefits, BP515	Internal	Annually
Communication and Support to the Board, BP330	Internal/Direct Inspection	Annually
Community Outreach, BP335	Internal	Annually
Governance Process Policies, Bp305-BP385	Direct Inspection	Annually

***Policy BP715: Mandatory Student Activity Fees***

***Adopted 11.9.98; Last Reviewed/Revised 2.3.16***

The board may approve an assessment of mandatory fees for programs or activities that it determines provide educational value to the students consistent with the college mission and goals. The board will approve the mandatory fee on an annual basis to ensure that the programs or activities maintain educational value to students.

Programs that use funds generated through the mandatory fee must further the following guiding principles:

1. Improve the overall quality of the campus experience from the students' perspective;
2. Increase opportunities for student involvement and leadership in the educational process through extra-curricular activities and support services;
3. Enhance the appropriate out-of-class services and programs at the campuses based on the unique needs of Lane students.

The mandatory fee enhances student life and the overall student experience by maximizing opportunities for out-of-class experiences that build on classroom education and connect to the larger world and improving the educational climate by offering programs and activities.

The President will establish a Mandatory Fee Committee by October 30 of each year to advise the administration on ongoing and emerging student



needs. The voting members of the mandatory student fee committee will be composed of both elected students and students appointed from student groups and organizations at the college. At the discretion of the president, administrative staff appointed to the committee will serve in a support role and as non-voting members. An annual report from the Mandatory Fee Committee will be submitted by the President to the Board before budget decisions are finalized for the next year. All appropriations in relation to this fee must be viewpoint neutral. All changes to the mandatory fee remain in the sole discretion of the Board.

**Policy BP725: Tuition****Adopted 11.13.02; Last Reviewed/Revised 2.8.18**

Research in community colleges broadly and experience at Lane has shown that implementing a single large increase in tuition in one year because tuition has not kept pace with inflation has a significant adverse effect on student enrollment in the next academic year.

In order to maintain a constant tuition rate relative to inflation, each year, the board may consider an appropriate index for two-year public colleges on which to discuss a tuition increase. Each year, the board may adjust the per credit tuition rate to reflect the needs of the college. The rate will be rounded to the nearest half-dollar and become effective the following academic year (Summer Term).

For other adjustments:

Each year, the board will review Lane's tuition rates to ensure: a) that tuition revenues are appropriate for the needs of the district, b) that Lane's tuition is comparable with other Oregon community colleges that are similar to Lane in terms of student FTE and instructional programs, c) access and affordability, and d) the revenue requirements of the college.

Should the board conclude that increases above the selected index are required, the board will assure that there are college-wide opportunities, particularly with students, to engage in discussions about the impact of tuition increases on access, affordability and course offerings. Should the board conclude that tuition should be reduced, the board will similarly assure that there are opportunities to engage in college-wide discussions about the impact on course offerings, access and affordability.

## College Policy Statement on Affirmative Action and Equal Employment

It is the policy of Lane Community College to provide equal employment opportunity to all qualified persons and to prohibit discrimination in employment on the basis of race, color, national origin, sex, marital status, family relationship, sexual orientation, age, pregnancy, mental or physical disability, religion, veteran status, expunged juvenile record, parental or family medical leave, application for Workers Compensation, whistle blowing, association with a member of a protected class and all other federal, state and local protected classes.

It is also the policy of the college to take affirmative action to recruit and to employ members of protected groups. Under Federal Executive Order 11246 as amended, protected minority groups are defined as African Americans, Asian Americans, Hispanic Americans and Native Americans. All women are designated a protected group. The protected groups are those groups of persons who have historically been most disadvantaged by discriminatory practices, including practices formerly sanctioned by law.

The affirmative action and equal opportunity clause of this policy requires that applicants be hired and employees be treated during employment without regard to race, color, national origin, sex, marital status, family relationship, sexual orientation, age, pregnancy, mental or physical disability, religion, veteran status, expunged juvenile record, parental or family medical leave, application for Workers Compensation, whistle blowing, association with a member of a protected class and all other federal, state and local protected classes.

The affirmative action and equal opportunity clause applies to all employment actions including but not limited to recruitment, appointment, reappointment, promotion, transfer, demotion, termination, compensation, benefits, layoff and training. Furthermore, the policy applies to all executive, academic, administrative employees and to full-time, part-time, temporary, probationary and permanent employees as well as those with appointments in self support programs. This policy conforms to federal and state laws and to the equal employment and affirmative action policy of the Board of Education of Lane Community College.

## Glossary of Terms

**Accrual Basis Accounting:** A system of accounting based on the accrual principal under which revenue is recognized when earned and expenses are recognized when incurred.

**Ad Valorem Tax:** A property tax computed as a percentage of the value of taxable property.

**Administrative Contingency:** General Fund contingency consisting of approximately one percent of budgeted revenues to be used at the discretion of the president and Executive Team.

**Administrative Recovery:** Revenue generated from college enterprise funds, grants and contracts to cover General Fund administrative and overhead costs.

**Adopted Budget:** The total spending level for the year based on estimates that have been set by the Board of Education.

**Appropriation:** Based on the adopted budget, an authorization from the Board of Education to make expenditures and incur obligations for specific purposes. The appropriation is limited to a single fiscal year.

**Approved Budget:** The budget that has been approved by the Budget Committee and sent to the Board of Education for adoption.

**Assessed Value:** Valuation set on real estate or personal property by the Property Appraiser as a basis for levying taxes.

**Balanced Budget:** A budget whereby operating expenditures do not exceed resources.

**Beginning Fund Balance:** The amount remaining after accounting for the previous year's revenues less the previous year's expenditures.

**Biennium:** A two-year [budget] period.

**Board Contingency:** General Fund contingency consisting of approximately one-half percent of budgeted revenues to be used at the discretion of the Board of Education.

**Board of Education:** Committee of seven elected unpaid citizens whose primary authority is to establish policies governing the operation of the college and to adopt the college budget.

**Bond:** A debt investment with which the investor loans money to an entity (company or government) that borrows the funds for a defined period of time at a specified interest rate.

**Budget:** A written report showing a comprehensive financial plan for one fiscal year.

**Budget Committee:** The fiscal planning board consisting of the Board of Education plus an equal number of citizens at large from the College District.

**Budget Message:** An explanation of the budget and financial priorities presented in writing by the Budget Officer as part of the budget document.

**Budget Officer:** Person appointed by the Board of Education to oversee the budget process.

**Budget Transfer:** Amounts moved from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund.

**Capital Assets Replacement Plan:** Revolving seven-year plan established by the Board of Education in fiscal year 2004 to schedule the replacement of capital assets based upon the Capital Asset Acquisition Schedule.

**Capital Expenditure:** An expenditure for a single item with cost exceeding \$10,000 and an estimated useful life of three or more years.

**Capital Outlay:** An expenditure category that includes acquisition of land, buildings, improvements, machinery and equipment.

**Capital Projects Fund (IV):** Budget fund used for the acquisition of land, new construction, major remodeling projects and major equipment purchases.

**Capital Reserve Fund:** A separate fund within the Capital Projects Fund IV used for planned and unplanned maintenance, repair and replacement of capital and technological equipment.

**Cash Basis:** System of accounting under which revenues are accounted for only when received in cash and expenditures are accounted for only when paid.

**College Council:** The College's main planning and policy body.

**College District:** The College's service area which encompasses a 5,000 square mile area in Lane County and parts of Linn, Douglas and Benton Counties.

**College Support Services:** Expense function covering activities that support the ongoing operations of the college excluding physical plant operations.

**Community Services:** Expense function covering non-instructional activities provided to external groups.

**Consumer Price Index:** A measure estimating the average price of consumer goods and services purchased by households.

**Current Budget:** In financial tables, the “Current Budget” is the current year budget plus any additional supplemental budgets.

**Debt Service:** An expenditure category for repayment of principle and interest on bonds, interest-bearing warrants and short-term loans.

**Debt Service Fund (III):** Budget fund for accounting for general long-term debt, principal and interest.

**Deferred Maintenance:** The practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and personal property (i.e. machinery) in order to save costs, meet budget funding levels or realign available budget monies.

**Differential Pricing:** Additional fees based on class clock hours for certain Career and Technical courses.

**Ending Fund Balance:** The beginning fund balance plus current year revenues less current year expenditures.

**Enterprise Fund (VI):** Budget fund for activities that furnish goods or services to students, staff or the public for which charges or fees are assessed that are directly related to the cost of the good or service provided.

**Executive Team:** The College’s administrative leadership team comprised of the president, vice president(s), chief officers and deans.

**Expenditure:** An amount of money, cash or checks, actually paid or obligated for payment due to the purchase of goods and services, the payment of salaries and benefits and the payment of debt service.

**Fees (Non-Instructional):** Revenue generated from assessing students for non-instructional expenses.

**Financial Aid:** Expense function for student loans, grants and stipends.

**Financial Aid Fund (V):** Budget fund used for the provision of grants, stipends and other aid to enrolled students.

**Fiscal Year:** The twelve-month financial period used by the college that begins July 1 and ends June 30.

**Full-Time Equivalent (FTE):** The equivalent of a full-time employee or student. For example, two half-time employees equal one FTE employee.

**Fund:** A division in the budget segregating independent fiscal and accounting requirements.

**Fund Balance:** The excess of a fund's revenues over expenditures.

**Fund Type:** One of nine fund types: General, special revenue, debt service, capital projects, special assignment, enterprise, internal service, trust and reserve.

**General Fund (I):** The primary operating fund of the college that includes activities directly related to the college's basic educational objectives.

**Generally Accepted Accounting Principles (GAAP):** A widely accepted set of rules, conventions, standards and procedures for reporting financial information as established by the Financial Accounting Standards Board.

**Government Finance Officers Association (GFOA):** The professional association of state/provincial and local finance officers in the United States and Canada.

**Governmental Funds:** Funds generally used to account for tax-supported activities. There are five different types of governmental funds. LCC's governmental funds include the General, Special Revenue, Debt Service and Capital Projects Funds.

**Grant:** A donation or contribution in cash by one governmental unit to another which may be made to support a specified purpose, function or general purpose.

**Higher Education Price Index (HEPI):** Inflation index designed specifically for higher education. A more accurate economic indicator for colleges and universities than the Consumer Price Index.

**Instruction:** Expense function covering all activities related to instructional programs.

**Instructional Fees:** Revenue generated by assessing students for course-related expenses.

**Instructional Support:** Expense function covering activities that provide integral support services to instructional programs.

**Interest Income:** Revenue generated from investment of operating capital in excess of daily requirements.

**Interfund Transfer:** An amount to be given as a resource to another fund in the budget.

**Intergovernmental [Resource]:** Total public resources that include State and Federal funds and local property taxes.

**Internal Service Fund (II):** Budget fund for functions that exist primarily to provide goods and services to other instructional and administrative units of the college.

**Local Option Tax:** Voter-approved taxing authority that is in addition to the taxes generated by the permanent tax rate. Local option taxes can be for general operations, a specific purpose or capital projects. It is limited to five years unless it is for a capital project, then it is limited to the useful life of the project or 10 years, whichever is less.

**Measure 5:** A constitutional amendment (Art. XI, section 11b) passed in 1990 that limits the amount of operating tax that can be imposed on a property to \$5 per \$1,000 of real market value for education and \$10 per \$1,000 for general government.

**Measure 50:** A constitutional amendment (Art. XI, section 11) passed in 1997 that limits the growth in a property's assessed value to 3% per year. It also limits a local government's taxing authority by creating permanent rate limits.

**Mandatory Adjustments:** Adjustments for expenditures that are primarily beyond the control of the college such as facilities leases, utilities, insurance premiums and maintenance contracts.

**Material and Services (M&S):** An expenditure category that includes contractual and other services, materials, supplies and other charges.

**Modified Accrual Basis:** Basis of accounting under which revenues are recorded when they become measurable and available. Expenditures are recorded when the liability is incurred, except for interest on general long-term obligations, which is recorded when due.

**Non-Recurring Resources:** Resources (revenues) that are not part of an annual revenue stream to include: fund balances, reserves, one-time grants and awards and special allocations.

**Object Classification:** A grouping of expenditures such as personnel services, material and services, capital outlay, debt services and other types of requirements.

**Operating Rate:** The rate determined by dividing the local government's operating tax amount by the estimated assessed value of the local government. This rate is needed when a local government wants to impose less tax than its permanent rate will raise.

**Oregon Administrative Rules (OAR):** A compilation of rules and regulations that apply, in the same manner as a law, to state agencies in Oregon.

**Oregon Public Employees Retirement System (PERS):** Retirement system provided by the State of Oregon for all public employees.

**Oregon Revised Statutes (ORS):** The codified laws of the State of Oregon. The ORS is published every two years to incorporate each legislative session's new laws.

**Other Payroll Expenses (OPE):** An expense classification that includes the costs of payroll taxes, PERS, medical insurance and other fringe benefits and payroll-related items accruing to an employee.

**Other Resources:** Revenue generated from various activities such as finance charges, sale of equipment, enforcement fees and other nominal, one-time miscellaneous amounts.

**Personnel Services Expenses:** Expenses related to the compensation of employees such as health and accident insurance premiums, Social Security and retirement contributions and civil service assessments.

**Plant Additions:** Expense function for land, land improvement, buildings and major remodeling and renovation that is not a part of normal plant operation and maintenance.

**Plant Operations and Maintenance:** Expense function covering the operation and maintenance of the physical plant including grounds, facilities, utilities and property insurance.

**Proposed Budget:** Financial and operating plan prepared by the Budget Officer and submitted to the public and Budget Committee for review.

**Requirement:** A use of funds or expenditure.

**Resolution:** An order of the Board of Education.

**Resources:** Estimated beginning fund balances on hand plus all anticipated revenues and transfers.

**Revenue:** Monies received or anticipated.

**Salary Provision Budget:** A contingency budget used to cover employee compensation increases during the year.

**Sale of Goods and Services:** Revenue generated from the college's enterprise and special revenue activities.

**Special Revenue Fund (VIII):** Budget fund that accounts for revenues that are legally restricted to expenditures for specific purposes such as federal grants and contracts.



**Special Revenue – Administratively Restricted Fund (IX):** Budget fund for programs where monies are administratively restricted. Activities recorded in this fund generate revenue primarily through specifically-assessed tuition and fees or through other revenue-generating activities.

**Stabilization Reserve Fund:** A separate fund established at the request of the Board of Education for the purpose of providing short-term stabilization in anticipation of possible shortfalls in revenue.

**Student Services:** Expense function covering activities to support students' success and development.

**Supplemental Budget:** Most often required when new appropriation authority is needed, a supplemental budget is usually associated with the expenditure of new appropriations and increased revenues.

**Tax Rate:** The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

**Tax Year:** The fiscal year from July 1 through June 30.

**Total Public Resources:** Revenue received from State funding as appropriated by the legislature and local property taxes as assessed by the counties.

**Transfers Out:** An expenditure category that includes resource funding for specific purposes.

**Tuition:** Revenue generated by assessing students per-credit-hour rates.

**Unappropriated Ending Fund Balance (UEFB):** Amount set aside in the budget to be carried over to the next year's budget. It provides the college with cash until tax money or other revenues are received later in the year. This amount cannot be transferred by resolution or used through a supplemental budget unless necessitated by a qualifying emergency.

**Unfunded Actuarial Liability (UAL):** Amount PERS has determined to be owed by participating governments to fully fund the retirement system.

## Glossary of Acronyms

<b>AAC&amp;U</b>	American Association of Colleges and Universities
<b>AACC</b>	American Association of Community Colleges
<b>AAOT</b>	Associate of Arts Oregon Transfer (degree)
<b>AAWCC</b>	American Association of Women in Community Colleges
<b>ABSE</b>	Adult Basic Skills & Secondary Education
<b>ACCT</b>	Association of Community College Trustees
<b>AFT</b>	American Federation of Teachers
<b>APPA</b>	Leadership in Educational Facilities
<b>ASLCC</b>	Associated Students of LCC
<b>ATC</b>	Academic Technology Center
<b>CAFR</b>	Comprehensive Annual Financial Report
<b>CARF</b>	Capital Assets Replacement Forecast
<b>CCBO</b>	Community College Business Officers
<b>CCSF</b>	Community College Support Fund
<b>CCWD</b>	Community Colleges and Workforce Development
<b>CML</b>	Center for Meeting and Learning
<b>COLA</b>	Cost of Living Adjustment
<b>CO-OP</b>	Cooperative Education
<b>CPI</b>	Consumer Price Index
<b>CSL</b>	Current Service Level
<b>ESD</b>	Education Service District
<b>ESL</b>	English as a Second Language
<b>FERPA</b>	Family Educational Rights and Privacy Act
<b>FMP</b>	Facilities Management & Planning Department
<b>FTE</b>	Full-time equivalency
<b>FWS</b>	Federal Work Study
<b>FY</b>	Fiscal Year (FY20 = Fiscal Year 20)
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GASB</b>	Governmental Accounting Standards Board
<b>GED</b>	General Education Development
<b>GFOA</b>	Government Finance Officers Association

<b>HEA</b>	Higher Education Act
<b>HECC</b>	Higher Education Coordinating Commission
<b>HEPI</b>	Higher Education Price Index
<b>IESL</b>	International (student) English as a Second Language
<b>IR</b>	Institutional Research
<b>KLCC</b>	LCC's award-winning radio station: 89.7 FM
<b>LCC</b>	Lane Community College
<b>LCCEA</b>	LCC Education Association (Union - Classified)
<b>LCCEF</b>	LCC Employees Federation (Union - Faculty)
<b>LRFP</b>	Long Range Financial Plan
<b>LTD</b>	Lane Transit District
<b>NACUBO</b>	National Association of College & University Business Officers
<b>NEA</b>	National Education Association
<b>NWAACC</b>	Northwest Athletic Association of Community Colleges
<b>OAR</b>	Oregon Administrative Rule
<b>OATC</b>	Oregon Advanced Technology Consortium
<b>OCCA</b>	Oregon Community College Association
<b>OCCSA</b>	Oregon Community College Students Association
<b>ODE</b>	Oregon Department of Education
<b>OEA</b>	Oregon Education Association
<b>OPE</b>	Other Payroll Expenses
<b>ORS</b>	Oregon Revised Statutes
<b>OSA</b>	Oregon Student Association
<b>OSBA</b>	Oregon School Boards Association
<b>OSBDCN</b>	Oregon Small Business Development Center Network
<b>OSEA</b>	Oregon School Employees Association
<b>PERS</b>	Public Employee Retirement System
<b>SBDC</b>	Small Business Development Center
<b>STEM</b>	Science, Technology, Engineering and Math
<b>UEFB</b>	Unappropriated Ending Fund Balance
<b>UAL</b>	Unfunded Actuarial Liability

# Legal Notifications

**FORM CC-1**

**NOTICE OF BUDGET HEARING**

A public meeting of the Lane Community College Board of Education will be held on June 17, 2020 at 5:30  am  pm virtually. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2020 as approved by the Lane Community College Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Lane Community College between the hours of 8:00 a.m. and 5:00 p.m., or online at [www.lanecc.edu/budget/budget-documents-and-development](http://www.lanecc.edu/budget/budget-documents-and-development). This Budget is for an  annual  biennial budget period. This budget was prepared on a basis of accounting that is  the same as  different than the basis of accounting used during the preceding year. If different, the major changes and their effect on the budget are: none

Contact: Zach Evans

Telephone:541-463-5107

Email: [evansz@lanecc.edu](mailto:evansz@lanecc.edu)

**FINANCIAL SUMMARY - RESOURCES**

<b>TOTAL OF ALL FUNDS</b>	<b>Actual Amount Last Year 2018-19</b>	<b>Adopted Budget This Year 2019-20</b>	<b>Approved Budget Next Year 2020-21</b>
Beginning Fund Balance	\$24,059,272	\$17,317,500	\$13,204,780
Current Year Property Taxes, other than Local Option Taxes	\$28,849,654	\$29,704,350	\$35,075,618
Current Year Local Option Property Taxes	\$0	\$0	\$0
Tuition and Fees	\$35,200,276	\$40,605,890	\$41,125,830
Other Revenue from Local Sources	(\$16,437)	\$300,000	\$300,000
Revenue from State Sources	\$31,144,616	\$32,850,000	\$35,300,000
Revenue from Federal Sources	\$29,370,421	\$41,900,000	\$45,898,000
Interfund Transfers	\$5,261,592	\$4,017,003	\$3,421,183
All Other Budget Resources	\$28,289,182	\$28,100,291	\$50,628,743
<b>Total Resources</b>	<b>\$182,158,576</b>	<b>\$194,795,034</b>	<b>\$224,954,154</b>

Continued

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	\$82,878,325	\$86,755,054	\$87,189,954
Materials & Services	\$29,719,066	\$37,680,674	\$57,074,266
Financial Aid	\$33,165,799	\$45,915,500	\$46,965,500
Capital Outlay	\$750,393	\$650,500	\$727,200
Debt Service	\$14,127,010	\$14,531,303	\$24,466,051
Interfund Transfers	\$5,261,592	\$4,017,003	\$3,421,183
Operating Contingency	\$0	\$2,700,000	\$2,550,000
All Other Expenditures	\$0	\$0	\$0
Unappropriated Ending Fund Balance & Reserves	\$0	\$2,545,000	\$2,560,000
<b>Total Requirements</b>	<b>\$165,902,186</b>	<b>\$194,795,034</b>	<b>\$224,954,154</b>
FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY FUNCTION			
Function			
Full-Time Equivalent Employees (FTE) for Function			
Instruction	\$49,596,548	\$51,647,184	\$52,723,626
FTE	485.2	473.9	479.1
Instructional Support	\$6,431,382	\$6,914,707	\$8,107,115
FTE	60.0	56.8	56.5
Student Services other than Student Loans and Financial Aid	\$24,741,730	\$19,991,739	\$20,785,228
FTE	162.5	125.7	116.8
Student Loans and Financial Aid	\$33,911,502	\$45,915,500	\$46,965,500
FTE	13.6	15.00	17.00
Community Services	\$6,943,469	\$7,872,880	\$7,849,995
FTE	19.6	16.8	15.6
Support Serv. other than Facilities Acquisition and Construction	\$16,388,145	\$20,976,341	\$22,058,067
FTE	121.5	117.8	106.5
Facilities Acquisition and Construction	\$8,500,808	\$9,673,377	\$28,592,677
FTE	48.4	47.60	44.80
Interfund Transfers	\$5,261,592	\$4,017,003	\$3,421,183
Debt Service	\$14,127,010	\$14,531,303	\$24,566,051
Operating Contingency	\$0	\$10,710,000	\$7,324,712
Unappropriated Ending Fund Balance and Reserves	\$0	\$2,545,000	\$2,560,000
<b>Total Requirements</b>	<b>\$165,902,186</b>	<b>\$194,795,034</b>	<b>\$224,954,154</b>
<b>Total FTE</b>	<b>910.8</b>	<b>853.7</b>	<b>836.3</b>

Continued

<b>STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING FROM LAST YEAR*</b>
The overall increase in the FY2020-2021 Budget is due to Lane County voters approving Measure 20-306: Bonds to Construct, Improve Facilities, and Address Safety and Technology Needs. As a result, the Facilities Acquisition and Construction and the Debt Service activities increased from last year. The issuance of general obligation bonds to finance the capital projects will occur in FY21.

<b>PROPERTY TAX LEVIES</b>			
	Rate or Amount Imposed Last Year 2018-19	Rate or Amount Imposed This Year 2019-20	Rate or Amount Approved Next Year 2020-21
Permanent Rate Levy (Rate Limit __0.6191__ per \$1,000)	0.6191	0.6191	0.6191
Local Option Levy			
Ley For General Obligation Bonds	7,797,000	7,957,000	\$12,791,000

<b>STATEMENT OF INDEBTEDNESS</b>		
<b>LONG TERM DEBT</b>	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred July 1
General Obligation Bonds	\$33,992,225	\$158,075,415
Other Bonds	\$67,878,523	\$0
Other Borrowings	\$44,847	\$55,000
<b>Total</b>	<b>\$101,915,595</b>	<b>\$158,130,415</b>

\* If more space is needed to complete any section of this form, insert lines (rows) on this sheet. You may delete blank lines.

LANE COMMUNITY COLLEGE  
4000 East 30th Avenue  
Eugene, OR 97405

Board of Education  
June 17, 2020

**RESOLUTION NO. 642  
FISCAL YEAR 2020-2021 BUDGET ADOPTION AND APPROPRIATION**

WHEREAS the Board of Education of the Lane Community College District has received and reviewed the fiscal year 2020-21 Budget as approved by the Budget Committee; and,

WHEREAS the Budget committee approved the budget in the aggregate amount of \$224,954,154 and that the permanent tax rate of \$.6191 per \$1,000 of assessed value be assessed in support of the General Fund;

WHEREAS it becomes necessary on July 1, 2020, for Lane Community College to lawfully make appropriations for funds for which it may initiate its instructional programs and meet its obligations;

NOW, THEREFORE, BE IT RESOLVED that the Board of Education of Lane Community College does hereby adopt the budget approved by the Budget Committee for fiscal year 2020-2021 and appropriates the amounts on the attached schedule to be expended against all budgeted resources commencing July 1, 2020, and expiring June 30, 2021, for the purpose of meeting its obligations.

BE IT FURTHER RESOLVED, that the Chair of the Board file this Resolution with the Lane Community College District's County Clerks and County Assessors on or before July 15, 2020.

Adopted by the Board of Education on this 17<sup>th</sup> day of June 2020.



\_\_\_\_\_  
Mike Eyster, Board Chair

ATTEST:



\_\_\_\_\_  
Margaret Hamilton  
President

LANE COMMUNITY COLLEGE  
4000 East 30th Avenue  
Eugene, OR 97405

Board of Education  
June 17, 2020

**RESOLUTION NO. 643  
IMPOSING AND CATEGORIZING TAXES FOR FISCAL YEAR 2020-2021**

BE IT RESOLVED that the Board of Education of the Lane Community College District hereby imposes the taxes provided for in the fiscal year 2020-21 adopted budget at the rate of \$.6191 per \$1,000 of assessed value for operations and in the amount of \$12,791,000 for Bonded Debt; and that these taxes are hereby imposed and categorized for the tax year 2020-21 upon the assessed value of all taxable property within the district.

	Subject to the Education Limitation:	Exclude from the Limitation:
General Fund	\$.6191/\$1,000	
Debt Services Fund		\$12,791,000

BE IT FURTHER RESOLVED, that the Chair of the Board files this Resolution with the Lane Community College District's County Clerks and County Assessors on or before September 15, 2020.

Adopted by the Board of Education on this 17<sup>th</sup> day of June 2020.



\_\_\_\_\_  
Mike Eyster, Board Chair

ATTEST:



\_\_\_\_\_  
Margaret Hamilton, President



June 17, 2020

Resolution No. 644, Authorizing Budget Transfers for Fiscal Year 2019-2020

**BACKGROUND:**

During each fiscal year, the amount of funds required for operations may differ from that originally estimated and appropriated within expense functions. This annual resolution is necessary to properly align appropriations and expenses.

**RECOMMENDATION:**

Adopt Resolution No. 644 to authorize attached transfers to align expense functions.

**CONTACT:** Zach Evans, Budget Director, 541-463-5107

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**RELEVANT BOARD POLICY:**

POLICY NUMBER: BP260  
POLICY TYPE: Executive Directions  
POLICY TITLE: Financial Planning and Budgeting

LANE COMMUNITY COLLEGE  
4000 East 30th Avenue  
Eugene, OR 97405

Board of Education  
June 17, 2020

**RESOLUTION NO. 648**  
**FISCAL YEAR 2019-2020 BUDGET APPROPRIATION FOR CARES ACT FUNDING**

WHEREAS the Lane Community College Board of Education has received and reviewed the fiscal year 2019-20 Budget Appropriation Request for increased budget authority due to the receipt of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding for direct payments to students, institutional support to offset the "costs associated with significant changes to the delivery of instruction due to coronavirus...", and funding for the Oregon Small Business Development Center Network.

WHEREAS the Special Revenue Fund increased appropriations by \$3,500,000 for a specific purpose;

NOW, THEREFORE, BE IT RESOLVED that the Lane Community College Board of Education does hereby appropriate the amounts on the attached schedule for the purpose of meetings its obligations.

Adopted by the Board of Education on this 17<sup>th</sup> day of June 2020.



\_\_\_\_\_  
Mike Eyster, Board Chair

ATTEST:



\_\_\_\_\_  
Margaret Hamilton  
President



Lane Community College  
Budget Office  
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