



General Library Item

Name Minutes 2009-09-15

Content

LANE COMMUNITY COLLEGE BOARD OF EDUCATION MINUTES September 15, 2009

1. Attendance

Board members present: Bob Ackerman, Pat Albright, Gary LeClair, Roger Hall, Susie Johnston, Tony McCown and Sharon Stiles. Also present were: President Mary Spilde; Executive Assistant to the President Tracy Simms; Vice President Sonya Christian; Chief Financial Officer Greg Morgan; Lane Community College Education Association President Jim Salt; Lane Community College Employees Federation President Bob Baldwin; and ASLCC President James Manning.

A. Chair Albright called the meeting to order at 6:30 p.m.

B. President's Report

Welcome to the first meeting of the 2009-2010 academic year. It's going to be a tremendous year of opportunity and challenge.

One great opportunity is the American Graduation Initiative proposed by President Barack Obama this summer. I attended the announcement in my role as board chair for the American Association of Community Colleges (AACC). This unprecedented investment in community colleges, if approved by Congress, would fund job training, online instruction, and facilities renovations, and would graduate 5 million more students by 2020. Lane already is a leader in healthcare and green energy training, which Obama called for, and we already have strong business and agency partnerships that he said are vital to economic recovery. I was very impressed with Obama's strong and calm leadership style. After the event I interviewed with the Chronicle of Higher Education, KMTR, KLCC, and was quoted in an AP story in The Register-Guard. There are some challenges in the legislation that AACC is working on; there is also a powerful lobby of banks and private colleges that do not support the legislation.

Speaking of media, this summer I also interviewed with the Chronicle about emerging degree programs, and I have completed two articles for the Community College Journal. I am pleased that Lane's ArtWorks initiative was featured in an Oregonian story about the Oregon Cultural Trust awards. I want to thank board member Sharon Stiles for appearing on KCST radio in Florence to talk about Lane. Finally, Lane is one of only 18 colleges to be highlighted in a US Chamber of Commerce report on careers to be released at a conference in Atlanta next month.

It's been a busy summer for several programs—

- Deferred maintenance and bond construction have sped forward at a dust-defying pace, and we're keeping everyone posted online.
- Our Energy Management program won renewed support from EWEB with a five-year, \$713,000 grant. The program also won a three-year, \$810,000 grant from the National Science Foundation for a project called, "Leading Alternatives in National Energy Solutions."
- Lane is one of only eight community colleges chosen to participate in the Walmart Brighter Futures Project to increase services and training to people who are out of work and seeking employment. We will receive up to \$336,500 over two years.
- Our Hospitality program received full, seven-year accreditation, and our Culinary program received full, seven-year re-accreditation. Lane is the only two-year college in the Northwest with both accreditations.
- Our Nursing program was awarded another \$333,000 earmark in the Labor, Health and Human Services bill for 2010, the second such award in two years, thanks to Congressman Peter DeFazio and Senators Ron Wyden and Jeff Merkley.

On the state front, the state budget forecast is down as expected, to \$14.5 billion from \$14.7 billion, assuming that corporate and affluence taxes are not defeated. Opponents have until September 25 to gather signatures for January ballot measures, and the Legislature already has scheduled a special session for February.

We have eight new programs starting this fall, including certificates in Small Business Ownership, Basic Manufacturing, Construction Trades, and Industrial Mechanics and Maintenance; plus new degrees in Construction Trades, Resource Conservation Management, Industrial Mechanics and Maintenance, and Sustainability Coordinator. We're also premiering our Successful Aging Institute for older learners.

I would like to welcome new managers Sheryl Berman, Dean of Health Professions, and Janis Brew, Manager in Human Resources.

Enrollment is up. Credit enrollment is up for fall at unprecedented levels. Registrations are 25% higher compared to the same time last fall. Net registrations for Fall 2009 are 35,903, compared to 28,636 for Fall 2008. Headcount is 18% above this same time last fall - 11,537 for Fall 2009 compared to 9,757 for Fall 2008.

Financial Aid applications are up 55.6%, and as a result processing times are now running 2-8 weeks. As of today we have 1,931 students who have enrolled for fall term and have not been awarded financial aid. We are currently working on August 10, 2009 applications that are complete and ready for review. As of the end of August we have packaged and awarded 7,247 students for this academic year. This represents an increase of 2,319 students over the number of students awarded this time last year (4,928). Students who turned in their FAFSA applications and the supplemental items Lane requires after August 15th will not have an aid award by the October 4th refund deadline. Their aid awards will be offered late in fall term or even in early winter term.

Credit admissions are still open, but more than 50% of the credit sections are filled and all of the Placement Testing spots for fall have been filled. Credit classes at Florence and Cottage Grove still have openings. Students who have not yet taken placement tests will be advised to move their admissions to winter term. They'll take their winter term placement tests beginning September 29th forward, and then will sign up for a Winter SOAR in November or December, allowing them to register early for winter term. Eleven General Education credit morning (9-12) classes were added to the DTC, at least 23 additional sections were added for the main campus.

Additional testing, financial aid staffing support, and advising were staff added and more help was available in the lobby of Building #1. The Titan Store (Bookstore) opened Sept. 14; all cash registers are open and a new online ordering system debuted this week, as well. Notices about the enrollment surge, parking challenges, H1N1 precautions and the Lane Community Cares initiative are featured on the top of our website at lanecc.edu.

Students are receiving reminders in ExpressLane, our on-line registration system and all financial aid applicants for fall who have registered, but not yet completed the process are receiving post cards notifying them of the delay in awards going out.

Lane launched "Lane Community Cares," which is a coordinated effort to provide a way for Lane faculty, staff, managers and friends of Lane to be easily identifiable with bright pink stickers to show that they can help students coming this fall feel welcomed and valued to have a successful start. Our SOAR early orientation for new students served 2,800 students, up from 2,200 last year, and financial aid applications are up 54%, meaning those who haven't filed by now will have to wait until the end of the term or next term to receive their awards.

We're expecting a parking crunch, despite adding 400 spots to our 3,700 base by restriping for compact cars and adding four gravel lots. All we can say is take the bus, carpool, and arrive at least 30 minutes early if you drive.

We're preparing for H1N1 flu with a multi-department team. We have posted information online, distributed posters, and installed hand-sanitizer stations. More work is planned. Help us get out the three key messages: Wash your hands, cover your cough, and stay home if you're sick. Also consider a seasonal flu shot, and if you're in an H1N1 risk group, get the vaccine. It should be available sometime in October.

You might have noticed that the foundation on the new Health and Wellness Center is in and the steel beams are going up. We will be having a couple of donor events to watch them being placed tomorrow and then again next week. If you are interested in attending, Donna can give you the times.

The AACC board retreat and my first meeting as chair took place the first week in August. I had asked staff to make connections with the Obama administration and the media. As a result at our meeting we had the Secretary of Education and Labor, the Under Secretary of Labor and Education, the Under Secretary of Energy, the Under Secretary of Agriculture and the Deputy Assistant Secretary of Education. The Secretary of Labor invited us to the Department of Labor for our meeting in November and subsequently invited Vice President Biden to attend. Jill Biden is already attending our meeting. The Chronicle of Higher Education hosted a reception for us, and I was able to talk to several reporters about Lane and then Inside Higher Education editor joined us. All in all it was a very successful meeting.

It's been challenging to find vacation time, but I hope most everyone managed. I visited my mother in Scotland. She's 93, and while I was there she had an angina attack, not for the first time. She's okay right now. I witnessed national health care in action and was highly impressed by its speed, efficiency and thoroughness. I later took one week to relax at a spa—but I also thought a lot about the coming year.

I presented at the OCCA new board member orientation on Board President Relations. I also presented at the national Council for Resource Development Presidents' Workshop on Fundraising. I attended the Rights of Passage graduation, which was wonderful, and then hosted the Oregon Presidents' Council meeting. A Task Force was established to discuss and come up with recommendations on growth.

Here are few reminders for your date book:

- All-staff in-service is Wednesday, September 23, at 8:30 a.m. in the Center for Meeting and Learning. I hope you can attend.
- Classes start Tuesday, September 29, not Monday.
- The Harvest Dinner is Wednesday, October 28, in the Center for Meeting and Learning. Stephanie Pearl Kimmel will be the guest chef.
- The OCCA conference is October 29-30 at Lane in the Center for Meeting and Learning. Special guest will be U.S. Undersecretary of Education Martha Kanter.
- Finally, remember that our interim accreditation visit is November 4.

2) July and August Highlights

July and August highlights at Lane Community College as offered in the board mailing were presented.

3) Personnel

The college's current personnel appointments were presented.

C. Board Agenda Review/Changes

Discussion item 4-D, Downtown Campus, was moved to item 1-E.

D. Statements from Audience

No statements from the audience were offered.

E. Downtown Campus

Spilde introduced Susan Muir and Mike Sullivan from the City of Eugene. Spilde pointed out the pros and cons of the two sites that have been considered, 10th and Charnelton and the Centre Court site. The priority of the college is to meet the needs of the students and the college. The City of Eugene and Lane have mutual economic, environmental, and social sustainability goals. Spilde informed the board of a recent poll conducted by the City regarding downtown development in which Lane's Downtown Campus received strong support. Lane's key goals in building a downtown campus are to maintain a strong downtown presence, offer a sustainable building that demonstrates green technology and meets LEED building standards, serve the current population as well as add new training for health professions, energy management, and renewable energy, and employee training. Once the site is selected, we can engage with an architect to develop the design work. Some funding still needs to be obtained; the college is pursuing a number of options for financing, including new market tax credits, American Graduation Initiative funding for facilities, energy credits, and urban redevelopment funds from the City of Eugene. After careful consideration of the sites with staff, the college is recommending the 10th and Charnelton site as best meeting the needs and goals of the college.

Hall moved that the board authorize the president to enter into discussions and negotiations with the City of Eugene regarding the acquisition of the 10th and Charnelton site and disposition of the existing site. LeClair seconded.

Motion passed unanimously.

LeClair left the meeting at 7 p.m.

2A. Consent Agenda

McCown moved, and seconded by Johnston, to approve the Consent Agenda consisting of:

- The approval of the July 8, 2009 meeting minutes
- The approval of the July 21, 2009 special meeting minutes
- The approval of the August 17, 2009 special meeting minutes
- Approval of Architect for Building 10 Projects

Motion passed unanimously.

3. Policy Review**A. Second Reading****1. Definition of a Balanced Budget, E.010**

McCown moved, seconded by Stiles, to approve the second reading of board policy E.010, Definition of a Balanced Budget.

Motion passed unanimously.

POLICY NUMBER: E.010

POLICY TYPE: BUDGET AND FINANCIAL

POLICY TITLE: DEFINITION OF A BALANCED BUDGET

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 or 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

ADOPTED: January 14, 2004

REVIEWED: November 8, 2006

REVIEWED: September 15, 2009

2. Unappropriated Ending Fund Balance, E.020

Johnston moved, seconded by Hall, to approve the second reading of board policy E.020, Unappropriated Ending Fund Balance.

Motion passed unanimously.

POLICY NUMBER: E.020

POLICY TYPE: BUDGET AND FINANCIAL

POLICY TITLE: UNAPPROPRIATED ENDING FUND BALANCE

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.

ADOPTED: January 14, 2004

REVIEWED: December 6, 2006

REVIEWED: September 15, 2009

B. First Reading

1. Ending Fund Balance, E.030

The board discussed whether any excess above 6% in the Ending Fund Balance should be spent on one time expenditures, as is stated in the policy below, given the fact that the 5% Ending Fund Balance policy is well below standards of other colleges. The board requested a breakdown of other Oregon community college ending fund balance policies and actual. Albright requested that words in quotes, such as "target," be explained in the policy or the quotes be removed.

Spilde stated that the college would review financial policies E.030, E.040, and E.050 together and bring back any recommendations for revisions at the October meeting.

POLICY NUMBER: E.030

POLICY TYPE: BUDGET AND FINANCIAL

POLICY TITLE: ENDING FUND BALANCE

Lane Community College shall maintain an "unrestricted" General Fund Ending Fund Balance equal to approximately 5% of total budgeted expenditures. This amount shall be considered a "target" and the target range may fluctuate up to 1% above or below the target from year to year depending on financial conditions and the needs of the college. The Ending Fund Balance target shall include the Unappropriated Ending Fund Balance (UEFB) as set by board policy E.020. When the Ending Fund Balance falls to 4% or less, the college shall adopt a plan to replenish the Ending Fund Balance to 5% within two years. When the Ending Fund Balance exceeds 6%, the excess shall be set aside for 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.

ADOPTED: January 14, 2004

REVIEWED: February 14, 2007

2. Stabilization Reserve Fund, E.040

Spilde noted that only once has the board directed the president to put money into this fund, and it was spent the following year. Given the fact that the outcome of upcoming tax measures is uncertain, this might be the year to place money into this fund until January, when we will know more about the tax measures. It would mean approximately \$2.5 million for Lane if the measures don't pass.

Kay Malmberg, Budget Analyst, informed the board that this policy was created to meet the requirements of Oregon budget law; this policy allows a stabilization reserve fund to be established if it becomes necessary.

As in the previous policy, Albright requested that words in quotes be explained in the policy or the quotes be removed.

Ackerman requested that the college review the statement: "Minimum reserve levels shall be at the discretion of the board under advice from the budget committee," which may not be feasible.

Spilde stated that the college would review financial policies E.030, E.040, and E.050 and bring back any recommendations for revisions at the October meeting.

POLICY NUMBER: E.040

POLICY TYPE: BUDGET AND FINANCIAL

POLICY TITLE: STABILIZATION RESERVE FUND

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 budget committee and 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.

ADOPTED: January 14, 2004

REVIEWED: January 10, 2007

3. Capital Reserve Funds, E.050

Spilde stated that the college would review financial policies E.030, E.040, and E.050 and bring back any recommendations for revisions at the October meeting.

POLICY NUMBER: E.050

POLICY TYPE: BUDGET AND FINANCIAL

POLICY TITLE: CAPITAL RESERVE FUNDS

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.

ADOPTED: January 14, 2004

REVIEWED: February 14, 2007

4. Discussion/Action Items

A. Health Clinic Presentation

Mona Arbuckle, Health Clinic Director, presented information on Lane's Health Clinic. The clinic serves primarily students but is also available to staff. About 70% of Lane students do not have health insurance. The clinic offers primary care, acute care, family planning, immunizations, emergency response, mental health and education and prevention resources to both students and Lane employees. The Health Clinic provides care from doctors and nurse practitioners, an RN, a medical technologist, and the support staff possess a variety of medical experience and training. The clinic was established in 1969, and a new clinic was built in 2005. The clinic plays a major role in student retention by getting the students the care that they need, reducing the time away from campus for health care visits, and providing patient health care education.

B. Facilities Update: Bond and Deferred Maintenance

David Willis, Facilities Manager, updated the board regarding deferred maintenance projects. Bob Mention, Project Manager, provided an update on bond projects.

C. Budget Committee Appointments for Zones 1, 3, and 5

McCown moved, seconded by Johnston, to approve the appointment of Ron Green, Zone 1; Jennifer Ocker, Zone 3; and the reappointment of Marston Morgan, Zone 5, to the Lane Community College Budget Committee to complete three-year terms effective immediately and ending June 30, 2012.

5. Accountability/Reports

A. Key Performance Measures

Craig Taylor, Institutional Research, Assessment, and Planning director, responded to questions and comments on the following Key Performance Measure:

- Associate Degree Completion – Percentage of Students in Associate's Degree Programs Who Obtain an Associate's Degree

B. Treatment of Staff Monitoring Report

Carr responded to questions and comments on the Treatment of Staff Monitoring report.

6. Reports

ASLCC President James Manning reported that 15 students were sent to the Oregon Community College Student Association conference. ASLCC is gearing up for the voter registration drive; this year's goal is to get 900 students registered to vote. A survey was sent out to the student body to determine goals for the year.

LCCEF President Bob Baldwin noted that the college is having its 45th anniversary next month and has yet to hire a woman in the skilled trades area. The matter should be referred to the Diversity Council as a priority to see if there's something the college can be doing to hire women in that area. The union has some issues with the Treatment of Staff report as not being entirely accurate. The union looks forward to being involved in the revision of the harassment complaint procedure; the college's legal counsel is not regarded as an entirely neutral party. Baldwin gave praise to the Health Clinic, stating that patients receive quality care unmatched by that in the community. Staff use of the clinic also helps to reduce insurance claims. Baldwin hopes to engage with the college and state community on the upcoming tax measures much like was done during the bond measure campaign. LTD has agreed to provide employee bus passes for a trial period.

LCCEA President Jim Salt stated that enrollment is up 25%. Since the college did not predict such a high increase in enrollment, there should be a \$2.5 million net gain that was not budgeted. Salt reported that NEA is supporting the American Graduation Initiative. Although this is primarily a step forward for community colleges, there are also some negative aspects. It will be supported due to the increase in funding to community colleges; the negative components will be dealt with as they arise. In regards to the expanded Downtown Campus, the college needs to budget for an appropriate level of both full-time and part-time faculty. For example, the Energy Management program should be expanded, but part-time faculty will likely not have the commitment level necessary to accomplish an expansion. The faculty union has some concerns regarding the Treatment of Staff report, and particularly the complaint procedure. Salt looks forward to progress on revising the procedure.

Vice President Sonya Christian, in response to Salt's comment, acknowledged the enrollment increase and stated that funding from a temporary increase in enrollment does not go into a permanent revenue stream. Christian celebrated several of Lane employees for their commitment to the college, such as Don McNair, Ken Murdoff, the Enrollment Services Staff, Dave Willis, Dennis Carr, and Todd Lutz.

Chief Financial Officer Greg Morgan reported that Bookstore sales are up 40% from this time last year. The Aviation program will be holding a national auction on September 19.

Board Reports

Hall noted that state funding for FTE will not automatically increase if other community colleges are having the same spike in enrollment. In response to Baldwin's statement on the hiring of women in the skills trades area, Hall stated that the college should not be criticized for failing to hire those that do not apply for open positions.

Stiles noted that this was the first meeting of the board of education she has attended and that she was proud to be a part of the board.

Albright participated in the Relay for Life and had a great experience. He also helped to staff the Lane Community College booth at the Lane County Fair. Albright thanked Kathy Calise and Irene Willoughby for organizing and hosting a tour for him at the Downtown Center.

7. Date, Place, and Proposed Agenda Items for the Next Regular Meeting

Monday, October 19, Boardroom, Building 3, Lane Community College

8. The board meeting unanimously adjourned at 8:04 p.m.

Mary Spilde, President/District Clerk

Pat Albright, Board Chair