



General Library Item

Name Minutes 2009-10-19

Content

LANE COMMUNITY COLLEGE BOARD OF EDUCATION MINUTES October 19, 2009

1. Attendance

Board members present: Pat Albright, Roger Hall, Susie Johnston, Tony McCown and Sharon Stiles. Members absent: Bob Ackerman, Gary LeClair. Also present were: President Mary Spilde; 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

Let me begin by wishing everyone a happy anniversary. Forty-five years ago today, local voters formed Lane Community College in a special election, by a margin of 5 to 1.

We held in-service on September 23. Thank you to Chair Pat Albright for his welcoming remarks, and to past Chair Susie Johnston for attending.

Fall term is off to an exhilarating start. We had a smooth opening, which is a tribute to planning and a genuine concern for students. Currently, credit enrollment is up 20 percent in registrations, and 17 percent in headcount. Parking exceeded capacity the first week, even though we had 4,000 spots thanks to added gravel lots and restriping for compact cars and motorcycles. Last fall we had 3,700 spots. Students seemed prepared, and Facilities and Public Safety staff assisted in the lots and roadways. Perhaps you heard about the 80-year-old student who became exhausted after searching for his car. He could only remember that he parked in a spot for people with disabilities. Public Safety located his car, picked him up, and delivered him to his vehicle. Public Safety Manager Katherine Vos led a crew that provided parking guidance from 9 a.m. to 2 p.m. daily during the first week of classes, and by the week of October 5 we no longer needed to provide assistance. Facilities Director Dave Willis said FMP got through the first day without a single emergency, which was a first. I want to extend thanks to our community partners for helping get the word out about parking and transportation, including LTD, ODOT, and School District 4J. Finally, special kudos to Vice President Christian, who persuaded the Lane County Sheriff's Office to avoid ticketing students for parking creatively on road shoulders the first several days of the term.

I also want to thank management, staff and faculty for quickly organizing the Lane Community Cares campaign to assist students this fall. Participants wore pink stickers that said "How Can I Help You" and made themselves available to help students find classrooms, or food, or get online—whatever was needed. We also posted alerts on our home page and e-mailed alerts to students and employees. Special thanks to Sonya Christian, Kate Barry, Ken Murdoff, Helen Garrett, Jim Salt, Bob Baldwin, Doug Smyth, and Marcia Bell for their leadership and enthusiasm for this campaign. Here are a few numbers from the first two weeks:

- TitanStore customer counts were up 30 percent;
- IT responded to 280 service requests, an increase of 50 percent;
- We disbursed \$16.9 million in financial aid to 5,484 students by October 8; this is a 47 percent increase in funds, and a 32 percent increase in the number of recipients.

- Food Services added 4 food outlets to alleviate long cafeteria lines;
- The Welcome Booth served 60 gallons of hot beverages and 4,000 customers on the first day, another record.

Thanks to Pat Albright for volunteering at the booth;

- The Downtown Center scheduled 18 additional credit classes and offered discounted parking coupons;
- Finally, besides serving lots of students, our Florence Center also had a tsunami warning. However, Director Bob Purscelley said by the time it reached Florence, the wave measured three-sixteenths of an inch.

Last year's enrollment figures are in. Our total FTE increased 15.7 percent, compared to a statewide increase of 11.2 percent. Our unduplicated headcount was 36,909, an increase of 7.4 percent, compared to a statewide average headcount increase of 0.3 percent.

You may have seen NBC's new sit-com called "Community" set at a fictional community college. So far the most amusing thing is how little it recognizes the real benefits of community colleges. If you want to express an opinion, go to AACC's website and join their blog. The show airs Thursdays at 9:30 p.m.

We are excited about the possible future of the Hynix plant as a solar cell manufacturing facility. We can help train the potential workforce through our energy programs and our employee training services.

On another note, last year's Hynix closure will affect the local tax base since the plant's assessed value has fallen. But Hynix owes a tax penalty since it did not qualify for an enterprise zone tax break, and we will receive a small amount from that. We won't know how much until sometime next month.

We also know that the collection rate for assessed taxes is dropping, but we accurately estimated the change, and actual collections came very close to expected amounts.

The State Board of Education implemented a funding formula rule change to pull more funding from the larger colleges, including Lane, to buoy the smaller colleges. Under the rule change, the amount siphoned from the total \$450.5 million Community College Support Fund to a strategic fund will rise from 1 percent to 1.33 percent. This could cost Lane up to \$314,000, but some of that might be covered by the strategic fund. The rule change has the support of the Oregon Presidents Council.

Our deferred maintenance projects reached a bittersweet milestone. We have substantially completed many projects, but that meant we had to lay off 26 of our 64 temporary project employees. Even in their short time with us, they became part of our campus community.

The American Graduation Initiative continues to make its way through Congress. In September, the House passed the plan as part of the Student Aid and Fiscal Responsibility Act, HR 3221. The bill, which includes \$12 billion for community colleges, reforms the Direct Loans program and boosts funding for the federal Pell Grant program, now moves to the Senate. It is expected to be taken up later this month or early next month, once the HELP (Health, Education, Labor and Pensions) Committee finishes its work on the Senate's healthcare bill.

The US Senate passed the Energy and Water Development and Related Agencies Appropriations Act of 2010 last Thursday. The legislation, now on its way to President Obama for his approval, includes a \$550,000 federal appropriation for Lane's Energy Program. The earmark will be used to purchase equipment for the new Downtown Campus. Special thanks go to Senators Ron Wyden and Jeff Merkley and Congressman Peter DeFazio for all their hard work on this.

Opponents of the \$733 million tax package passed by the Oregon Legislature earlier this year have collected enough signatures to put the two measures before voters on a January 26 special election, the Oregon secretary of state's office announced earlier this month. The first independent study of the tax increases, prepared by the nonpartisan Legislative Revenue Office and released on September 30, concluded that Oregon's economy would be better off with the tax measures left in place, which contradicts claims made by the anti-tax forces.

State legislators from the Eugene-Springfield area will be holding a town hall meeting with Lane students on November 16 from 11:30 am - 12:30 pm in the Boardroom. Following their visit with students, they will tour many of the completed state stimulus-funded projects on campus.

State Representative Nancy Nathanson visited campus on October 12 to tour the Health Professions department, the new Health and Wellness site, and view some of the completed state stimulus-funded projects.

Oregon Speaker of the House Dave Hunt will be on campus October 30 to speak to the OCCA Conference as well as take a brief tour of campus to see how Lane is assisting to rebuild the state's economy.

I want to thank board chair Pat Albright, board members Tony McCown and Susie Johnston, and government relations director Brett Rowlett for joining me at the 40th Annual ACCT congress in San Francisco this month. The conference included a joint session with AACC on federal relations.

We launched our second academy of Aspiring Leaders this month, our internal leadership development program. This year we have 21 participants.

On September 29 and 30, I attended a meeting of the Bill Gates Foundation in Seattle.

University of Oregon President Lariviere visited Lane on October 14. Lane and the U of O share over a thousand transfer and dual enrolled students every year; President Lariviere and I agreed that our colleges need to work together to support these students.

Lane will be holding two perimeter planning charettes in October. You may recall that Professor Mark Gillem from the University of Oregon Architect Program visited that board last year. A design studio from the UO Architectural program, under the guidance of Professor Gillem, is working to define a long-range vision for Lane's future at the 30th Avenue main campus. The charettes are community planning sessions to determine the best use of our land. One charette was held today; the other will be held October 24.

H1N1 is officially here. The Health Clinic has seen confirmed cases of H1N1. Students and staff have been advised to stay away if they have flu-like illnesses.

Finally, here are some events to look forward to if you don't already have these on your calendars—

- The Harvest Dinner is Wednesday, October 28th, in the Center for Meeting and Learning.
- The OCCA annual conference is October 29th and 30th in the Center for Meeting and Learning. Special guests will be U.S. Undersecretary of Education Martha Kanter; ACCT CEO J. Noah Brown; President of the National Center for Public Policy and Higher Education Pat Callan; and Google Executive Ken Patchett.
- Our interim accreditation visit is November 4 and 5.
- The annual Oregon Diversity Institute will be held at Lane on November 5.
- And the college's 50th anniversary bash will be October 19, 2014.

2) September Highlights

September 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

No changes were made to the agenda.

D. Statements from Audience

No statements from the audience were offered.

2A. Consent Agenda

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

- The approval of the September 15, 2009 meeting minutes
- The approval of the 2010-11 Academic Calendar
- The approval of the architect for Buildings 4 and 5

Motion passed unanimously.**3. Policy Review****A. Second Reading****1. Ending Fund Balance, E.030**

Morgan distributed a handout showing the ending fund balance policies and actuals of other Oregon community colleges. The average ending fund balance fund is 9 to 11 percent. While Lane's policy is adequate, we should continue to try to increase the balance. Morgan informed the board that Lane's ending fund balance does affect our bond rating. Comparison data shows Lane lower than other colleges, who are receiving better ratings.

Hall moved, seconded by McCown, to approve the second reading of board policy E.030, Ending Fund Balance.

Motion passed unanimously.

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 or greater than 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 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.

ADOPTED: January 14, 2004

REVIEWED: February 14, 2007

REVISED: October 19, 2009

2. Stabilization Reserve Fund, E.040

McCown moved, seconded by Stiles, to approve the second reading of board policy E.040, Stabilization Reserve Fund.

Motion passed unanimously.

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

REVISED: October 19, 2009

3. Capital Reserve Funds, E.050

McCown moved, seconded by Johnston, to approve the second reading of board policy E.050, Capital Reserve Funds.

Motion passed unanimously.

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

REVIEWED: October 19, 2009

B. First Reading

1. Budgeting of Nonrecurring Resources, E.060

No changes were recommended to this policy. A second reading will be held in November.

POLICY NUMBER: E.060

POLICY TYPE: BUDGET AND FINANCIAL

POLICY TITLE: BUDGETING OF NON-RECURRING RESOURCES

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 may be allocated for 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 the 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.

ADOPTED: January 14, 2004

REVIEWED: March 14, 2007

2. General Fund Contingency, E.070

No changes were recommended to this policy. A second reading will be held in November.

POLICY NUMBER: E.070

POLICY TYPE: BUDGET AND FINANCIAL

POLICY TITLE: GENERAL FUND CONTINGENCY

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.

ADOPTED: January 14, 2004

REVIEWED: April 23, 2007

4. Discussion/Action Items

A. Accreditation Interim Report

Christian distributed copies of the interim accreditation report and responded to questions and comments.

Accreditation standards are set by the Northwest Commission on Colleges and Universities (NWCCU). The report has been submitted to NWCCU, and the interim accreditation visit is scheduled for November 4 and 5. Representatives from the accreditation team described reports on Standards One through Nine.

B. Strategic Directions Review: An Update

Christian explained that several campus-wide discussions are scheduled to take place throughout the next month to gather input on topics for strategic directions. A recommendation will be brought to the board at the December meeting.

C. Facilities Update

Willis and Mention responded to questions and comments regarding the facilities update on bond and deferred maintenance projects.

D. Downtown Campus

Spilde reported that she recently met with Eugene City Manager, Jon Ruiz, to discuss plans for the downtown campus. The next step is to work with the attorneys to finalize a deal on the 10th and Charnelton site, which should take place in the next five to six weeks.

5. Accountability/Reports

A. Benchmarks

Craig Taylor, Institutional Research, Assessment, and Planning director, responded to questions and comments on the following Benchmarks and Accountability Reports:

- Lane Students Enrolling in OUS Institutions – Where Do They Go?
- Oregon Community College Key Performance Measure #15
- Lane Key Benchmark – Lane Transfer Students Admitted to the Oregon University System – Graduating and Stopping Out
- Lane Key Benchmark – OUS PA's of Transfer Students

6. Reports

ASLCC President James Manning reported that the student government is ready to survey students for the issues that they want to focus on for this year. ASLCC has reached 58 percent of its goal on voter registrations. The student government will be sending students to the Oregon Students of Color Coalition on November 13 & 14.

LCCEF President Bob Baldwin gave kudos to those who prepared for the surge in enrollment, and especially Helen Garrett, Enrollment Services, Dave Willis, Facilities Management and Planning, Brian Kelly, Food Services, and Jen Steele, TitanStore, for the smooth operations in their areas even with the increased number of students. He recently attended a meeting of the future workforce committee as part of his work on the Lane Workforce Partnership board. Lane was praised for our flexibility in the Energy Management program to meet industry needs. Some concerns were raised to do with our capacity to deliver distance learning content. Baldwin noted that the network servers in Information Technology have some limitations that could be addressed in the bond projects. There are some public safety concerns in the community regarding the 10th and Charnelton site for the Downtown Campus, and Baldwin hoped that it can be addressed as site plans are made.

LCCEA President Jim Salt clarified that he had not asked to use funds from the enrollment increase for a recurring expense. LCCEA met with the college last week to address the additional tuition dollars and fees and made a proposal which addresses the high number of faculty vacancies. Vacancies have been a problem for years, and it is even more of an issue this year with the enrollment increase. Salt distributed a spreadsheet which showed the percentage of full-time faculty and contracted salaries compared to other Oregon community colleges.

Vice President Sonya Christian reported that administration is in support of Salt's argument that we need to pay more attention to faculty vacancies and full-time faculty positions, understanding that we need to also consider long-term fiscal sustainability. Christian complimented Baldwin's work on the Lane Workforce Partnership board. He provides a good voice for Lane. Lane will be spearheading a consortium on health information technology. Christian praised Spilde for her involvement with Gates Foundation and other national organizations. Lane benefits from Spilde's involvement by getting previews of upcoming issues and events. Spilde's national involvement also helps the executive team in thinking about national issues involving community colleges. Lane also receives more funding for grants and such because of Spilde's national leadership.

Chief Financial Officer Greg Morgan recognized all of the folks that did so much to get ready for fall term to begin, such as Printing and Graphics, Facilities and Management Planning, and the Health Clinic.

Board Reports

Hall thanked everyone for managing the enrollment increase and serving additional students this fall.

Stiles reported that, while she is feeling more comfortable with the board meetings, she knows that there is still a lot to learn. She noted that Bob Purscelley, Florence Center Director, is home from the hospital and doing well after having had surgery last week.

Albright attended the ACCT Congress in San Francisco this month and left there feeling truly fortunate to be on the board at Lane. He attended the meeting of the Lane Economic Committee this month, where a discussion was held regarding what kinds of jobs we should be training people for in the future. He also attended a meeting of the Oregon State Board Association to hear more about what is being done to support Measures 66 and 67. He distributed a recommended resolution for the board to consider for the November meeting. He acknowledged Larry Romine's publication "The Parnell Years."

Johnston noted that even with all of the challenges with the beginning of the term, the organization of student and staff parking was very impressive. Also, the Lane Community Cares efforts were very helpful to new students.

Johnston complimented Albright on his inservice speech and thanked him for representing the board. She attended the ACCT Congress and hopes that Lane can present at a congress in the near future. She noted that Spilde is known in every city nationwide.

McCown attended the ACCT Congress. It was phenomenal to compare Lane to other colleges and see how well we are doing. McCown announced his candidacy for county commission last week. All three candidates have a tie to Lane.

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

Wednesday, November 4, Boardroom, Building 3, Lane Community College

8. The board meeting unanimously adjourned at 8:17 p.m.

Mary Spilde, President/District Clerk

Pat Albright, Board Chair